# **Building Community Partnerships**



## **Building Community Partnerships**

- Why Community Buy-in?
- Fundamentals of Process
  - Public Policy Framework
  - 3 Critical Elements



## Why Community Buy-in?

Redevelopment and economic development do not happen in a vacuum, and the process can be highly political.



## Why Community Buy-in?

- Diversion of tax dollars for private development can be controversial
- Raises policy questions regarding the proper role of government
- Issuance of "public" debt for "private" development can be unsettling
- Tax revenue "diverted" from other municipal services
- The TIF mechanism can be difficult to understand
- Redevelopment can trigger emotional responses



#### **Fundamentals of Process**

Failure to understand the TIF process will cause the community buy-in process to fail before it begins. Understand the tool and build the process well in advance of any development activities.



#### **Public Policy Framework**

- The use of TIF ultimately comes down to sound policy and practice at the state and local levels.
- States and local govt. can alter TIF use through legislative improvements and policy that dictates tool application.
- The development of procedures and guidelines is the fastest growing area of the TIF industry.



### Policy Framework – First Step

- Developer vs. Community Driven TIF decide how TIF will be used and who will be the driver.
  - Developer Projects generated by private sector and brought to local govt.
  - Community Plans and strategies for employing tool with vetted system and process.



#### **Fundamentals of Process**

- 3 Critical Public Policy Framework
   Elements
  - 1. Due Diligence
  - 2. Transparency
  - 3. Accountability



#### **Due Diligence – Do the Work**

- Go through all the step necessary to ensure an acceptable level of satisfaction.
  - Take a conservative approach
  - Application process and fees are okay
  - Crunch all the numbers and do the math
  - Request more data
  - Ask lots of questions
  - Be thorough and dig deep
  - Seek partnerships with developers who want to provide all the numbers
  - KEY Don't accept assumptions



### **Due Diligence – "But for" Test**

- The "but for" test is a public policy test for measuring the appropriate need for TIF financing.
- Major part of the community buy-in process.
- TIF authorizing agencies should be conducting this test for every project.



#### Why is this test important?

- Provides a rational and justification for approving TIF funding.
- Eliminates the argument that the funding is "corporate welfare".
- Sets the appropriate amount of TIF funding for the project. The project may not require 100% of the TIF funds for debt service and this test will help establish the necessary financing.



#### **Due Diligence – "But for" Test**

- The test should be conducted using financial models or impact programs and outside professionals are almost always more equipped to crunch the numbers.
- Seek professionals if uncertain. They provided a 3<sup>rd</sup> party point of view and are invaluable to the process.
- Be aware and beware of the assumptions!



# Transparency – It's All Out There

- It is not enough to act transparent, you must actually be transparent:
  - Best Practices open meetings, open records, all laws followed, sound leadership, community events, web/newsletters, single point of contact, etc.
  - Address Failures play the "what if" game and answer the "what now" questions.



### **Identifying Community Stakeholder**

There are numerous stakeholders to be considered when formulating a TIF plan. Engaging and understanding the sometimes disparate interests of these stakeholders is an important consideration in successful TIF implementation.



#### **Potential Stakeholders**

- Neighborhood groups, development corps.
- Governmental jurisdictions, including elected officials
- Business leaders, either active in the area or participating in the project
- Citizen associations, trade groups, watchdogs
- Schools, other authorities



#### **Consensus Building**

There is almost no way to have 100 percent agreement on every point in redevelopment.

Building consensus among the primary stakeholders, where consideration is given to all varying interests, is important and will make the process much less contentious and implementation far smoother.



### **Consensus Building**

- Reach out to all stakeholders early in the process
- Additional participation ensures maximum performance
- Host information meetings, design charrettes, moderated planning symposiums and presentations and redevelopment workshops



#### **Consensus Building**

- Determine primary, secondary and tertiary considerations for various stakeholders
- Be prepared to compromise and be creative in addressing conflicting objectives or interests
- Strategize for plan changes, roadblocks and find champions for solutions that come from third party supporters (not always the government entity) (i.e. Federal Reserve in Kansas City)



### **Community Involvement**

The most successful redevelopment programs tend to have significant community involvement from the beginning of the process through implementation and completion.



## **Community Involvement**

- Individualized meetings with civic groups
- Create community advisory committees
- Create neighborhood review committees
- Promote meetings, groundbreakings and openings



#### **Constant Communication**

Keeping the community stakeholders informed regarding the progress of developments, future opportunities and past successes leads to a better understanding of the usefulness of TIF as an economic development and redevelopment tool.



#### **Constant Communication**

- Have a designated contact person for information relating to TIF
- Annual or semi-annual meetings to discuss the state of redevelopment in the community
- Monthly or quarterly newsletters updating the community on the progress of TIF activities
- Well designed Web pages with status reports, statistics on the overall impact of redevelopment and future goals of the TIF



#### Accountability – You Can Do It!

- Be accountable to stakeholders, report success and failure, draft policies that meet goals and objectives. For instance:
  - Application and approvals process
  - Use standards industrial, blight, retail philosophy
  - Investment participation level policy
  - Geographical targeting policy
  - Transportation and housing policy



#### **Establishing Goals & Objectives**

Successful redevelopment programs across the country almost always have one thing in common: Clear goals and objectives agreed upon by all stakeholders.



#### Accountability

- Consider what the broader goals are in pursuing TIF:
  - Big picture items (jobs, investment, physical change)
  - Master plan, redevelopment strategy, etc.



#### Accountability

- Create process for vetting TIF developer assistance
- Establish a framework for community input
- Determine how TIF implementation can best meet objectives
- Document steps taken and results to aid in debt approval at the public level



#### Accountability

- Detail the fiscal impact for each entity
- Diagram the increment financing process
- Provide sufficient analysis of the economic and fiscal impact and benefit to the city



#### **Success Story**





<u>Development</u>

Brownfields Redevelopment Building Regulation **Business Incentives** Central Park of Gahanna Creekside Redevelopment Community Development Economic Development Office & Industrial Space Planning & Zoning

<u>Emergency Management /</u> <u>Communication</u> Engineering inance Human Resources Mayor's Office Mayor's Court Parks and Recreation Service Technology

Departments Eveekside

A New Heart for Olde Gahanna...





In October 2004, the revitalization of Olde Gahanna took a major leap forward with the beginning of the New Creekside Project redevelopment and park extentsion along Mill Street and Creekside Park, Come Witness Olde

Gahanna's transformation into central Ohio's ultimate destination. Fine dining, unique shopping, conveniently located offices, and stunning residences, along the expanded public parking and new community gathering speae, will soon make olde Gahanna truly the place to live, work, and play.

This next major phase of Olde Gahanna's revitalization is the result of over a decade's worth of investments of time, money, and vision by the Gahanna, its leaders, its citizens, and its businesses in the Creekside Project. You can learn about the project and the Creekside Story at the links below:

Click Here to start the Creekside story.

The Creekside Story...

#### Live Video Feed

Camera 1 Camera 2

#### **Current Project**

Background Information Timeline

Overall Revitalization Project

Overview

#### General Information

Development Dept. 200 South Hamilton Gahanna, OH 43230

(614) 342-4015 (614) 342-4116 Fax

Hours of Operation 8:00 AM - 5:00 PM M-F

Contact Development

#### Project Information

Creekside will be an exciting combination of residential, commercial, retail and community spaces.

- See the Buildings
- See the Mill Pond
- · See the Project
- · See the Site Plan
- Year End Report Presentation\*

\*Requires Microsoft Powerpoint to view

#### Publications

 Creekside Project Summary

#### **Success Story**



## **One Final Thought**

- The goal of all public policy is to set the tone for the use of financing tools. However, be flexible and understand that the development process is a partnership. Both parties must be willing to work together to address differences in a constructive manner.
- The goal of our industry is to be supportive and to catalyze economic development in our community.

