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Abstract

This model economic development policy is designed to supplement the comprehensive plans of communities participating in the Mayors' Redevelopment Roundtable (MRR). It contains strategies that will increase the tax base, add jobs, reduce per capita municipal costs, and create new land uses that are needed to transform the local economy so that other critical comprehensive plan objectives can be addressed. It can be adopted as a whole or used as a menu of options to guide municipal actions regarding economic development according to local needs.

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Resource

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MODEL COMPREHENSIVE ECONOMIC DEVELOPMENT POLICY

August 2015

Table of Contents

Overview

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Its intent is to:

- Inform local citizens, policy makers, and staff regarding economic development opportunities, market conditions, and development financing;
- Guide future land use planning and regulatory strategies, the provision of property tax relief, and other incentives for economic development projects;
- Enable the community to be development-ready with a streamlined development process;
- Inform planning of local capital budgets for needed infrastructure;
- Make the community more competitive for state and federal grants for economic development projects;
- Provide links and citations to sources of information regarding local economic development; and
- Continue the development of regional cooperation among the communities participating in the Mayors' Redevelopment Roundtable, consistent with important principles of state laws and programs.

Policies and Strategies: As a supplemental document, this model does not analyze specific local strengths and weaknesses, deal with existing parcels of land or actual development projects, or contain community-specific demographic and economic data. Many of these matters are dealt with in current comprehensive plans or will be dealt with as those plans are updated. This model, rather, sets the stage for critically-needed development projects and informs potential employers and developers that the community is development ready.

Building Local Consensus: In the process of reviewing, revising, and approving this document, local legislative leaders and the public will increase their knowledge of market realities and successful urban policies. That understanding will help each community develop its unique approach to urban center redevelopment and build the kind of support that is necessary for sustaining that approach over time, all within a regional context that will increase MRR communities' competitiveness for needed economic development grants and loans.

Model Comprehensive Economic Development Policy

City/Village of __________________________

Section 1. Findings and Principles

A. Urban centers are critical to regional economic development success. The importance of urban centers to sustainable regional economic growth and development, to preserving the environment, and to meeting emerging market needs is becoming clearer every year.

B. Revitalized and livable urban centers are increasingly more competitive in attracting economic development. Recent economic studies indicate that urban communities that are livable and walkable attract sought-after workers and their employers and have higher Gross Domestic Product per capita, percentages of college graduates over 25, and higher real estate values and rents. To attract employers and developers, neighborhoods must have compact, mixed-use development at economically-feasible densities, supportive infrastructure, access to transit, and a variety of retail, service and natural amenities.

C. Urban communities cooperating in regional compacts of municipalities that are sharing strategies and services are more competitive in applying for grants from state agencies. The communities participating in the Mayors' Redevelopment Roundtable are located in the same region, have identified a common set redevelopment issues, and are working together on joint strategies to address them. These strategies are consistent with the Mid-Hudson Region Economic Development Council's (MHREDC) Strategic Plan for economic development and its Regional Sustainability Plan.

D. The public benefits achieved through urban economic development are several and further the funding priorities of state agencies. These benefits include:
   - Fostering regional economic development by providing transit, education, housing, government jobs and medical services to the surrounding communities;
   - Increasing jobs;
   - Increasing urban real property values;
   - Increasing property and sales tax revenues;
   - Decreasing per capita costs of public services;
   - Providing resources to remediate distressed properties and provide services and stability to current residents;
   - Lowering fossil fuel use and CO_2 emissions;
   - Conserving energy;
   - Preserving natural resources and agricultural lands; and

- Enhancing the quality and affordability of life for urban residents.

E. The economic development policies of a successful urban community must be market-realistic. To establish successful and market-realistic economic development policies the local comprehensive plan must be consistent with up-to-date facts regarding local, regional, and national markets, development trends, and available equity and debt financing, including the types of economic development projects that can attract available financing.

F. To attract employers and developers, urban centers must have clear policies favoring market-realistic projects and have streamlined development review processes. Investment criteria of developers and those who provide debt and equity financing for development require urban communities to be clear about their economic development objectives. Those objectives must be consistent with the demand for redevelopment in the market area, the land use regulations that support such development must be in place, and the development review process must be predictable and streamlined. In brief, communities must be development ready.

G. Job development and tax base enhancement are first order economic development objectives that must be met for fiscally-challenged, older urban communities to enable them to solve other, critical comprehensive planning goals. The recommendations contained in this economic development policy document is intended to supplement, enable, and reinforce other local objectives regarding distressed property remediation, training and employment of existing unemployed and marginally-employed workers, needed affordable housing and municipal services and urban amenities for current residents.

H. Demographic and Market Shifts

Over the past 20 years, the New York Metropolitan Area has gained 2.3 million new residents and 1.5 million jobs. Recent estimates by the Regional Plan Association project that, with the right investments, the region could accommodate an additional 2 million jobs and 4 million residents by 2040. This is consistent with national demographic and market trends, which are expected to continue. The U.S. Census Bureau projects that there will be 100 million new Americans by 2040 and many of them will be inclined to live in dynamic, walkable neighborhoods in urban areas. Key among these shifts is the housing preference among the growing number of older households who currently live in single-family homes on individual lots. Today there are 40 million senior citizen households; by 2040 that number will swell approximately 80 million. As these senior households age, many will find single-family suburban living unsuitable and seek to move into neighborhoods where goods, services, and entertainment are nearby—places where they can live independently and age in place. Sixty percent of senior citizens prefer to rent rather than buy new homes when they move, increasing the demand for rental housing—very little of which was produced over the past twenty years. Equally important, many of the newly forming households in the decades ahead will be composed of younger individuals and couples, mostly without children, who seek urban neighborhoods and are not inclined to purchase energy-consuming single family homes involving long commutes to employment, entertainment and services. Between 2010 and 2050, 70 percent of the net gain in households will be among households without children.

The cost of transportation from home to work is beginning to rival the cost of housing in many metropolitan markets for moderate and middle-income families, further propelling households toward neighborhoods with transit or ones that are closer to employment centers. These demographic changes mean that market forces will support the movement of future populations into urban settlements and away from single-family neighborhood living in outlying areas. Successful urban communities will embrace strategies that create transit-oriented development, energy-efficient, mixed-use and compact building types, and sustainable neighborhoods. Legal techniques for remediating distressed properties, developing workforce and equitable housing, and insinuating urban amenities, green infrastructure and excellent design in redevelopment areas will be ascendant, as will methods of redeveloping countless commercial and office buildings and strips. Two-thirds of the buildings in use in 2050 will be built between now and then. Thus, immediate changes in land use laws and settlement patterns can achieve significant results in terms of future sustainable development. Communities can respond by adopting higher density, mixed-use zoning, implementing transit-oriented development plans and ordinances, stabilizing existing single-family neighborhoods, and using many other techniques to accommodate these changing market forces in a way that will reduce vehicle miles travelled and per capita Greenhouse Gas emissions.

I. Fiscal Impact of Urban Development Projects

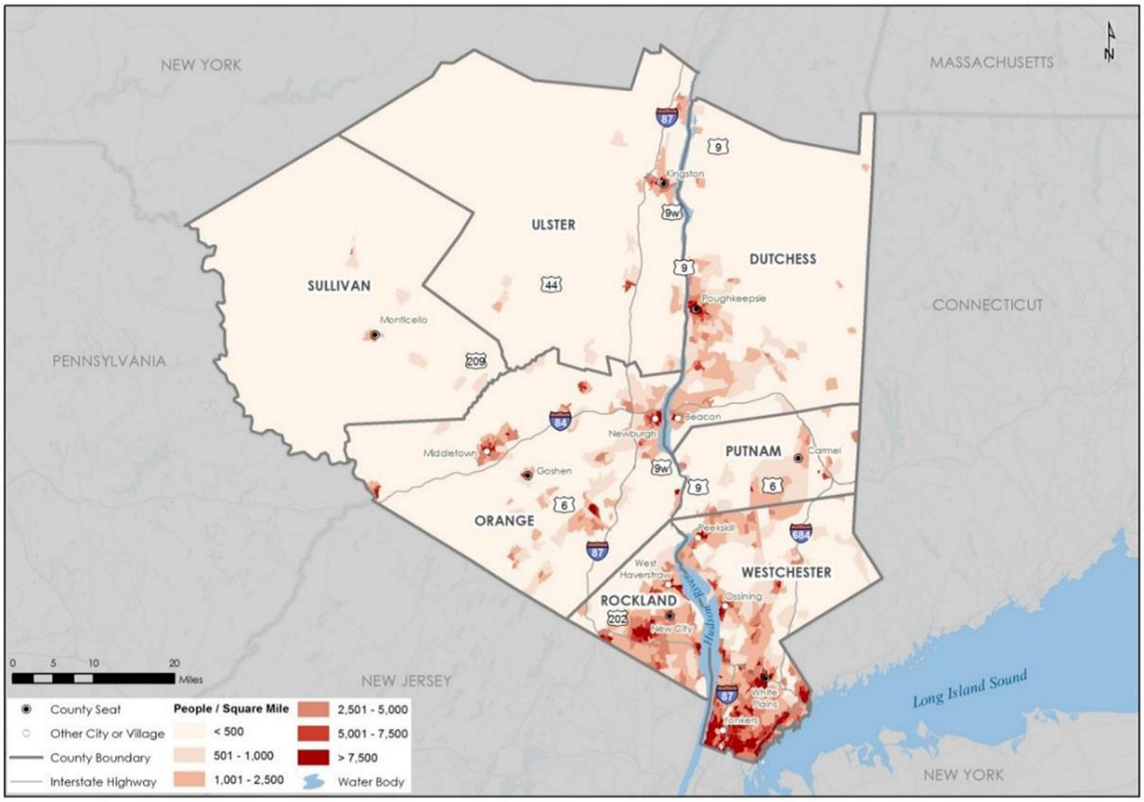
Various types of development projects and urban growth create different fiscal impacts for the localities in which they occur. The pattern and location of development must be considered in projecting the fiscal impacts of particular projects. Fiscal impacts are sensitive to overall density and vary depending on the municipal service analyzed. The quantity of roads needed to serve new populations on a per capita basis, for example, declines as density increases, and long-term maintenance costs decline accordingly. In contrast, the length of water and wastewater infrastructure on a per household basis is longer, thus more expensive, for lower density development, with long-term maintenance costs affected correspondingly. Storm water management is directly affected by the square footage of impervious coverage associated with new development, which is startlingly lower for higher density development per household, when compared to low-density patterns. As density increases, firefighting costs per household decline because the population in the relevant response area increases, reducing the proportional costs of this service. By concentrating higher density development near existing schools, a larger percentage of school children are able to walk or bike to school, reducing the average per pupil school transportation costs of the school district. As the distance between residences decreases with higher density, the fuel and labor costs associated with solid waste collection declines on a per household basis. Recent real estate market studies show significantly higher increases in property values in livable and walkable urban communities, which trigger higher tax assessments and revenues.

For further information on this topic, see *The Fiscal Implications of Development Patterns*, created by Smart Growth America.

Section 2. Regional Context for Shared Approach to Economic Development

A. Geographical Context and Human Settlement Patterns

The City/Village of ____________ is one of several urban economic centers that provide critical assets for the development of the economy in the lower Hudson Valley Region. It is one of twelve cities and villages participating in the Mayors' Redevelopment Roundtable (MRR), which serve the people and economies of five counties: Orange, Dutchess, Putnam, Rockland, and Westchester. The economic and settlement patterns at work in this region are discussed in detail on the MHREDC website. Within this region, the demographic and economic development patterns discussed in the findings above are at work.



B. In a 1995 report to the President's Council on Sustainable Development, the Land Use Law Center, which staffs the Mayors' Redevelopment Roundtable, identified the failure of land use planning to concentrate development in priority growth districts as the biggest threat to the economic vitality and environmental health of the Hudson Valley Region. That report projected that, at the rate of land subdivision, particularly in less developed communities, open space in the Hudson Valley Region would decline from 70 percent then to 30 percent by 2045, creating a pattern of development that could not be supported by infrastructure, would not provide affordable housing and commercial development, and that would consume and deteriorate the essential eco-system services provided by the region's much needed natural resources.

Since then, state policies have changed to discourage this pattern of development and to encourage a new one, largely centered on existing urban settlements with assets such as infrastructure, housing, workers, and a wide variety of services. Changes in climatic and demographic trends are sparking renewed interest in cities generally and sustainable communities particularly. On the one hand, residents and workers in denser, mixed-use neighborhoods served by transit have half the carbon footprint of those in spread-out suburban areas. On the other hand, many of the smaller households that characterize the nation's growing population prefer to live in precisely those compact, mixed-use neighborhoods.

In New York, these changes align with several new state policies that encourage cities and villages to reduce carbon emissions, reduce vehicle travel, create sustainable buildings and neighborhoods, and preserve the landscapes that sequester nearly 20 percent of the nation's carbon emissions. These three shifts—climatic, demographic, and political—create opportunities for older cities and towns to revitalize themselves, while creating new roles for smaller, rural communities.

C. Economic Sectors

In the Lower Hudson Valley Region, there are several robust economic sectors, according to the analysis of the MHREDC. These industries collectively drive the regional economy. They are the sectors of the region's economy that provide the most significant numbers of jobs and where more jobs can be created. They are, in alphabetical order:

- Agriculture
- Biotech and Other Life Sciences
- Distribution
- Financial and Professional Services
- Food and Beverage
- Health Care
- High-Tech Manufacturing
- Information Technology
- Natural Resources
- Tourism, Arts, and Culture

The March 2015 report of the New York State Department of Labor for the Mid-Hudson Region described job growth and trends as follows:

- Labor Statistics for the Hudson Valley Region, Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster, and Westchester Counties.
- For the 12-month period ending in March 2015, private sector employment in the Hudson Valley increased by 6,800 or 0.9 percent, to 747,200. As the job picture in the private sector continues its positive trend, growth was recorded in four of the nine sectors. The four sectors adding jobs were educational and health services (+5,800), professional and business services (+1,500), natural resources, mining and construction (+1,000) and other services (+1,000). The largest job losses were in manufacturing (-800), where layoff announcements in pharmaceutical manufacturing continued. Job losses were also recorded in information (-700) and financial activities (-600). The government sector shed 600 jobs over the period.

For more information or to update this section, see: The New York State Bureau of Labor Market Information report for the Hudson Valley: http://labor.ny.gov/stats/PDFs/Significant-Industries-Hudson-Valley.pdf; See also: http://labor.ny.gov/stats/hud/default.asp.

There is expansive discussion of sectors in the Hudson Valley Regional Council's 2013-2014 Comprehensive Economic Development Strategy for the Hudson Valley economic development district. See: http://www.nado.org/wp-content/uploads/2014/08/NY-Hudson-Valley-Regional-Council-2013-2014.pdf.

D. The Urban Sector

In addition to these sectors, urban cities and villages are themselves an economic sector, one that provides transportation and transit, medical, civic, government, retail, professional, affordable housing, and other services to the rest of the region's communities. Successful regional economic development strategies build on the unique services that urban cities and villages provide. For the urban sector to thrive, new construction, redevelopment, and revitalization activities must occur and, in so doing, will provide construction opportunities and permanent economic activity that will fuel further economic development and job growth in that sector.

Urban cities and villages are attracting jobs in high tech light manufacturing, information technology, food processing, hospitality and entertainment, printing and publishing, retail and wholesale businesses, educational institutions and clusters, health care service and provision, medical and biotech research, manufacturing, and construction, including green development. There are synergies among these economic activities, with hospital and medical clusters attracting office and service space, retail, and educational activities for workers needed in these sectors.

Section 3. Creating a Market-Ready Economic Development Strategy

A. The cities and villages participating in the Mayors' Redevelopment Roundtable are located in the satellite market of New York City. Some are in sub-regions that are evolving toward special places with their own employment centers and opportunities. Development projects in much of this satellite market area depend, largely, on business generated in New York City and the housing needed to serve those who work for employers in the City. In some parts of the region, job growth in some sectors is developing outside the City and provides an economic generator for urban projects as well.

B. In most older cities and villages in the Mid-Hudson Region there are risks for investors in development that must be understood and accommodated before robust urban development can occur.

What risks are investors concerned about?

- High risk factors include long commute distances to the City, somewhat limited demand, obsolete or insufficient infrastructure, high crime rates, deteriorated buildings, troubled school systems, and few skilled and knowledge-based workers.
- The slow and uncertain pace of local governments' project approval processes is also a major disincentive to investment, calling for local governments to streamline their processes and be certified as development ready.
- High property taxes are also a disincentive to development and require, sometimes, property tax reductions in the form of Payments in Lieu of Tax agreements, which often require the participation of a local or country Industrial Development Agency or Local Development Corporation.

Projects in risky communities in this satellite market may be financed, in part, by high risk equity investors, but only when those investors believe that their projects and the investment of the public sector will transform local economics and markets and allow them to recoup their investment by refinancing with institutional investors as and when markets improve, that is stabilize, in the relatively near future. It is the local government's role to convince these investors that stabilization will happen.

In communities with high risk factors, it is critical to focus redevelopment projects on the emerging market created by urban pioneers and their likely employers. These are mainly younger households who are somewhat risk tolerant and who see in the community the potential for lively and affordable neighborhoods, with services, amenities, and retail within walkable distances. Higher risk urban communities need to create a transformative strategy that will attract high risk investors and risk tolerant households now, begin to build the tax base so that existing risk factors can be mitigated, the market transformed, and, eventually, institutional investors attracted.

C. Attracting Equity and Debt Financing

To fully appreciate these risks, local planners and officials must understand development economics. Here is an illustrative pro-forma:

- Assume that the combined yield on debt and equity in the current year must be 7.25% of total project costs for investors to pursue a project.
- If land costs are $60/foot; hard construction costs are $250/foot, and soft construction costs are $40/foot, the total cost per square foot for this project is $350.
- A 1,000 square foot apartment would then cost the developer $350,000 to construct the unit.
- The cost of construction will be funded by a combination of construction debt, which will be limited to approximately 70% of the cost to complete the

project and require a higher interest rate, personal guarantees and a track record to attract equity financing. The construction financing will be refinanced with a permanent loan having an interest rate of approximately 5-6%, a term of 5-10 years and an amortization period of 20-25 years.

- Principal and interest on such permanent financing will amount to $2,000 per month, which with operating expenses including property taxes, insurance, common area utilities, maintenance and repairs will require a rent of $2,500/month to achieve the required yield.
- Households must have over $90,000 in income to afford this rent.
- If there are not renters in the local market area who will pay this amount, then something must be done to lower either project costs or operating costs or the project is not feasible in the locality. This will either be done by the local government, leveraging state and federal funding, or the project will not be feasible.

  Wage data to help with this analysis is available here: Quarterly Census of Employment and Wages for the Hudson Valley: http://labor.ny.gov/stats/lsqcew.shtm

D. Financing Strategies

Strategies to lower these costs to accommodate local market realities include providing development incentives, including density, speeding up the approval process thus lowering soft costs, providing free or low cost publicly owned land, providing property tax abatement, substituting bond financing for equity investment which requires much less of a return, enhancing neighborhood security and conditions to attract higher paying renters, securing government grants for infrastructure, working with industrial development agencies to reduce sale and mortgage recording taxes, or subsidizing rents through government programs. For more on public financing techniques, see Implementation Strategies in Section 5 below.

Section 4. Alignment with Regional and State Goals and Strategies:

A. The MHREDC has adopted a Strategic Plan for regional economic development that favors urban sector development in many ways. Its urban sector goals are as follows:
   - Goal VI aims to "[s]upport the revitalization of our urban centers as engines of regional prosperity." The strategic plan highlights the importance of focusing growth in these areas to advance the Region's economic prosperity through strategies that:
     - Target regional growth in urban centers, whose compact, mixed-use development pattern creates an opportunity for growth that is sustainable, cost-effective, energy- and natural resource-conserving, climate friendly, affordable, and attractive to young workers.

    - Promote the redevelopment of vacant and distressed properties, as well as the removal of blight and impediments to revitalization, by expanding state land bank legislation to cities that demonstrate the capacity to administer an integrated distressed property remediation program.
    - Encourage a State commitment to making improvements to existing infrastructure in urban centers more cost effective.
    - Attract investment and lay the foundation for transformative projects in urban centers by encouraging economic development planning, promoting development readiness, and streamlining the development process.
- Goal IV seeks to "[i]mprove key regional infrastructure to make the region more business-ready." Two relevant strategies involve:
    - Promoting infrastructure investments in priority growth areas and established city or village centers to take advantage of the region's existing infrastructure.
    - Supporting Transit-oriented development (TOD) to provide more sustainable mixed-use development around transportation hubs. TOD can improve public transportation, generate jobs, expand the tax base, and establish a base of retail establishments and housing options.
- Goal V strives to "[f]oster housing investment to attract jobs to the region, create construction jobs, and support the overall health of the regional economy through a vibrant housing market." The strategic plan notes the importance of compact, mixed-use, mixed-income, transit-oriented development to achieve sustainable economic growth through strategies that:
    - Develop housing near mass transportation for easy access to New York City.
    - Promote affordable and workforce housing development by:
        - Procuring financing and grants to leverage and maximize funding from local, state, and federal resources to subsidize capital and operating costs to achieve the most affordable rent levels or purchase price.
        - Assisting municipalities in creating Inclusionary Zoning Ordinances and maximizing local tax incentives through available NYS Real Property Tax Laws.
        - Developing housing in locations where infrastructure is available; utilizing existing industrial, commercial, or institutional buildings under adaptive reuse and locating housing near mass transit.

In addition, the HVREDC strategy calls for inter-municipal cooperation, embracing inter-regional partnerships that leverage cross-region resources.

Finally, the regional planning framework includes sustainability. The Regional Sustainability Plan identifies compact, mixed-use, mixed-income development focused on urban centers with public transit as a key sustainable, economic development policy. It includes a number of objectives and strategies that serve to advance this development form, particularly in the chapter on Land Use, Livable Communities and Transportation. That chapter features a primary objective to "[s]trengthen centers supported by transit, by concentrating development in areas with existing services, infrastructure, employment opportunities, and multiple transit options."

B. Competing Favorably for State Agency Funding

Under the State of New York's Consolidated Funding Application process, most state agency funding needed by urban communities is reviewed for consistency with the strategic plan of each region's economic development council. Up to 20 percent of the points achieved by any grant application are awarded based on the extent to which the proposed program or project aligns with that strategic plan. In our region, the goals articulated by the Mid-Hudson Regional Economic Development Council as outlined in Section 4 above, create a unique opportunity for urban communities to compete favorably for highly sought after funding.

The extent to which state policies that drive funding decisions favor urban sector proposals is apparent in several recently adopted state statutes, regulations, and executive orders, as follows:

- Smart Growth Public Infrastructure Policy Act[1]

  The purpose of this act is to is to augment the State's environmental policy by declaring a fiscally prudent State policy of maximizing the social, economic, and environmental benefits from public infrastructure development through minimizing unnecessary costs of sprawl development. Such costs include environmental degradation, disinvestment in urban and suburban communities, and loss of open space induced by sprawl facilitated by the funding or development of new or expanded transportation, sewer and waste water treatment, water education, housing and other publicly supported infrastructure inconsistent with smart growth public infrastructure criteria.

  Smart growth and transit-oriented development (TOD) have many benefits, including improved quality of life, reduced commuter times, and reduced energy use and GHG emissions. By promoting compact, mixed-use design in downtown areas served by robust public transit systems, smart growth and TOD can reduce dependence on personal vehicles and can revitalize urban areas.

[1] N.Y. Environmental Conservation Law § 6-0105.

The State is implementing a multi-faceted approach to facilitating and unlocking private sector investment in smart growth. The Department of State is supporting the development of smart growth plans that incorporate the principles contained in the New York State Public Infrastructure Policy Act of 2010. NYSERDA, Empire State Development (ESD), HCR, and DOT will provide investment incentives for smart growth and TOD projects that align with regional and local sustainability plans developed with NYSERDA support. Finally, an inter-agency TOD Working Group led by DOS will identify and coordinate the development of programs to further support TOD related to areas such as: land-use planning, housing, economic development, tax policy, and connecting TOD developments with parks and nature trails.

To this end, the Smart Growth Public Infrastructure Policy Act establishes ten smart growth criteria that most State agencies and all State authorities must use when evaluating any public infrastructure project prior to approving or funding:

1. Use, maintain, or improve existing water and sewer services.
2. Locate public infrastructure within municipal centers.
3. Promote development projects in developed areas or in areas identified for development in a comprehensive plan, local waterfront revitalization plan or brownfield redevelopment plan.
4. Protect and preserve New York State resources.
5. Foster mixed land uses and compact development
6. Provide for mobility through a variety of transportation choices.
7. Coordinate between state and local governments
8. Promote community-based planning and collaboration.
9. Ensure predictability in land use codes.
10. Strengthen existing communities so as to reduce Greenhouse Gas emissions.

- Complete Streets Act[2]

  Complete streets are compatible with planning denser urban areas. The New York Complete Streets Act declares:

  > …[T]o achieve a cleaner, greener transportation system the transportation plans of New York State should consider the needs of all users of our roadways including pedestrians, bicyclists, public transportation riders, motorists and citizens of all ages and abilities, including children, the elderly and the disabled. By encouraging good planning, more citizens will achieve the health benefits associated with active forms of transportation while traffic congestion and auto related air

[2] HIGHWAYS AND ROADS--SAFETY--COMPLETE STREET DESIGN, 2011 Sess. Law News of N.Y. Ch. 398 (S. 5411-A).

pollution will be reduced. Therefore, it shall be the policy of the State to consider people of all ages and abilities and all appropriate forms of transportation when planning roadway projects.

- <u>Climate Smart Communities Program</u>[3]
  The Department of Environmental Conservation established and conducts a Climate Smart Communities (CSC) Program that encourages New York towns, villages, and cities to take a "climate smart" pledge and pursue up to ten strategies to achieve climate change mitigation or adaptation. One of the ten CSC Program steps involves promoting climate protection through community land use tools. Adoption of planning, zoning, and financing initiatives to support transit oriented development in urban areas directly furthers CSC program objectives. CSC is a state-local partnership program administered by the NYS Department of Environmental Conservation (DEC) to reduce greenhouse gas emissions, save taxpayer dollars, and advance community goals for health and safety, economic vitality, energy independence, and quality of life.[4] The CSC program establishes action items that, if undertaken by local governments, will move the State forward in its efforts to reduce greenhouse gas emissions while continuing sustainable economic growth at the local level. Nearly all of the steps recommended under this state program urge localities to green their buildings, vehicles, operations, solid waste disposal, and other assets and functions, as well as to inform and inspire the public to reduce energy use. The CSC goes further, however, and urges localities to "[u]pdate land use policies, building codes, and community plans in ways that reduce sprawl, minimize development in floodplains, and protect forests."[5]

- <u>Community Recovery and Resiliency Act</u>[6]
  The Community Risk and Resiliency Act (CRRA) is a wide-ranging statute that, among other things, requires the consideration of sea level rise and extreme future weather events in a number of state agency-level processes.

[3] *Adopt the Climate Smart Communities Pledge*, N.Y. STATE DEP'T ENVTL. CONSERVATION, http://www.dec.ny.gov/energy/53013.html.
[4] *See Climate Smart Communities,* N.Y. DEP'T OF ENVTL. CONSERV., http://www.dec.ny.gov/energy/50845.html (last visited Apr. 9. 2013). The Climate Smart Communities program is jointly sponsored by six New York state agencies, including the Department of Environmental Conservation (DEC), the New York State Energy Research and Development Administration (NYSERDA), the Department of Transportation (DOT), the Department of Health (DOH), the Department of State, See Climate Smart Communities, N.Y. DEP'T OF ENVTL. CONSERV., http://www.dec.ny.gov/energy/50845.html (last visited Apr. 9. 2013). The Climate Smart Communities program is jointly sponsored by six New York state agencies, including the Department of Environmental Conservation (DEC), the New York State Energy Research and Development Administration (NYSERDA), the Department of Transportation (DOT), the Department of Health (DOH), the Department of State, and the Public Service Commission. and the Public Service Commission.
[5] *Climate Smart Communities Pledge*, N.Y. DEP'T OF ENVTL. CONSERV., http://www.dec.ny.gov/energy/65494.html (last visited Jan. 27, 2013).
[6] Community Risk and Resiliency Act § 16, 2014 N.Y. Sess. Laws 5-6.

Further, it mandates that the Department of Environmental Conservation (DEC) and the Department of State (DOS) generate certain information directly beneficial to municipalities attempting to respond to climate change.
  - First, it requires the DEC to adopt regulations establishing sea level rise projections.
  - Second, it directs the DEC to collect data and create risk analysis tools to aid municipalities in planning for future extreme weather events.
  - Third, it states that the DEC is to develop additional guidance to promote the implementation of natural, as opposed to artificial, resiliency measures.
  - Finally, the DOS is to craft model local laws that enable planning authorities to adapt to the future effects of climate change at the local level. DOS has an impressive effort underway to provide many relevant local laws for municipal consideration. The CRRA leaves to the DEC and the DOS the substance of these guidance documents and model laws.

- <u>Executive Order 30-24 (GHG Emissions) and Executive Order No. 2 (Energy Policy)—Climate Change Mitigation</u>[7]
  Attracting higher percentages of expected population growth to mixed-use, compact, transit-oriented neighborhoods will reduce the state's per capita and per household greenhouse gas footprint. Two New York State executive orders express the state's commitment to reduce greenhouse gases and conserve energy. Initiatives that attract population growth to existing urban areas further these goals.

- <u>Energy Conservation</u>[8]
  Cities with large populations can conserve energy through rigorous enforcement of the New York Energy Code, which states that "[i]t is the energy policy of New York to encourage conservation of energy in the construction and operation of new commercial, industrial, and residential buildings, and in the rehabilitation of existing structures, through heating, cooling, ventilation, lighting, insulation, and design techniques and the use of energy audits and life-cycle costing analysis."

- <u>Reforming the Energy Vision</u>[9]
  This general policy of energy conservation (above) is accelerated by a Public Service Commission policy announced in February of 2015 called Reforming the Energy Vision (REV). The REV policies, if implemented, will transform the energy industry from a top down model influenced mainly by large energy distribution utilities to a system that focuses on customer-based and locally-focused initiatives that can create greater efficiency and flexibility, less

[7] Executive Order 30-24 (GHG Emissions) and Executive Order No. 2 (Energy Policy).
[8] NY Energy Code**,** 53A N.Y. Jur. 2d Energy § 6.
[9] Available on the Public Service Council's website.

consumption, and more use of renewable sources through the promulgation of clean energy facilities and initiatives.

Small-scale clean energy facilities and initiatives include wind and solar facilities, gas turbines, multi-building geothermal and combined heat and power systems, passive energy buildings, low and net-zero energy buildings, smart housing, demand management, load management, electric car plug in stations, and utility lines connecting small-scale users for load management. These are within the province of local governments to facilitate or frustrate through zoning and other legislative action.

REV will also encourage, with significant state funding, large-scale wind farms, fuel cells, biomass facilities, renewable biogas and the upgrading of small hydropower projects that provide power to the electric grid. Initial funding of $160 million will be provided by the New York State Energy Research and Development Authority' (NYSERDA) through the State's Renewable Portfolio standard designed to promote new large-scale renewable energy resources. These facilities will also have to be accommodated by local zoning.

- Land Banking[10]
  New York Land Bank legislation states:

  > The legislature finds and declares that New York's communities are important to the social and economic vitality of the state. Whether urban, suburban, or rural, many communities are struggling to cope with vacant, abandoned, and tax-delinquent properties….There is an overriding public need to confront the problems caused by vacant, abandoned and tax-delinquent properties through the creation of new tools to be available to communities throughout New York enabling them to turn vacant spaces into vibrant places….Land banks are one of the tools that can be utilized by communities to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use. The primary focus of land bank operations is the acquisition of real property that is tax delinquent, tax foreclosed, vacant, abandoned, and the use of tools authorized in this article to eliminate the harms and liabilities caused by such properties.

- The Cleaner Greener Communities Program[11]

[10] NY NOT PROF CORP § 1601.
[11] *Cleaner, Greener Communities Regional Sustainability Planning Program Up to $2.7 Million Available for the Finger Lakes, Long Island & Mohawk Valley Regions*, N.Y. STATE ENERGY RESEARCH AND DEV. AUTH., http://www.nyserda.ny.gov/Funding-Opportunities/Consolidated-Funding-Application/~/media/Files/FO/Closed%20Opportunities/2011/RFP%202391/cgc-guidance-document.ashx (last visited Jan. 27, 2013).

The State of New York is promoting sustainable development and has pledged $100 million to fund plans and projects that reduce Greenhouse Gas emissions, 85% of which is carbon dioxide resulting from the generation of electricity to heat and cool buildings and from the tail pipes of personal motor vehicles.[12] These funds have been secured by the state under the Regional Greenhouse Gas Initiative (RGGI).[13] RGGI is a cooperative effort among the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont.[14] Under the RGGI initiative, cooperating states sell emission allowances through auctions and invest proceeds in projects that achieve energy efficiency and promote renewable energy and other clean energy technologies.

The Mid-Hudson Regional Sustainability Plan was developed as part of the NYSERDA Cleaner, Greener Communities program, intended to empower the regions to take charge of sustainable development in their communities by identifying and funding smart growth practices.[15] The Plan contains language explicitly promoting development oriented towards transit station areas and other urban neighborhoods.[16] It identifies compact, mixed-use, mixed income development focused on urban centers with public transit as a key sustainable, economic development policy. To implement these strategies, the Plan identifies a number of tools that municipalities should consider using, including: implementing Transit-Oriented Development as well as promoting compact, mixed-use, center-based development where public transit does not exist; expanding and upgrading mass transit; and improving streets, sidewalks, and trails to connect communities and promote non-motorized transportation.

The Plan also discusses a number of techniques that municipalities can use to promote the compact, mixed-use, mixed-income development that is central to the Region's future growth. Most importantly, the Sustainability Plan notes that many of the proposed initiatives will not be able to proceed unless they are called for in local comprehensive plans and permitted under existing zoning regulations.

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[12] Together these sources constitute 52% of domestic emissions of carbon dioxide.
[13] Press Release, N.Y. Gov. Andrew M. Cuomo, First Phase of $100 Million Program to Incentivize Smart Growth will Create Green Jobs, Improve Energy Efficiency, and Reduce Pollution (June 25, 2012).
[14] REGIONAL GREENHOUSE GAS INITIATIVE, http://www.rggi.org/rggi (last visited Apr. 9, 2013).
[15] MID-HUDSON REGIONAL ECONOMIC DEVELOPMENT COUNCIL, MID HUDSON REGIONAL SUSTAINABILITY PLAN 1-2 (2013).
[16] *See Mid-Hudson Regional Coalition Receives $865,000 for Cleaner Greener Communities Regional Sustainability Planning*, N.Y. STATE REGIONAL ECONOMIC DEV. COUNCILS (June 25, 2012), http://regionalcouncils.ny.gov/generic/press-release-mid-hudson-06252012.

To be eligible for significant amounts of Cleaner Greener Communities funding, applicants must first complete four of the following six relatively low-cost steps and submit proof of completion for each step. The required steps include:

1. Implement a Green Building Strategy
2. Adopt the New York State Unified Solar Permit
3. Support Alternative Fuel Transportation Supply Infrastructure
4. Adopt a Vehicle Fleet Efficiency Policy
5. Develop a Government Operations Greenhouse Gas (GHG) Emissions Inventory and Establish a Government Operations Emissions Reduction Target
6. Enable Property Assessed Clean Energy (PACE) Financing

Section 5. Economic Development Planning Objectives and Implementation Strategies

A. Regional Objectives

Working with the Mayors' Redevelopment Roundtable the Village/City of ___________ will promote the objectives of the Mid-Hudson Regional Economic Development Council by:

- Working cooperatively to create a regional urban economic development strategy and network that demonstrates the critical importance of cities to the larger region and the many economic, energy efficiency, sustainability, environmental, and equitable advantages of promoting city revitalization as a key component of State and Regional economic policy.
- Promoting the economic assets and advantages of each city and village as part of a regional economic development strategy that unites the communities and the private sector in a common effort to attract jobs, increase the local, regional, and State tax base, and create a sustainable pattern of land development.
- Securing increased funding from state agencies and the federal government for needed infrastructure and supplemental project financing in furtherance of these regional objectives and the community objectives below.

B. Community Objectives

To encourage the private sector in appropriate economic development projects, there are four discrete objectives for communities to pursue:

1. Revising land use regulations to be development ready;
2. Streamlining the project review process so that it is efficient and predictable;

3. Providing incentives for projects that are not economically feasible without them; and
4. Creating sustainable neighborhoods that transform the local economy.

C. Implementation Strategies

The City/Village of ___________ will pursue these objectives expeditiously by adopting appropriate implementation strategies taken from the lists included below:

a. Revise Zoning and Land Use Regulations to be Development-Ready
    - The community's objective is to attract development to its urban centers, whose compact, mixed-use development pattern creates an opportunity for growth that is sustainable, cost-effective, energy- and natural resource-conserving, climate friendly, affordable, and attractive to young workers and mobile senior citizens. The community will ensure that its local land use policies and regulations are market-realistic, attract appropriate development that reduces municipal service costs per capita, and create the type of community that appeals to the needs of the current population. This policy calls for appropriate density and land use served by needed water, sewer, and multi-modal transportation infrastructure that reduces dependence on automobiles and the congestion and emissions they cause.

b. Local zoning and land use regulations must support market-sensitive development, that is, local land use regulations must be revised to be development ready.
    - This begins with sending clear signals to the developers that the community has a development-ready plan embedded in its comprehensive plan or regarding priority growth districts, has involved the community in the plans' development and achieved consensus regarding their objectives, and has amended its zoning ordinance to carry out these plans.
    - A development-ready community has trained land use boards that know and follow the rules for approvals, public participation, and ethics.
    - Development-readiness includes having an Industrial Development Agency or Local Development Corporation to provide financial incentives where needed for development projects.
    - In order to determine appropriate land use practices, the community will assess its market strengths and weaknesses, and what assets it has, such as:
        - transit,

    - infill sites,
    - parking assets,
    - scenic and natural resources,
    - pattern of private investment or disinvestment,
    - unemployment trends,
    - existing quasi-public entities,
    - inventories of commercial, industrial, and institutional lands
    - inventories of vacant or underused land with details on size, services, facilities, and site constraints,
    - adequacy of housing stock,
    - school budgets and per pupil expenditures,
    - housing starts and trends,
    - local revenues,
    - cost of living measures,
    - number of employers by sector,
    - job statistics,
    - population trends, and
    - demographics.
  - Promote affordable housing in proximity to services, retail, and transportation.
  - Promote the redevelopment of vacant and distressed properties, as well as the removal of blight and impediments to revitalization, by administering an integrated distressed property remediation program.
  - Community participation element and strategy.
  - Create jobs-housing balance: increased housing to meet job needs.
  - Preserve existing manufacturing, light industrial, and industrial uses, and identify new locations for them.
  - Attract adequately-paying jobs for all income levels.
  - Determine new locations for entertainment and hospitality uses close to transportation.
  - Waterfront planning (coordinated with existing LWRP).
  - Traffic monitoring and management.
  - One of the best places to mix land uses at greater densities is in proximity to transit stations, including train and bus services. Transit-Oriented Development (TOD) land use plans and zoning encourage mixed-use/compact development in transit station areas, or transit neighborhoods. They locate housing and jobs near transit stops and significantly reduce the number and distance of vehicle trips. TOD saves those who can commute to work, shop, and play up to one third of the cost of personal transportation.
  - Mixed-use/compact developments in transit areas can be made lively, amenable, and healthy places for new American

households, the newly retired, immigrant families, and millennials desiring smaller households. To the extent that these populations are attracted to a place, employers and business are likely to follow, or to be attracted in concert with them. Encouraging land use patterns that house and employ more Americans in urban areas will cause a significant reduction in vehicle miles traveled (VMTs) while placing households in smaller, more energy efficient homes and offices, further reducing energy consumption, household expenditures, fossil fuel consumption, and CO_2 emissions.

c. Streamline the Development Process

Being development ready includes having a streamlined project review and approval process that is efficient and predictable. Having such a process is critical and is set forth here as a separate objective for emphasis. One of the clear strategies that is within the control of our municipality is to create a clear road map for approval of various types of projects to incentivize developers to invest, rather than drive them away.

Implementation Strategies:

- Using GEIS to streamline: The State Environmental Quality Review Act (SEQRA), which was enacted to protect the environment, has features that can be used to encourage economic development. By preparing a generic environmental impact statement (GEIS) on the adoption of an economic development plan or on the adoption of any of the zoning options described here, subsequent project proposals whose environmental impacts were included in the generic study may be able to be exempted from further environmental review. This can lower development costs and streamline the review and approval of proposed development projects in such districts, providing another important incentive to developers to buy and improve land where development is favored by local policy.
- Designate an official or office that is responsible for working with applicants and marshalling them through the development approval process.
- That official or office is charged with developing a pre-application step to work with the developer on projects to be sure they are appropriate, to outline the steps that must be followed, and then to line up each involved agency to act in a proper and expeditious process toward the approval of the project.

d. Develop Public/Private Partnerships Using Public Resources and Infrastructure to Leverage Private Development

Projects that promote appropriate development must be financially feasible and, in many cases, this means being supported by public-private partnerships that lower costs or provide supplemental financing to work within market limits and realities.

Implementation Strategies:

- Development must be supported by public infrastructure including water, sewer, roads, and transit, where possible. Identify and meet the infrastructure needs of appropriate economic development projects. List available incentives, such as tax abatements, bonds, grants, and loans.
- Coordinate with private market: Create a clear definition of the public role and role of private developers and investors; create clear methods of communication and partnerships with the private sector.
- Develop parking monitoring, parking management strategies, and add parking as needed.
- Leveraging Resources: Through zoning, localities can provide bonus densities, waive certain land use restrictions, and provide expedited project reviews and approvals. Through proper area-wide master planning, developers that comply with plan provisions can enjoy shovel-ready, as-of-right rezoning and approvals of their developments.
- Incentive zoning awards developers additional density or the waiver of certain zoning requirements, in exchange for benefits provided to the community. In good economic times, this technique allows communities to secure benefits from developers including workforce housing, street improvements (including street furniture, lighting, green appointments), or any other amenity needed to make the greater density desired in the area more livable. In more difficult markets, incentive zoning can be used to induce developers to build projects that otherwise would not be economically feasible. Incentives can be provided to developers of raw land or to those who propose the expansion of existing structures, the adaptive reuse of older buildings, or the redevelopment of brownfield sites and other distressed parcels in older, developed areas.
- The incentives that may be offered to developers include adjustments to the density of development – for example, allowing more residential units or a greater building floor area than is otherwise permitted under the zoning law. Incentives can also include adjustments to the height, open space, use, or other requirements of the underlying zoning law.
- These incentives are given in exchange for the developer's providing one or more community benefits, including open space or parks,

affordable housing, day care or elder care, or any other specific physical, social, or cultural amenity of benefit to the residents of the community. Where the community benefit cannot feasibly or practically be provided directly by individual developers, the system can provide for developers to make cash payments to the locality. Such sums must be held in a trust fund to be used exclusively for the community benefits specified. All of the amenities secured though incentive zoning help create the types of services, environment, and infrastructure needed to create viable urban neighborhoods for economic development.

- State legislation enables local governments to set up and operate several different quasi-public bodies that can become intermediaries for needed public/private partnerships. Where localities have a clear economic development plan and strategy, they can attract and work with private developers through their established Industrial Development Agencies, Urban Renewal Agencies, Local Development Corporations, and Land Banks and, depending on state law, provide real property tax abatement and favorable project financing through tax exempt bonds, tax increment financing, and other techniques.
- Industrial Development Agencies could be engaged in implementation of comprehensive plan components to offer (depending upon state law) economic development incentives such as tax abatement, sales and use tax waiver, mortgage recording tax waiver, payment-in-lieu-of-tax agreements, and tax-exempt bonds to provide financing for projects that further local economic development plans and provide jobs. Such financing can be used to purchase land, provide supportive infrastructure, pay construction costs, and otherwise finance developments.
- Urban Renewal Agencies (URAs), first created to take advantage of federal funding that is no longer available, still have power in most states to identify renewal areas, adopt specific renewal area plans, acquire land through the power of eminent domain, and select qualified and eligible developers to whom they can convey land at negotiated prices. URAs may also provide property, sales, and mortgage tax abatement under some state laws.
- A variety of local development corporations may be set up under state law, including Economic Development Corporations that have important, but more limited, powers to help with individual projects. Recently, the state legislature adopting a statute that provides for the creation of local or regional land banks that can take title to in-rem, foreclosed, and other distressed properties, assemble parcels for redevelopment, and partner with developers to redevelop these properties, often providing low cost land and leveraging local, state, and federal financing to help.

Public Financing Techniques

Recall from the discussion above that many urban centered development projects cannot be made economically feasible without some type of public financing. This list catalogues a variety of local, State, and Federal financing techniques for communities to consider. This list is adapted, with permission, from the Harris Beach *Economic Development Handbook* and *Economic Development Incentives and Business/Municipal Assistance*

Local Incentives

Local Industrial Development Agencies (IDAs) are empowered by state law to provide the following incentives to qualified development projects:

• **Issuance of Tax-Exempt and Taxable Bonds and Notes.** This incentive can be used to fund all, or substantially all, of the costs of prequalifying projects (excluding certain costs of issuance in excess of 2% of the total amount of the bond issue).

• **Real Property Tax Abatement**

IDAs have the authority to negotiate any Payment In Lieu of Tax (PILOT) Agreement that they deem reasonable and necessary to incentivize a project.

• **Mortgage Recording Tax Exemptions**

By obtaining and then mortgaging their interest in a property at the time of recording, IDAs can provide an exemption from the mortgage recording tax.

• **Sales and Use Tax Exemption**

IDA projects are exempt from certain sales and use taxes, usually limited to the such taxes incurred during the construction or installation period; the exemption does not cover sales taxes incurred during the operation of the completed project.

Local Development Corporations are unique not-for-profit corporations authorized under state law to undertake economic development activities in furtherance of public objectives. LDCs can issue tax-exempt and taxable bonds and provide an exemption from the mortgage recording tax.

PILOT Increment Financing (PIF) is a creative way to finance infrastructure improvements and related improvements through an IDA. The affected jurisdictions agree to a PILOT payment equal to the full taxes that would normally be paid. The difference, or "increment," between the full taxes and an otherwise negotiated amount is then used to repay debt service related to infrastructure improvements.

Tax Increment Financing (TIF), while subject to a rigid statutory process in New York State, is an alternative method to financing projects.

New York State Incentives

Empire State Development (ESD) can provide direct loans, capital grants and interest rate subsidy grants that result in low-cost financing for acquisition, construction, renovation, or improvement of real estate, including both land and buildings. ESD provides funding and assistance to qualifying Centers of Excellence that support high-tech ventures through a collaborative approach of the state, academic institutions and venture capitalists. Among the techniques used are:

- Financial Assistance: Direct loans are provided at below- market rates and interest rate subsidy grants that reduce the costs of borrowing are also available.
- Industrial Effectiveness Program: This program encourages manufacturing firms to undertake productivity and operational improvements.
- Infrastructure Loans and Grants: These loans and grants include, but are not limited to, projects involving water, sewer lines, access roads, power lines.
- International Investment: International trade specialists help businesses relocate and establish a strong presence in New York State.
- Linked Deposit Program: This program provides businesses with affordable capital based on bank loans, which are subsidized by corresponding "linked" state deposits, at reduced interest rates.
- Semiconductor Manufacturing Initiative: This incentive facilitates the pre- permitting of industrial sites for silicon chip fabrication.
- Small Business Technology Investment Fund: This fund may be used as a source of venture capital.

- State and Local Tax Credits: New York state offers credits to promote new capital investment, employment, research and development, and air pollution abatement.
- Training Assistance: Grants and financial assistance are available to help pay for training costs.
- Other Areas of Assistance: Additional assistance is available for recycling programs, government procurement, minority and women-owned businesses, the film industry and ownership transitions.

Environmental Facilities Corporation (EFC) was created to administer and finance Clean Water and Drinking Water State Revolving Funds (SRFs) and to finance state contributions to the SRFs, the Pipeline for Jobs Fund, and environmental infrastructure projects. Under the Industrial Finance Program, the EFC also finances pollution control projects.

Historic Rehabilitation Tax Credits for rehabilitated certified historic buildings placed in service on or after January 1, 2007, are available to owners who may receive a state tax credit equal to 30% of the allowable federal tax credit with a cap of $100,000 for commercial projects and a cap of $25,000 for residential projects. Because the federal tax credit is 20% of qualified rehabilitation expenditures, this effectively results in a state tax credit of 6% of qualified rehabilitation expenditures. The state imposes limits on the amount of credit that may be taken, which are: $5,000,000 for commercial projects (including nonresidential projects and residential rental projects) and $50,000 for residential projects (such as owners' residences). These state tax credits are often partnered with federal Historical Rehabilitation Tax Credits.

New York State Energy Research and Development Authority (NYSERDA) provides incentives to help businesses, municipalities and individuals lower their energy bills, increase their productivity and reduce their environmental impact. The following programs help NYSERDA customers meet their financial and environmental objectives.

- NYSERDA Commercial/Industrial Programs provide energy efficiency services for existing buildings, new construction, industrial facilities and vehicle fleets.
- NYSERDA's Renewable Portfolio Standard is designed to increase the proportion of renewable electricity used by New York retail customers to 30% by 2015.

• NYSERDA Tax Incentives promote energy efficiency within municipalities across New York State. NYSERDA tax incentives include various elements, from street lights to water treatment, updating municipal housing for greater energy efficiency, converting vehicle fleets to alternative fuels, or beginning new construction projects.
• Regional Greenhouse Gas Initiative (RGGI) is an agreement among ten Northeastern and Mid-Atlantic states to reduce greenhouse gas emissions from power plants. Through a regional cap-and-trade program, participating states limit their carbon dioxide emissions and may sell unused carbon credit allowances through NYSERDA-administered quarterly emissions permit auctions.

New York State's Brownfield Cleanup Program can provide significant refundable New York state tax credits for the cleanup of contaminated sites.

- Brownfield Redevelopment Tax Credits: This fully refundable investment incentive tax credit is available to taxpayers who have been issued a Certificate of Completion (COC) for satisfactorily cleaning up a brownfield site. The credits may be applied against a taxpayer's income/franchise tax and are based on both cleanup and hard/soft redevelopment costs.
- Environmental Remediation Insurance Credit: This credit is based upon environmental remediation insurance premiums.
- Remediated Brownfield Credit for Real Property Taxes. This tax credit can eliminate some or all of the brownfield site's real property taxes.
- New York State's Environmental Restoration Program provides grants to municipalities to reimburse brownfield site investigation and remediation costs.

Brownfield Opportunity Areas (BOA) Program was created to provide financial and technical assistance to municipalities and community-based organizations through the New York State Department of State (DOS). Funding can be used to complete revitalization plans and implementation strategies for areas affected by the presence of brownfield sites, as well as site assessments for strategic sites. The Department of Environmental Conservation provides relevant technical assistance and advice to the DOS and BOA grantees, particularly regarding site assessments on strategic brownfield sites in BOA study areas.

Qualified Emerging Technology Companies (QETCs) may be eligible for the following incentive credits:

- QETC Capital Tax Credits: Two different QETC Capital Tax Credits are available to the owner-taxpayer at the start of an emerging technology business.
- QETC Employment Credits: A refundable credit of $1,000 per new full-time employee for three consecutive years to eligible taxpayers, provided that eligibility requirements continue to be met.
- QETC Facilities, Operations, and Training Credits: A refundable credit for eligible qualified emerging technology companies based on qualifying expenditures in research and development, and training.

Federal Incentives

Empowerment Zones: Enterprise communities and renewal communities can be designated where there is a need to combat high crime rates and poverty thereby allowing certain areas to be designated as enterprise zones. Taxpayers located in enterprise communities are eligible for tax-exempt private activity bonds, while taxpayers in Empowerment Zones are eligible for those bonds, as well as an expensing allowance and a tax credit. Federal incentives include:

Historic Rehabilitation Tax Credits: These credits are available to developers or owners of certain certified historic buildings at a rate of up to 20% of qualified rehabilitation expenditures incurred to complete certified rehabilitation of such buildings. These federal tax credits are often leveraged with New York State Historical Rehabilitation Tax Credits.

Welfare to Work Credit: A tax credit available to employers to hire long-term family assistance recipients.

Work Opportunity Credit: A tax credit available to employers as an incentive to hire certain groups of employees and applicable only to individuals who began work before September 1, 2011.

EB-5 Immigrant Investor Visa and Regional Center (RC) Programs are designed to attract direct foreign investment to New York state economic development projects. Foreign nationals who invest in new or existing domestic business, create or save jobs, and make a substantial investment, are eligible to receive US permanent resident status for themselves and their immediate family provided certain conditions are met. If the foreign investor makes the investment through a designated Regional Center, the Center matches businesses with investors and monitors the technical requirements of the program.

New Markets Tax Credits (NMTC) are designed to foster investment in targeted areas. Investors in business and development projects located within a New Markets Zone are provided a federal income tax credit of up to 39% over a seven year period. The NMTC program allocates its tax credits to Community Development Entities (CDEs) based on a competitive application process. CDEs act as the conduit between investors and the development projects their investments will support.

e. Promote Sustainable Neighborhood Development

Development in urban communities must be located primarily in existing neighborhoods that are sustainable, meaning that they contain mixed land uses and are served by green infrastructure, clean energy facilities, diverse housing stock, and other features that make them livable, equitable, and resilient.

Much of the development in urban communities is in-fill development and the redevelopment of existing lots and buildings. Most building permits are for the replacement or expansion of existing buildings. In-fill development is sustainable in that it requires relatively little impervious surface, reducing storm water runoff per household, and reduces other environmental impacts such as removing vegetation, adversely impacting wetlands, habitats, and watersheds, using potable water, consuming energy, and reducing vehicle miles travelled. In-fill housing in sustainable urban neighborhoods tends to be rental and affordable for-sale housing, providing needed diversity in the existing regional housing stock.

Urban neighborhoods contain obsolete commercial strips and projects with relatively high land values but low value buildings that need to be demolished or retrofitted. They also contain distressed properties including deteriorated housing, vacant lots, and tax-delinquent properties that provide barriers to investment and opportunities for redevelopment, particularly for affordable housing for current residents. Older urban neighborhoods can also provide the housing stock and land needed to provide residential options for the middle class families not served by market-rate options or government supported affordable housing: the missing middle. Such locations often are within walking distance of services, retail, and transit and require fewer parking spaces than conventional development.

Implementation Strategies:

- *Urban Form*: in most cases zoning must be changed to permit market-ready reuse of such assets and to permit, for example, attached or row house and multifamily development, with limited environmental impacts. Rezoning to allow new business types, without conflicting with existing business and residential uses.
  - *Housing Diversity*: Zoning uses and bulk and area provisions can be changed to allow in such neighborhoods for three-plexes, four-plexes, mansion apartments, accessory apartments and cottages for the elderly or smaller households.
  - *Remediating Distressed Properties*: Distressed property remediation programs are being implemented throughout the country in cities with large concentrations of vacant and abandoned properties. To be effective, these programs should begin with policy and planning initiatives, followed by the adoption of local regulations that implement important planning goals, strategies, and actions. Distressed property initiatives should include all stakeholders and must involve, in many cases, unprecedented coordination among multiple levels of government, between government departments and agencies, and amid public and private actors. Additionally, these programs must find ways to remediate properties with difficult ownership issues. Distressed rental properties, "zombie" properties caught in the foreclosure process, and city-owned properties all present unique challenges for municipalities undergoing this process.

    Recent local real estate market surveys indicate that the region's real estate market continues to be doubly challenged by outdated structures that are considered functionally obsolete and a flat relatively flat real estate market. This is particularly problematic with the existing building inventory in the urban core office market and regionally in the industrial building inventory. Some estimates place the obsolescence level of the existing industrial building inventory at as much as 50%.

    These structures present unique challenges to development and adversely impact the economic viability of the neighborhoods and districts surrounding them by contributing to the perpetuation of blight, public safety concerns, environmental pollution, depression of local real estate prices, and the economic viability of infill development.

Impressive progress in this area is being made in Newburgh through the efforts of the Land Use Law Center, which has developed a comprehensive distressed property remediation program and through the Erie County Industrial Development Agency's Adaptive Reuse Strategy that encourages the redevelopment of older structures and unused sites for market-ready use. More information on both of these efforts is available through the Land Use Law Center.

- *Green Infrastructure*: Promote green infrastructure and public access to natural resources. Promote green economy. The elements of green infrastructure include green roofs, planters, rainwater harvesting, street trees, preserved open space on building sites, natural vegetated corridors and swales, permeable paved areas accented with green features, xeriscaping, private gardens and public parks, detention basins, bio-retention ponds and rain gardens, green building facades, and greened medians and edges along streets, paths, and rail lines. Parking lots can be greened by adding trees and using permeable surfaces that allow infiltration and permit vegetative growth. When seen from the air, the community with robust green infrastructure now appears more connected naturally and, in an ideal circumstance, the green and the gray are complementary. This is a difficult task in most places because of the fragmentation that the built environment has already wrought on urban green space.

Green infrastructure can bring economic benefits to property owners and municipalities. These include increased property values, greater retail business and sales, higher rents, lower energy costs and water bills, less damage from floods, and increased job satisfaction and health for employees. Green jobs associated with the greening of landscapes, buildings, and infrastructure can provide employment often in walking distance—or a short bus ride away—from the homes of residents in lower income neighborhoods. On the municipal side, these benefits to building and business owners translate into more property and sales tax revenue, reduced joblessness, and a more robust local economy. A list of established programs that help build green infrastructure follows and more information about them is available through the Land Use Law Center:

  - Low Impact Development
  - Sustainable Sites Initiatives
  - LEED for Neighborhood Development

    - SmartCode
    - Urban Agriculture
    - Increasing Tree Canopies
    - Green Roofs and Planters
    - Xeriscaping Requirements
    - Green Streets
    - Rainwater Harvesting and On-site Retention
- *Clean Energy*: Under the Reforming the Energy Vision (REV) policy adopted by the New York State Public Service Commission local action is needed:
    - Local governments are encouraged permit small-scale clean energy facilities and initiatives including wind and solar facilities, gas turbines, multi-building geothermal and combined heat and power systems, passive energy buildings, low and net-zero energy buildings, smart housing, demand management, load management, electric car plug in stations, and utility lines connecting small-scale users for load management. These are within the province of local governments to facilitate or frustrate through zoning and other legislative action, including energy code enforcement and enhancement.
    - REV will also encourage, with significant state funding, large scale wind farms, fuel cells, biomass facilities, renewable biogas and the upgrading of small hydropower projects that provide power to the electric grid. Local zoning action is needed to accommodate these facilities.
    - To begin this process, REV calls for a task force to be created to study all of the clean energy initiatives promoted by REV and then draft and adopt, after full community input, a comprehensive plan component describing energy conservation objectives, facilities and initiatives to be promoted locally, and the specific zoning and regulatory methods of encouraging and permitting them.

Information Sources:

- Extensive information about amending local zoning and establishing expedited procedures to permit, require, and incentivize clean energy systems, particularly solar energy systems, is available in a report published in 2015 by the Land Use Law Center.

- Released in March 2011, the *American Housing Survey for the United States: 2009* contains a wide range of information, including residential square footage per person, lot size, and rooms per person.[17]
- The U.S. Energy Information Administration (EIA) reports electricity consumption statistics for various types of residential and commercial buildings on a per-household and per-employee basis.[18] These EIA reports are instructive. Single-family homes, for example, use 108.4 million BTUs per household per year, 2-4 unit apartment buildings use 85.0 million BTUs per household per year, while apartment buildings with five or more units consume 54.4 million BTUs per household per year.[19] This type of data can be used to target neighborhoods and development patterns where energy efficiency can result.

- *District Energy Strategies*: Buildings can be made up to eighty percent more energy efficient through distributed-generation systems, which capture waste heat and use it for water and space heating and cooling.[20] Such systems operate at a scale larger than the individual building, optimally among a large number of buildings in close proximity to one another where maximum efficiency is possible. Energy efficiencies of this sort should be a part of the neighborhood planning process and integrated into local efforts that encourage sustainability through compact, mixed-use development. Energy efficient neighborhoods can be planned that encourage green building development, on-site generation, the use of renewable sources of power, efficient distribution systems, and combined heat and power systems shared by multiple buildings. The LEED for Neighborhood Development (LEED-ND) Rating

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[17] U.S. CENSUS BUREAU, AMERICAN HOUSING SURVEY FOR THE UNITED STATES: 2009 (2009), *available at* http://www.census.gov/prod/2011pubs/h150-09.pdf.
[18] 2005 RECS Survey Data, U.S. ENERGY INFO. ADMIN., http://www.eia.gov/consumption/residential/data/2005/index.cfm#summary (last visited Apr. 2, 2012); 2003 Commercial Buildings Energy Consumption Survey: Consumption and Expenditures Tables, U.S. ENERGY INFO. ADMIN., http://www.eia.gov/emeu/cbecs/cbecs2003/detailed_tables_2003/detailed_tables_2003.html (last visited Apr. 2, 2012).
[19] U.S. ENERGY INFO. ADMIN., TABLE US1: TOTAL ENERGY CONSUMPTION, EXPENDITURES, AND INTENSITIES, 2005, at 2 (2009), *available at* http://www.eia.gov/consumption/residential/data/2005/c&e/summary/pdf/tableus1part1.pdf.
[20] Shankar Karki & Michael D. Mann, *Efficiency Improvements through Combined Heat and Power for On-Site Distributed Generation Technologies*, 22 COGENERATION & DISTRIBUTED GENERATION J. 19, 21 (2007), *available at* http://www.localpower.org/documents/reporto_sk_efficiencydg.pdf; *How Gas Turbine Power Plants Work*, U.S. DEP'T OF ENERGY, http://fossil.energy.gov/programs/powersystems/turbines/turbines_howitworks.html (last updated Jan. 26, 2011); *Cogeneration/Combined Heat and Power*, CTR. FOR CLIMATE & ENERGY SOLUTIONS, http://www.pewclimate.org/technology/factsheet/CogenerationCHP (last visited Apr. 2, 2012).

System awards a credit for "District Heating and Cooling," which a developer can earn by designing a system to meet eighty percent of a project's heating or cooling consumption or both through district heating and cooling.[21]

- In higher density, mixed-use neighborhoods there is great potential for energy efficiency through the creation of a District Energy System (DES). A DES produces energy in the form of steam, hot water, or chilled water, which are transported through an underground closed-loop piping system to buildings connected to the district's network.[22] A DES can mitigate climate change even further by deriving its energy from renewable fuels such as biomass, municipal waste, and lower carbon alternatives such as natural gas or, in some areas, wind turbines or solar arrays.[23]
- To operate most efficiently, districts should contain buildings with different energy needs, such as multi-family buildings, offices, municipal buildings, warehouses, hospitals, nursing homes, mills, and factories. When they are located in reasonable proximity, the energy loads of each can complement one another (because their energy needs are varied at different times of day) and the costs of heating and cooling can be reduced. In those buildings, heat exchangers can draw the energy needed to meet their space and water heating needs, returning the water to the plant for recirculation within a closed loop system.[24] This eliminates the need to install individual boilers in each building which reduces capital costs.[25] In older areas where existing furnaces, chillers, water heaters, and other cooling and water facilities are obsolete, the DES approach can cost-effectively address the need for system modernization. There are inherent fuel efficiencies in this system.
- Local officials must learn how to determine what types of buildings and energy uses should be incorporated into such a zoning district and how to change land use regulations to facilitate district energy systems, more energy efficient construction, renewable energy

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[21] USGBC, LEED FOR NEIGHBORHOOD DEVELOPMENT RATING SYSTEM, at 99.
[22] Baker, *supra* note __; *see also* R. NEAL ELLIOTT & MARK SPURR, COMBINED HEAT AND POWER: CAPTURING WASTED ENERGY, at V (May 1999).
[23] *See* Baker, *supra* note **Error! Bookmark not defined.**.
[24] *See* ELLIOTT & SPURR, *supra* note **Error! Bookmark not defined.**, at 25.
[25] *Id.*; *see also* Baker, *supra* note __.

facilities, transit-oriented development, and other sustainability techniques. Localities need assistance in providing incentives to cover the capital costs of green buildings and district-wide systems. State and federal support for this Energy Conservation Zoning District initiative can unlock the potential these strategies have for energy conservation and climate change mitigation.

- *Achieving Demographic Balance Through Equitable Transit Oriented Development (TOD):*
    - Transit neighborhoods must achieve and then maintain demographic balance in terms of mixed-income, race, and ethnicity. Equitable Transit Oriented Development (ETOD) initiatives ensure integrated neighborhoods by providing a mix of housing types to satisfy a variety of income levels. Maintaining racial and economic diversity through mixed-income and affirmatively marketed development is crucial for regional economic success. Clear evidence shows that cultural, income, and racial diversity are key drivers of economic progress. Without this diversity, which acts as a magnet for the talent revitalizing urban areas need, ETOD areas might not attract the very new populations they need to thrive. Diversity stimulates new ideas, the source of most economic growth. It promotes greater tolerance, improves critical thinking skills, and enhances cross-cultural competence essential to the globalized economy. Diversity also broadens the range of cultural experiences available in a community. By interacting with different types of people, with different points of views and ways of thinking, people learn to understand the world around them better. Diversity also helps create a feeling of global connection. Diverse perspectives from a variety of life experience spur innovation and creativity. Management studies over the past 25 years have demonstrated the importance of maximizing and capitalizing on workplace diversity. In an increasingly globalized world, more interaction among people from diverse cultures, beliefs and backgrounds is required to maintain competitiveness and spur innovation.[26]
    - The racial and economic integration of most impacted urban areas require balanced gentrification: an influx of young, upwardly mobile workers, homes for aging

[26] Scott Page, *The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools,* 2007. Princeton University Press.

empty nesters, and the retention of current residents, including workers needed for the ETOD economy. Mixed-income neighborhoods provide workers for the retail, service, and office development that ETOD provides, along with necessary public sector workers in police, sanitation, public works, government offices, and school systems. ETOD projects and plans that also attract upwardly mobile younger people and middle income seniors bring greater spending power, increase property values, and elevate property tax revenues for inner cities and older urban neighborhoods. In addition, neighborhoods that are ethnically, racially, and economically diverse require businesses and services that support neighborhood residents' needs for retail, groceries, and personal services, as well as child care facilities, employment centers, health clinics, and recreational facilities. This balance of people and services requires that TOD strategies promote affordable, workforce housing, as well as market rate units, through new construction and a specific strategy for the remediation of distressed property.

- It is the responsibility of local leaders and planners to plan for diversity through policies, programs, incentives, and regulations that promote inclusion and affordability to support a racially and economically diverse community. As population growth in some metropolitan areas increases and new groups seek to live in urban neighborhoods, communities are just beginning to learn how to grow sustainably around transit while maintaining the proper economic and racial balance. Finding a balance between attracting new market households and retaining current lower-income residents is a critical challenge for ETOD planning. This includes finding funding for distressed property remediation, essential in creating new residential opportunities.

- *Resilience and Adaptation Planning and the Private Sector*

Resilience is a term being considered more and more in the real estate industry as the private sector seeks ways to minimize risk and maximize value in the era of climate change and uncertainty. From a local government point of view resiliency planning must go beyond disaster response or building hard infrastructure to keep the elements out. Resilience begins with having a more robust, economically diverse tax base, and social equity in terms of housing, jobs, and transportation choices. This way the community is better prepared for future disasters, and at the same time, the community attracts more investments within that particular geographical area.

The way of looking at resilience is the ability not only to bounce back but also to bounce forward. There are two trends that are emerging to make the need for urban resiliency urgent for private sector developers. First, urbanization is occurring at a fast pace, with people concentrating in cities, many of which are located in coastal or other flood prone areas. Second, climate change is becoming more and more unpredictable, affecting investments in coastal and inland communities alike. In response, the Urban Land Institute (ULI) published a white paper called *Resilience Strategies for Communities at Risk*, which discusses different resilience strategies for communities to implement in order to attract developers.[1] The following information is taken from that ULI report; more information about each of the recommendations that follow is available through the ULI white paper.

It is difficult to assess accurately the long-term market value of a development given the uncertain effects of climate change. It is critical that the right tools be developed and implemented to improve a community's capacity to mitigate risk. ULI proposes the following recommendations for Land Use and Development:

- Create an ongoing resilience task force.
- Identify areas within the community to protect and invest in that are critical to the economy, culture, health, safety, and welfare.
- Identify local land use typologies in order to assess the built environment for resilience.
- Use land typologies to conduct a cost/benefit analysis to identify less vulnerable "value zones" for long term planning and public spending.

Investing in infrastructure, technology, and capacity building serves to protect lives, health, and well-being of the community, as well as making the community more competitive for public resources and more attractive to developers. ULI proposes the following recommendations for Infrastructure, Technology, and Capacity:

[1] Urban Land Institute, *Resilience Strategies for Communities at Risk*, Urban Resilience Program, White Paper Series, 1 (2014), *at*, http://uli.org/report/white-paper-resilience-strategies-communities-risk/.

- Develop an infrastructure vision, review it regularly, and set priorities.
- Consider long-term resilience when evaluating (re)building strategies.
- Design protective infrastructure to do more than protect buildings and infrastructure.
- Explore the potential of soft systems.
- Allow for safe failure of some noncritical infrastructure systems.
- Create infrastructure recovery plans for quick partial service restoration.

Capital is necessary to make improvements to prepare for future extreme weather events and to successfully rebuild after them. ULI proposes the following recommendations for Finance, Investment, and Insurance:

- Implement creative extra-municipal financing mechanisms.
- Accurately price climate risk into property value and insurance.
- Allow partial compliance and mitigation measures in order to create flexibility in insurance premiums.
- Design financing to help relieve the recovery burden for low-income households and small businesses.

Good governance allows good leadership to flourish, and good leadership provides the guidance and ability to make difficult decisions. ULI proposes the following recommendations for Leadership and Governance:

- Create programs to provide knowledge sharing and professional training.
- Make critical information easily understandable and readily accessible before, during and after a disaster.

Section 6. Innovative Land Use Techniques for Use in Various Implementation Strategies

For a Land Use Tool Box developed under contract with the Climate Smart Communities Program of the State Department of Environmental Conservation see http://www.dec.ny.gov/energy/95222.html. The Climate Smart Communities Toolkit allows New York communities to find recommended practices that will help to reduce Greenhouse Gas emissions specifically in the areas of land-use, transportation policy, green building, infrastructure investment, green infrastructure, and housing policy. The toolkit is designed to provide results based on local characteristics and priorities. To read more about the following innovative land use techniques and many more, see the Land Use Law Center's encyclopedia of New York Land Use Law: Well Grounded. The Center also maintains a data base of local land use ordinances regarding most land use issues; see the Center's information on the Pace Law School webpage.

A. Overlay Zoning

An overlay district is created by the local legislature by identifying a development area and adopting new provisions that apply in that area in addition to the provisions of the existing zoning ordinance which remain in place. The provisions of an overlay district can be more permissive than those contained in the underlying zoning district; they can impose restrictions, but also may provide zoning incentives and waivers to encourage certain types and styles of development.

Economic development districts can be designated as overlay districts, which follow, for example, a major transportation corridor and encompass parts of several underlying zoning districts. Zoning incentives can be provided to developers to build in these districts. (See material *infra* on incentive zoning.) In exchange for these incentives, developers can be required to provide needed public services and amenities. Local governments have the authority to increase the number of housing units permitted, or the gross square feet of commercial building allowed, in exchange for the provision of community benefits, such as parks, playgrounds, water, sewerage, and transportation facilities, or even affordable housing and day care. These measures articulate a clear municipal policy that the development district is the appropriate place for higher density development. This policy can be supported further by the local capital budget, which can target development districts for additional or improved infrastructure to service the new development.

An overlay law can be used, for example, to accomplish the redevelopment or rehabilitation of deteriorated buildings and neighborhoods. Within a designated redevelopment overlay district, developers can be given a variety of incentives to redevelop contaminated or substandard properties, to rehabilitate substandard structures, or to provide needed community facilities or affordable housing. This type of revitalization may be critical to making urban neighborhoods amenable for economic development and population growth.

B. Floating Zoning

The floating zone technique involves the addition of a new zoning district to the zoning law, but postpones mapping sites for that use until some future date. The zone can be affixed to individual parcels upon the application of the parcel owner or the initiative of the local legislative body or planning board.

This technique can be used to allow compact, mixed-use development, for example, on sites of certain sizes and in certain locations, as a method of promoting economic development. This technique is an alternative to simply rezoning parcels for such uses and is used to allow the community some flexibility in determining where opportunities are for such development. Floating zoning also avoids any immediate increase in the value of land that might be rezoned for greater density and allows the city, parcel owners, and developer to negotiate the final zoning for eligible sites and to capture the increased land value as benefits for the neighborhood and community. Local officials may be unclear as to where such uses should best be accommodated and where developers would prefer to locate them to insure that they are successful economically.

Floating zones allow developers needed flexibility in locating sites and determining how new land uses can be designed and buffered to fit into their surroundings. In some communities where affordable housing is desired, for example, a multi-family district may be created by the legislature but not located on the zoning map. This allows developers the maximum flexibility to scout out sites and design developments that mix housing types, tenures, and costs to accomplish the municipality's objective of producing affordable housing while requiring the project to fit properly into the neighborhood. Similarly, a community may want to create a compact, mixed-use development zone but may not want to limit its location, in order to give developers ample opportunity to find a site best suited to current market needs.

The first case upholding the authority of local governments to adopt floating zones as part of the municipal authority to divide the community into zoning districts was decided by the New York State Court of Appeals in *Rogers v. Tarrytown.*[27] Sustaining the floating zone, the court held that courts must defer to legislative judgment when "the validity of the legislative classification for zoning purposes [is] fairly debatable" and that the burden of showing that an ordinance is not justified under the police power of the state rests with the person attacking the ordinance. Applying that test to the facts of the case, the court upheld the purposes behind the creation of the new district as following "sound zoning principles" and as being in accordance with a comprehensive plan. Those purposes included providing housing for young families in the area, attracting businesses, and protecting the local tax base. Then, addressing the validity of floating zoning as the method chosen by the village to achieve those goals, the court held that the village's requirement for "separate legislative authorization for each project present[ed] no obstacle or drawback" and that the board of trustees' choice of this procedure was "neither arbitrary nor unreasonable."

[27] *See, e.g., Rodgers v. Tarrytown*, 96 N.E.2d 731 (1951).

The court also noted that the board had not improperly divested itself of its legislative power. It reasoned that even if a property owner met physical standards required for the district, the board could, in the exercise of reasonable discretion, refuse to rezone the property. The court dismissed the allegation of illegal spot zoning, stating that if "an ordinance is enacted in accordance with a comprehensive zoning plan, it is not 'spot zoning,' even though it (1) singles out and affects but one small plot . . . or (2) creates in the center of a large zone small areas or districts devoted to a different use."[28]

C. Special Use Permits

Projects such as compact, mixed-use developments can be permitted by adding the use as a specially permitted use that is allowed in designated zoning districts. Special use permits are a declaration by the local legislature that the use permitted is a valid use in the district affected, so long as it meets certain conditions contained in the code regarding the special use. Any of the economic development projects discussed in the material above can be made legal by using a special use approach as opposed to a rezoning, floating zone, overlay zone, or the use of incentive zoning.

D. Waterfront Zoning

Economic development has been drawn to river, lake, and beach fronts, historically, notably with industries dependent upon water-borne freight. Recent trends have seen pedestrians, shoppers, diners, and workers drawn to new and revitalized waterfronts. For these trends to work locally, there must be a market for these economic uses and local planning and zoning must accommodate and encourage them.

Local waterfront management is a process by which a municipality uses applicable local, state, and federal authority to manage and protect its waterfront resources. It does this by adopting a local waterfront management plan, which has significance under local, state, and federal law. A local waterfront management plan can be viewed as an addition to a municipality's comprehensive plan, applicable to coastal areas. It can contain explicit provisions for furthering new economic development activities consistent with waterfront planning principles.

[28] *Id*.

For more innovative land use techniques:
Contact the Land Use Law Center or see Well Grounded: Using Local Land Use Authority to Achieve Smart Growth. The following is an illustrative list of topics for which resources are available:

A. **Conservation Topics:**
   1. Local Environmental Law
   2. Natural Resource Conservation
   3. Agricultural Land Preservation & Environmental Regulation
   4. Green Infrastructure
   5. Sustainable Sites
   6. Habitat Conservation
   7. Regulating Hydraulic Fracturing
   8. Energy Sprawl
   9. Environmental Impact Review of Development
   10. Public Health Impact Review of Development
   11. Urban Farming
   12. Repurposing Landscapes

B. **Development Topics:**
   1. Smart Growth & Sustainable Development Certification
   2. Compact, Mixed-Use Development & Priority Growth Districts
   3. Urban Revitalization
   4. Urban Renewal and Eminent Domain
   5. Repurposing of Buildings
   6. Brownfield Redevelopment
   7. Transit-Oriented Development
   8. Community Economic Development
   9. Workforce Housing
   10. Managing Shrinking Cities & Suburbia
   11. Vacant & Distressed Property Remediation
   12. Sustainable Neighborhood Development
   13. Green Buildings

C. **Energy Conservation:**
   1. Energy Codes & Conservation in Buildings
   2. Building Orientation & Commissioning
   3. Local Wind Turbine & Wind Farm Regulation
   4. Local Solar Panel & Array Regulation
   5. District Energy Systems

D. **Climate Change Topics:**
   1. Climate Change Mitigation & Adaptation
   2. Carbon Emission Reduction Through Human Settlement
   3. Sea Level Rise
   4. Community Resiliency
   5. Disaster Planning & Response
   6. Biological Sequestration: Forest Preservation & Enhancement
   7. Tree Canopy Management & Expansion

E. Decision-Making & Diffusion of Innovation:

1. Collaborative Decision-Making & Facilitation
2. Public Policy Formulation: Civil Discourse
3. Diffusion of Innovation: Change Agents

F. Equity Topics:

1. Fair and Affordable Housing
2. Environmental Justice