



# Utah Rural Summit

© Ed McMahon

Cedar City, Utah

September 4, 2019

# Utah is a Special Place!







**No Place  
Will Stay Special  
By Accident!**





**CHANGES  
AHEAD**



# What is Changing?

- National and global economy
- Demographics
- Technology
- Consumer attitudes & market trends
- Health care
- Travel and Tourism
- Energy sources & transportation options
- The weather

# There two kinds of change:

- **Planned change**
- **Unplanned change**



**“The best way to predict the future is to create it yourself”**

Abraham Lincoln



# Growth is About Choices



Should we invest downtown?  
Should we design for people?  
Should we encourage infill?



Should we invest on the strip?  
Should we design for cars?  
Should we encourage greenfield?



**It is about our children**





# It's about balance



“Conservation is a state of harmony between man and nature.”



Aldo Leopold



# It's About Win-Win Solutions

- **Healthy Environment**
- **Vigorous Economy**
- **Vibrant Community**



# Economic Development is About Choices



Should we try to recruit new industry?



Should we try to expand existing businesses?

# Economic Development

## 20<sup>th</sup> Century Model

- Public sector leadership
- Shotgun recruitment strategy
- Low cost positioning
- Cheap labor
- Focus on what you don't have
- Quality of life unimportant
- Driven by transactions
- Key Infrastructure = Roads

## 21<sup>st</sup> Century Model

- Public/Private Partnerships
- Laser recruitment strategy
- High value positioning
- Highly trained talent
- Focus on what you do have
- Quality of life critical
- Driven by an overall vision
- Key Infrastructure = Education



“Communities and regions are in a global competition to attract and retain a talented workforce. Increasingly these talented workers are choosing where they want to live first and figuring out their job situations later.”

CEO's for Cities, Segmentation Study, 2006

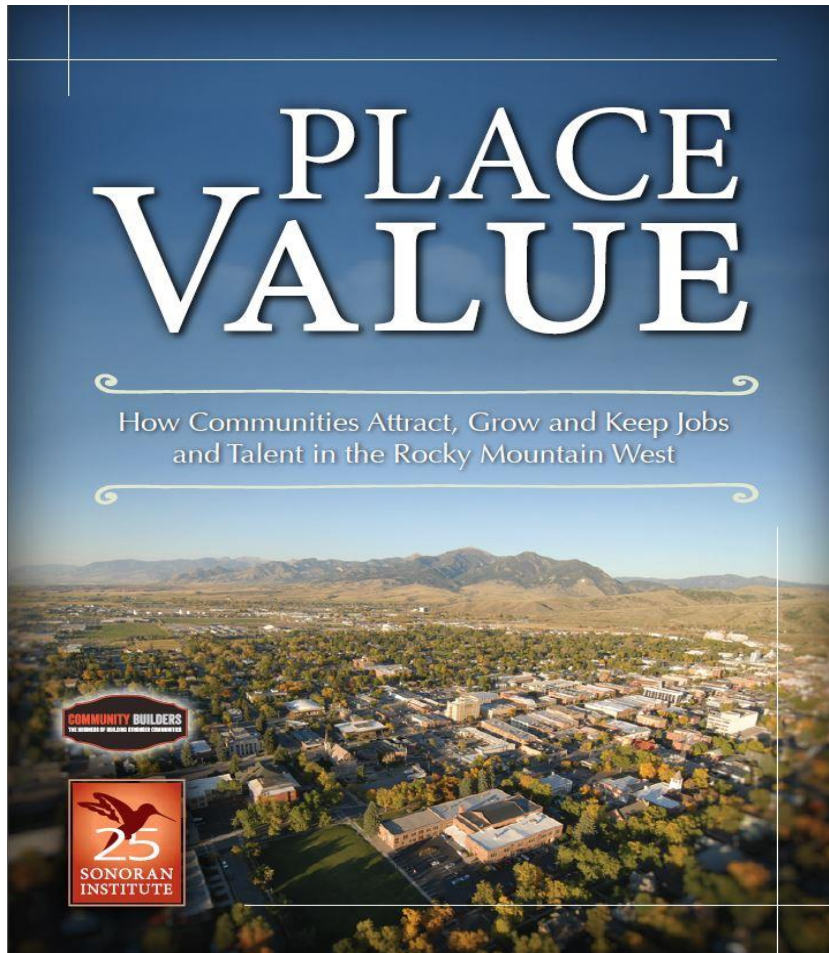
# Place Matters!

- “New investment is increasingly seeking locations based on *quality of place* rather than *utility of location*”.

Steve McKnight, Vice President Fourth Economy Consultants



# Place Value Survey

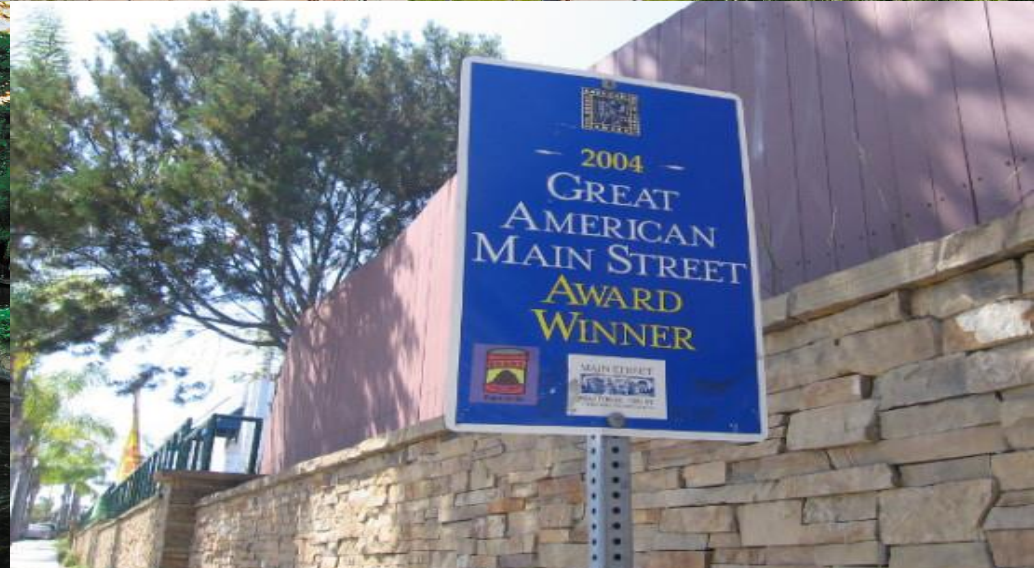


- **People are willing to sacrifice salary for ideal community**
- Jobs follow people
- Community quality is a top priority for businesses & residents
- People on the move are looking for great places

Survey of 1000 business owners in Rocky Mtn. states by non-profit Sonoran Institute, October 2015

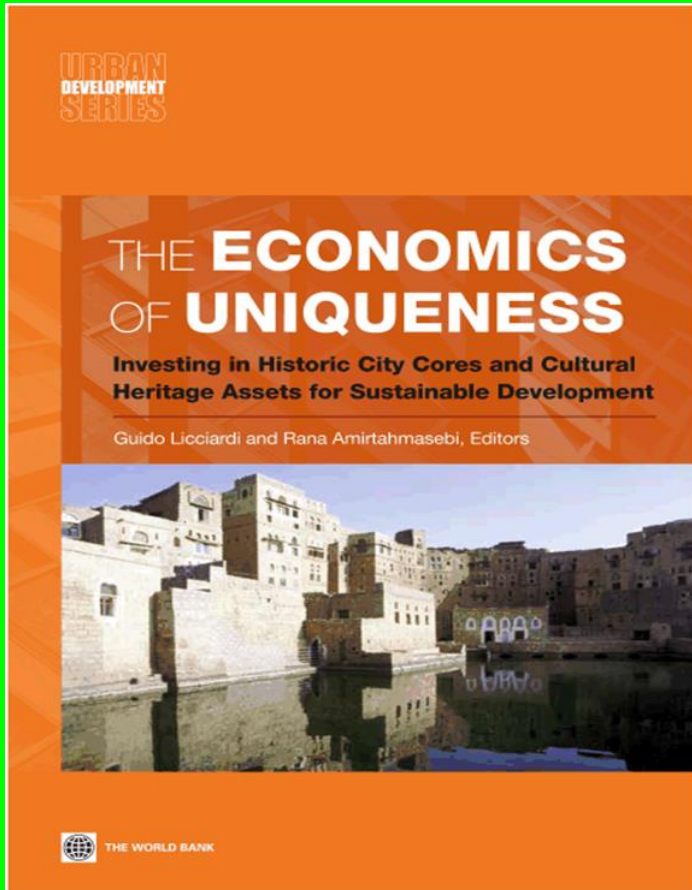


# Successful Communities Are Distinctive Communities





# Distinctiveness has value!



- “If you can’t differentiate your community, you will have no competitive advantage.”
- “Sameness is a *minus*, not a plus, in today’s world.”

# Distinctive = Having a Special Quality

## Synonyms

- Cool
- Extraordinary
- Offbeat
- Original
- Special

## Antonyms

- Common
- Ordinary
- Regular
- Standard
- Usual

Source: Thesarus.com



# The Distinctive Community

“The unique characteristics of place may be the only truly defensible source of competitive advantage for cities & towns.”

Joe Cortright, CEO's for Cities



# Community Character Matters!



- “We take stock of a city like we take stock of a man. The clothes or appearance are the externals by which we judge.”
- Mark Twain





Welcome to  
the City of  
**FRANKLIN**





MIDFIELD  
CITY LIMIT

Loveland's  
FLOWERS  
Marlboro  
\$1.10

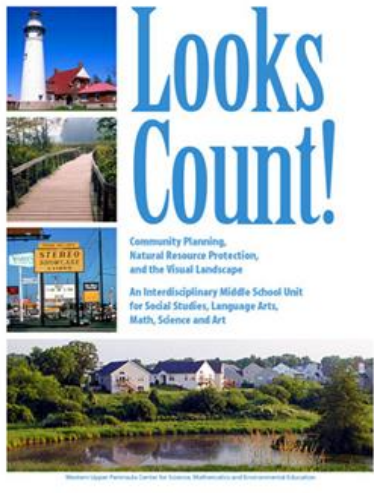
S P E E D  
E N

Marlboro

AND OTHER CIGARETTES  
SOLD HERE

\$1.10





**COMMUNITY IMAGE  
IS CRITICAL  
TO ECONOMIC VITALITY  
AND QUALITY OF LIFE**



The Official 2000 Travel Guide

# Oregon

Oregon: Things Look Different Here

# In Today's Economy – Place Matters

## Traditional Economy

- Product Driven
- Cost Sensitive
- **Market Driven**



- Making the sneakers



## Today's Economy

- Knowledge Driven
- Value Sensitive
- **Place Driven**



- Designing the sneakers





“The *place* is becoming more important than the *product*” - NAHB





# Placemaking = Economic Development



Town Square - Wausau, WI

**“Economic development is really the result of creating places where people want to be.”**



Bricktown – Oklahoma City, OK

**Mick Cornett,  
Mayor, Oklahoma City, OK**

# Soul of the Community Study



## The Economics of Place:

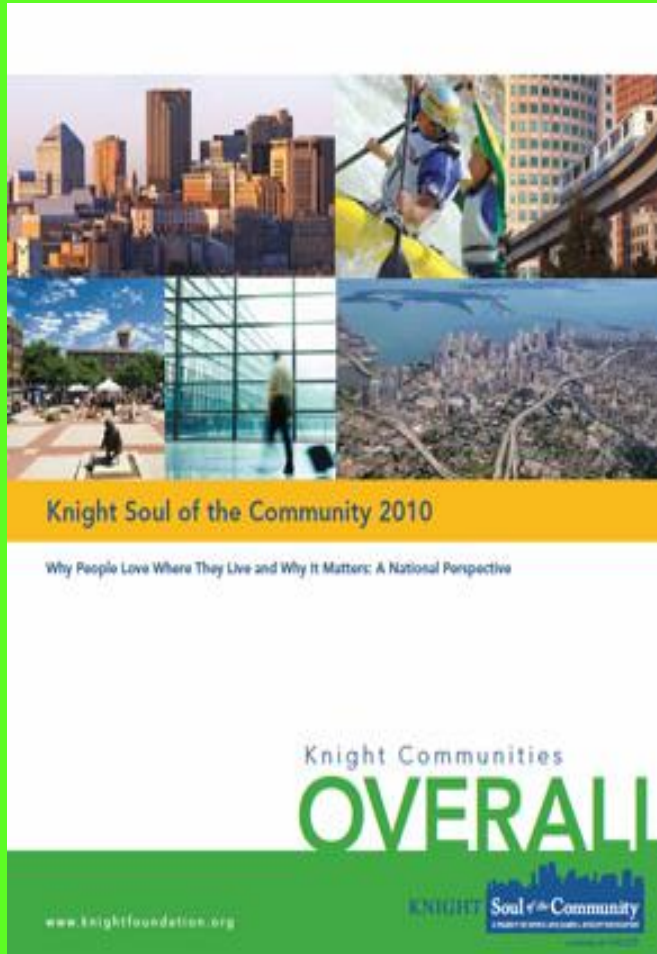
The Value of Building Communities Around People



Edited by Colleen Layton, Tawny Pruitt & Kim Cekola

- “Communities with the highest levels of attachment to place also have the strongest economies.”
- Source: Knight Foundation. 2010

# What attaches people to community?



- **Social offerings** – such as, libraries, parks, recreation venues & places to meet
- **Openness** – how welcoming a community is to newcomers
- **Community Aesthetics** – physical beauty and green spaces

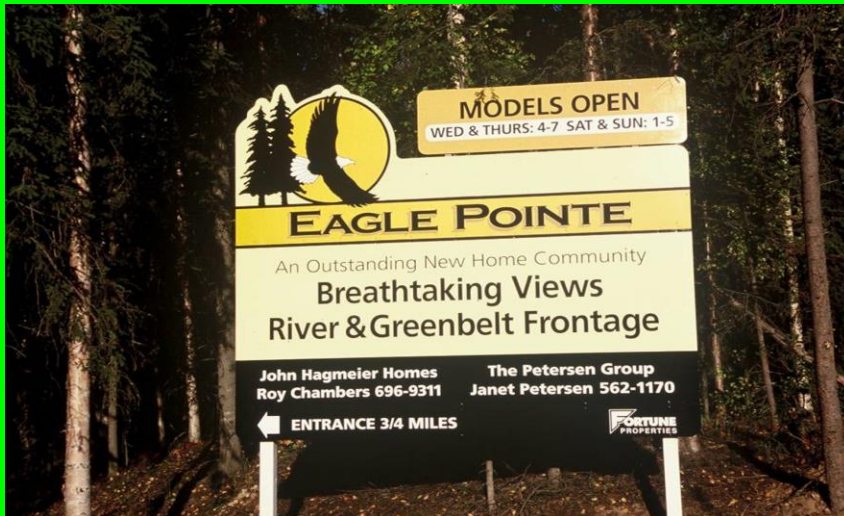




“If a building, a landscape or a city is not beautiful, it will not be loved, if it is not loved, it won’t be maintained and improved. In short , it won’t be sustained.”

Doug Kelbaugh, Former Dean, University of Michigan, School of Architecture

# What is the Value of a View?



- “You can put a dollar value on a view.”
- “Scenic landscapes have economic value, not just because you or I think they are nice, but because other people are willing to pay to see the view and to experience the unique character of a place.”
- “Housing, hotels, offices with scenic views always command premium prices, the better the view, the higher the price.”

Source: National Association of Real Estate Appraisers

# Keys to Success

- A healthy downtown
- Parks and green space
- Historic buildings
- Places to Walk
- **Local** shops and restaurants
- Arts and Culture



# Healthy Downtowns

- Downtowns play a decisive role as an icon.
- They are critical as a connecting point and nerve center for a metro area.
- A key asset for regional prosperity



**ANNUAL DIRECTORY EDITION**

**Corporate and Industrial Sites in the World's Third-Largest Economy**

# SOUTHERN BUSINESS & DEVELOPMENT

FALL 2002

**The Perception  
Buster:  
First Annual  
Southern State  
Business Climate  
Index**

**When Site  
Searching the  
South, Make Sure  
You Inspect a Community's  
Downtown First!**

**Shreveport**

Presorted Standard  
U.S. Postage  
**PAID**  
Quincy, FL  
Permit No. 632

[www.sb-d.com](http://www.sb-d.com)



# Why Do Downtowns Matter?



Photo: West Chester BID



- Downtowns are the heart and soul of a community.
- If you don't have a healthy downtown, you don't have a healthy city or town.
- The apple rots from the inside out.
- It is hard to be a suburb of nothing.



# Companies Moving Downtown

- A study by Smart Growth America and Cushman Wakefield reports that 500 American companies have either relocated to, expanded, or opened new offices in “**walkable downtown locations**” in the past 5 years.
- 247 companies moved from suburban office locations to downtowns.
- The average Walk Score of old locations was 52. The average Walk Score of new locations was 88
- Fortune 500 companies that have moved from suburban sites to downtowns include **Motorola, McDonald’s, Marriott, Amazon Caterpillar and GE.**



## Core Values

Why American Companies are Moving Downtown



IN PARTNERSHIP WITH



Center for Real Estate  
and Urban Analysis  
THE SPENCER HANCOCK PARTNERSHIP

# Why Move?



- To attract & retain talented workers
- To build brand identity & corporate culture
- To support creative collaboration
- To be closer to customers & business partners
- To centralize operations

# Amazon moved 7000 employees into downtown Seattle



They moved into 9 new buildings and 2 historic renovations, all in a mixed use neighborhood accessible by car, train, bus, boat, bike or on foot.



# Durham, NC - Before



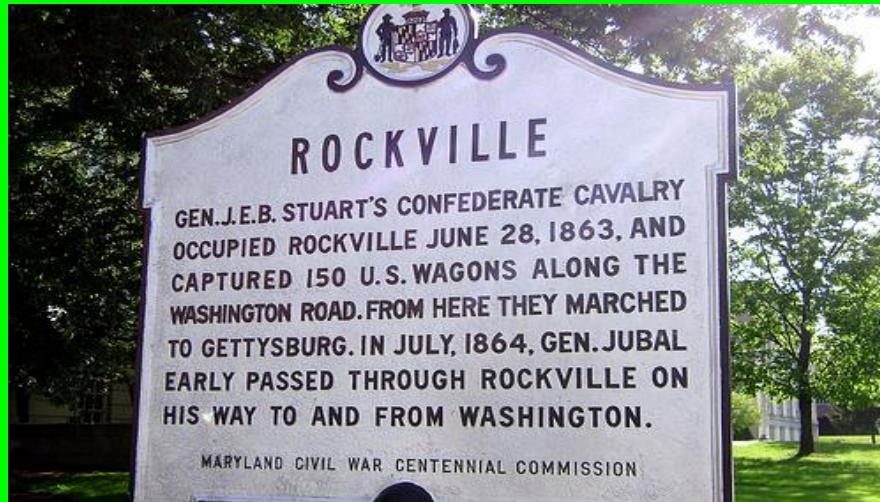


# Durham, NC - After





# Downtown Rockville, MD



- Mostly demolished in 1970





# Replaced by Rockville Mall



# Replaced by Rockville Town Center





# Parks & Green Spaces Create Value & Vitality

## THE CASE FOR OPEN SPACE

WHY THE REAL ESTATE INDUSTRY SHOULD INVEST IN PARKS AND OPEN SPACES



- “The relationship between rising property values and green spaces is well documented.”
- “Some studies find as much as a 15 to 30 % increase in the value of properties adjacent to parks and open space.”



Where is the most valuable land in New York?





# Parks Create Value and Vitality



Parks are a key to community revitalization in both big cities and small towns.



# Downtown Fort Worth - Before





# Downtown Fort Worth - After





# Caldwell, Idaho – Parking Lot



# Caldwell, Idaho - Park & Plaza





# Sulphur Springs, TX - Before





# Sulphur Springs, TX - After



# Sulphur Springs – Vacant to Vibrant



Sulphur Springs – Movie Night



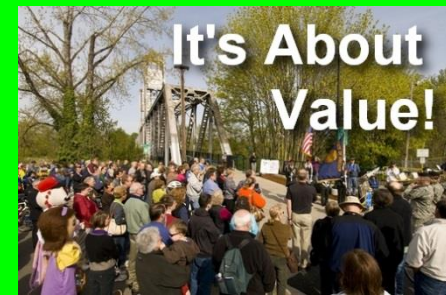
Sulphur Springs – Outdoor Chess Set

- The square features a splash pad, game tables, bistro area, public restrooms, landscaping, lawn chairs, a giant chess set.
- **Town Square hosts 300 events a year**
- Activities and events include: movies, concerts, farmers market, car shows, weddings, bike rallies, beer & wine festivals, relays, fun runs, exercise classes, Christmas activities, quilt shows, birthday parties, health fairs, etc.
- **Named “Most Improved Small Town in Texas”**





What is the value of historic buildings, neighborhoods and landscapes?



THOMAS CLAYTON WOLFE

A GREAT AMERICAN WRITER

BORN ON THIS SITE

92 WOODFIN STREET


OCTOBER 3, 1900











A two-story brick building with a light tan facade. The ground floor features two large, arched red double doors, each with a small window divided into six panes. Above the doors is a red horizontal band with a white sign that reads "FIREHOUSE PIZZA" in black, sans-serif capital letters. The second floor has two identical windows, each with a small awning above it. The building is set against a clear blue sky, and a utility pole is visible on the right side.

FIREHOUSE PIZZA

# Economics of Preservation

“Dozens of studies document that historic preservation is good for the economy”.

It positively effects:

- 1. Jobs**
- 2. Property values**
- 3. Tourism**
- 4. Downtown Revitalization**
- 5. Affordable Housing**
- 6. Environmental Impacts**



Source: *Measuring the Economics of Preservation: Recent Findings*, ACHP, 2011



# Main Street Reinvestment

## Investment as if ROI Mattered



- \$74.7 billion reinvested
- 138,303 net new businesses
- 614,716 net new jobs
- 276,790 buildings rehabbed
- **Every \$1 of public money leveraged \$26 of private**

Source: NMSC, 2017

Photo: West Chester BID



# Historic Preservation & Tourism



New Orleans – French Quarter



San Antonio - Riverwalk



Seattle – Pike Place Market



Miami Beach – Art Deco District





“Among cities and towns with no particular recreational appeal, those that preserve the past continue to enjoy tourism. Those that haven’t receive almost no tourism at all.

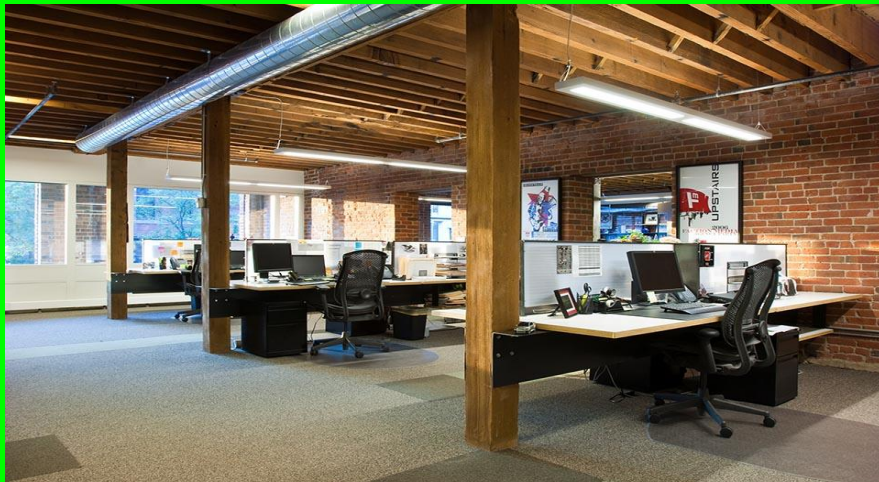
Tourists simply won’t go to a city or town that has lost its soul.”

Arthur Frommer

# Old is New Again



Boiler House Offices, Ambler, PA



Faction Media, Denver, CO

- “Renovation & Redevelopment are not new, but the market is embracing older space with new fervor.”
- **“Office space in rehabbed industrial buildings is now demanding rents above new Class A product.”**

Source: Emerging Trends in Real Estate, 2016



# Corporate Offices - Anywhere USA



# Corporate Offices – Minneapolis, MN

Higher rents  
Faster Lease-up  
Less Turnover







# Before

Derelict Wharf  
Boston, MA

# After

HQ's Converse Inc.  
Boston, MA





## Before

Sears Distribution Center  
Seattle, WA

## After

Starbucks Headquarters  
Seattle, WA







## Before

Abandoned Detergent Plant  
Baltimore, MD

## After

Under Armour HQ  
Baltimore, MD







# Before

Vacant Post Office  
Chicago, IL

# After

Walgreens HQ's  
Chicago, IL







**Before**

Abandoned Steel Factory  
Pottstown, PA

**After**

Events Center & Offices  
Pottstown, PA





# Hotel Chains are Reusing Historic Buildings



**Fairfield Inn & Suites – Keene, NH**



**Hampton Inn – Lexington, VA**

- Millennials say that “authenticity” and “interesting” are more important than “comfortable” or “predictable” in lodging facilities.
- Millennials also say that they would rather stay in “walkable neighborhoods” rather than locations that require a car.
- In many communities, renovated historic hotels have been a driver in larger community revitalization efforts.





# Before

Abandoned Brewery  
Milwaukee, WI

# After

Brewhouse Inn & Suites  
Milwaukee, WI





# Before

State Mental Hospital  
Buffalo, NY

# After

Henry Hotel  
Buffalo, NY







# Before

Bexar County Jail  
San Antonio, TX

# After

Holiday Inn Express  
San Antonio, TX





# Before

John Deere Tractor Factory  
Waterloo, IA

# After

Marriott Courtyard Hotel  
Waterloo, IA







**Before**

Abandoned Cork Factory  
Lancaster, PA

**After**

Cork Factory Hotel  
Lancaster, PA





**Before**

Old Silk Mill

Petaluma, CA

**After**

Hampton Inn

Petaluma, CA







What are we building today  
that will be worth preserving in  
the future?



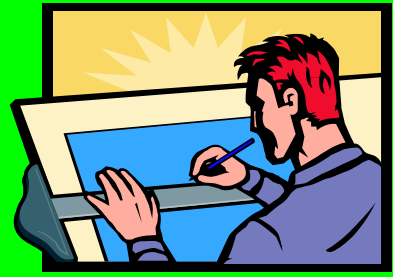


Value  
Menu  
99¢

BIG  
CRUNCH  
MEAL  
\$14.99

MORE  
MEAL  
FOR YOUR  
MONEY





# New Construction Should Enhance Community Character



# You Have a Choice!

“When a chain store developer comes to town they generally have three designs (A, B, or C) ranging from Anywhere USA to Unique (sensitive to local character).”

“Which one gets built depends heavily upon how much push back the company gets from local residents and officials about design & its importance.”

Source: Bob Gibbs, Retail Consultant, Birmingham, MI



# Walgreens – Plan A



# Walgreens – Plan B





# Walgreens – Plan C



# Walgreens – Plan C





# Walgreens – Plan C



# CVS – Baldwin Park, FL





# CVS – Buckeye, AZ



# CVS – Davidson, NC





# Rite Aid – Camden, ME



# The Old Retail Paradigm





# The New Paradigm



Downtown Greenville, SC



Commercial Strip, Anywhere, USA

- The future belongs to downtowns, main streets, town centers & mixed-use development!
- Strip development is development for the last century!

# Here is Why:

- E- Commerce means fewer and smaller stores
- We're overbuilt on the strip
- Changing Consumer Attitudes
- Retail is rediscovering cities & towns
- The suburbs are being redesigned
- Traffic congestion & auto-oriented (i.e. ugly design) are undermining the strip
- The economy is restructuring the retail landscape

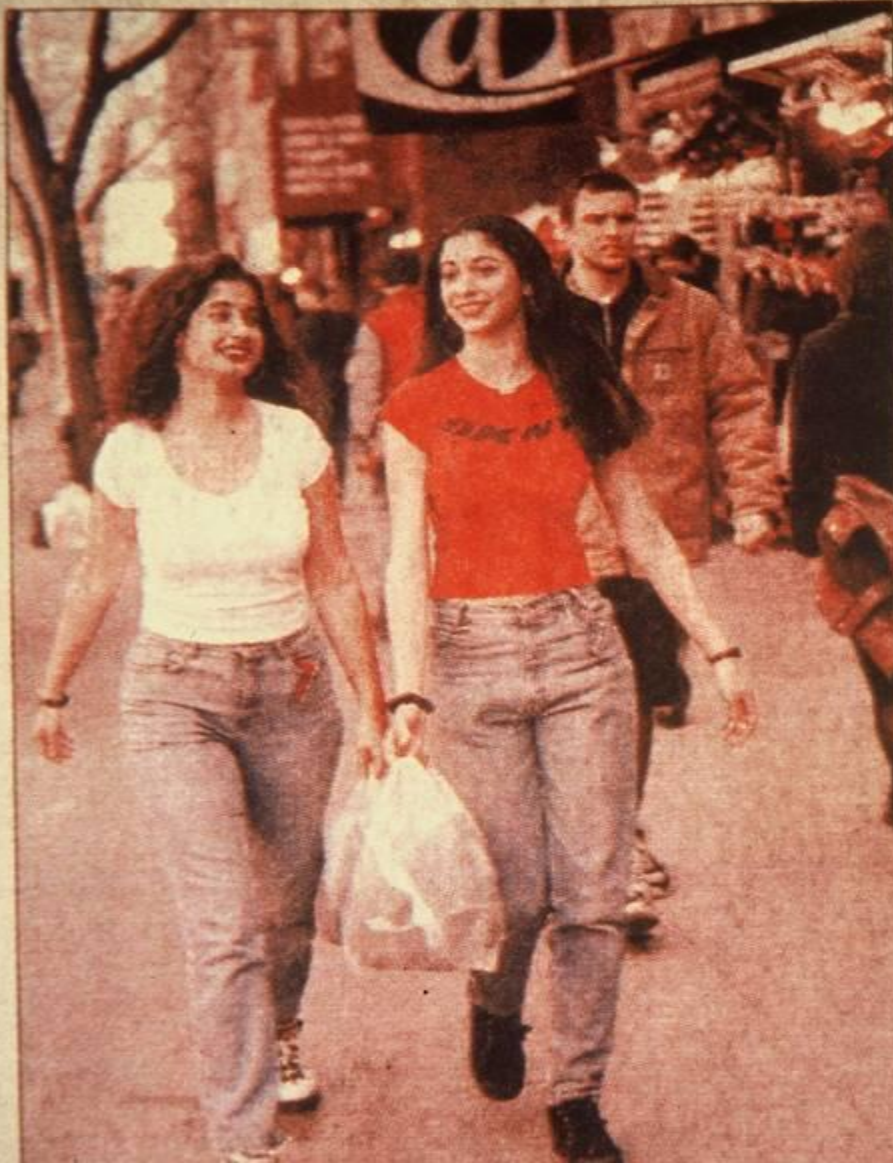


Retail space grew 5X faster than  
retail sales





# Consumer attitudes are changing



## COVER STORY

# Malls are like, totally uncool, say hip teens

The bigger question for retailers is, will parents follow their offspring?

By Bruce Horowitz  
USA TODAY

The future of retailing in America may all come down to where Jessica Pfeifer shops. There's one place it's not: the mall.

Anyplace but the mall.

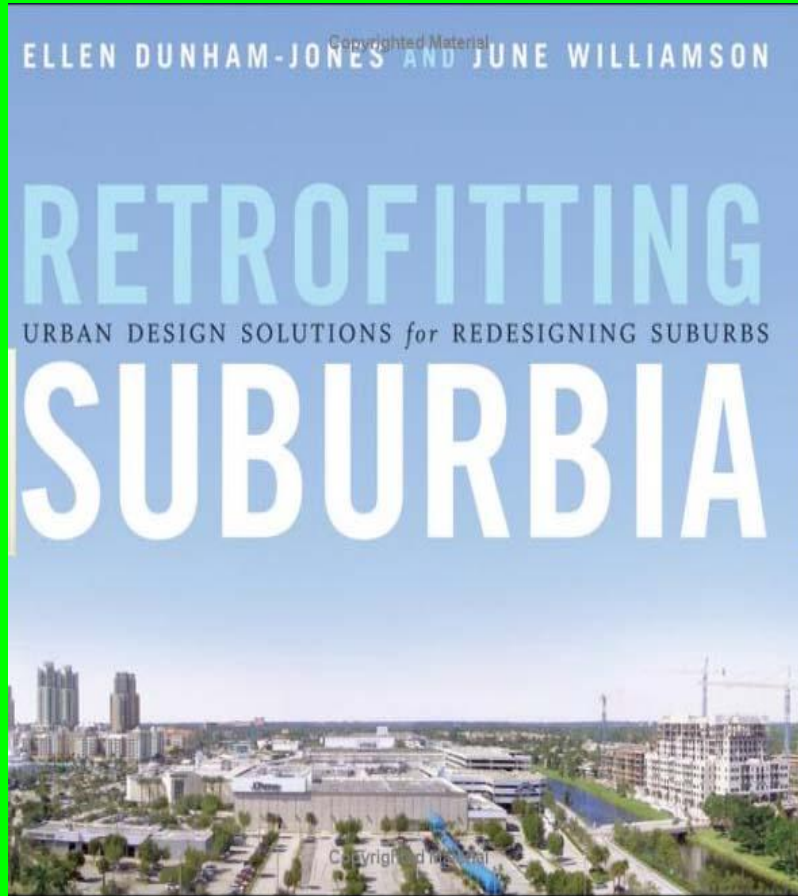
For this 18-year-old high school senior and her 15-year-old sister, Andrea, the mall has become entirely uncool.

Most malls are filled with cubicles that all sell similar stuff. And many teens get the heebie-jeebies being followed around by walkie-talkie wielding security guards and suspicious store clerks who keep flashing them evil eyes.

The Pfeifer sisters live in Manhattan and used to take the train to regional malls. Now they and their friends who live



# Suburbs Are Being Redesigned



- “The largest retail trend of the next generation will be the conversion of dead or dying strip commercial centers in the suburbs into walkable urban places.”
- Source: Chris Leinberger, The Brookings Institution



# The New Promised Land?



# Tear Up Parking Lot, Rebuild Paradise

- Large, flat, well drained site
- Major infrastructure in place
- 4 lane highway frontage, transit ready
- Saves rural land
- Committed to mixed use
- Can turn NIMBY's into YIMBY's
- 2.8 million acres of greyfields will be available in next 15 years

# We Are Going From This:



Spread Out  
Single Use  
Drivable Only



# To This!

Compact  
Mixed-Use  
Walkable









# The Old Paradigm





# New Paradigm





# Target – Minneapolis, MN





# Target – Stamford, CT





# Target – Chapel Hill, NC





# Downtown Bentonville, AR



Walmart



# Walmart – Bentonville, AR



# Waffle Houses – Fayetteville, AR



## Strip Waffle House

- Located next to Interstate Highway
- Lots of Parking
- Single Use



## Downtown Waffle House

- Walkable Street
- No dedicated Parking
- Mixed use use



# “Downtown Waffle House outperforms Strip Waffle House by 15%”

Source: City of Fayetteville and ISR Working  
Group

September 22, 2011

The downtown, mixed use project also produces:

- More taxes per acre
- More jobs per acre
- More residents per acre
- More people walking to and from the restaurant



“People stay longer,  
spend more money  
and come back more  
often to places that  
attract their affection.”

Source: *Urban Design and the  
Bottom Line*, ULI, 2009



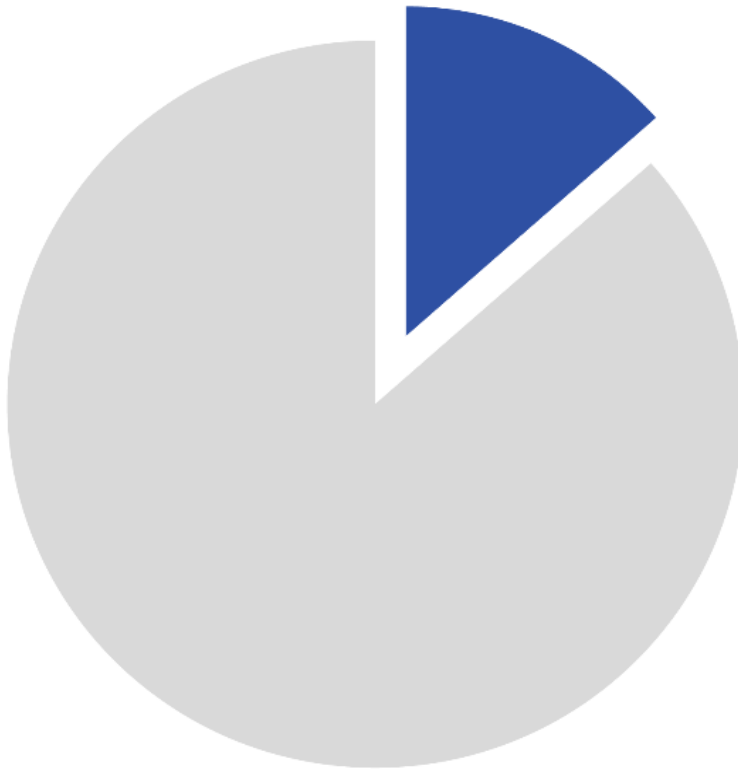
# Big Box vs. Small Business



What difference does it make?

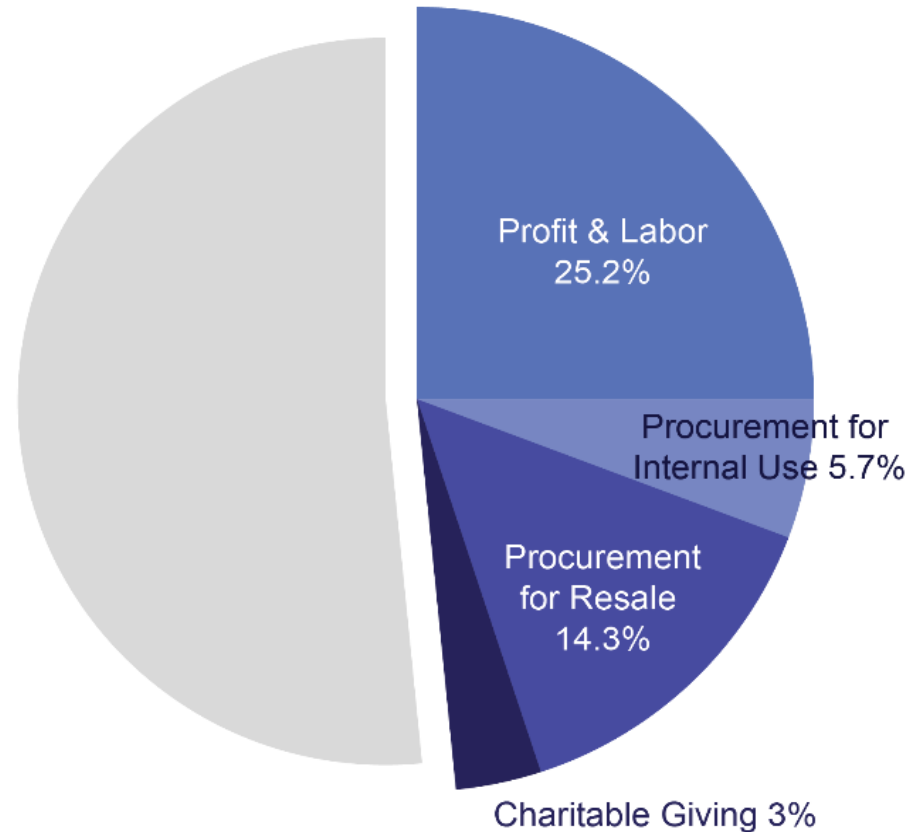
# Local Economic Return of Indies v. Chains

Chain Retailers



**Local Recirculation of Revenue: 13.6%**

Independents



**Local Recirculation of Revenue: 48%**

\*Compiled results from nine studies by Civic Economics, 2012: [www.civiceconomics.com](http://www.civiceconomics.com)  
Graph by American Independent Business Alliance: [AMIBA.net](http://AMIBA.net)



# Small Business Can Make a Big Difference!

## WHEN YOU VISIT AN INDEPENDENT LOCAL BUSINESS...

- You keep more money in your local economy
- You celebrate the uniqueness of your community
- You support local jobs
- You help the environment
- You encourage community
- You conserve your tax dollars
- You benefit from our expertise
- You invest in entrepreneurship
- You make this community a destination



**ASHEVILLE  
WALMART**



**DOWNTOWN  
MIXED-USE**

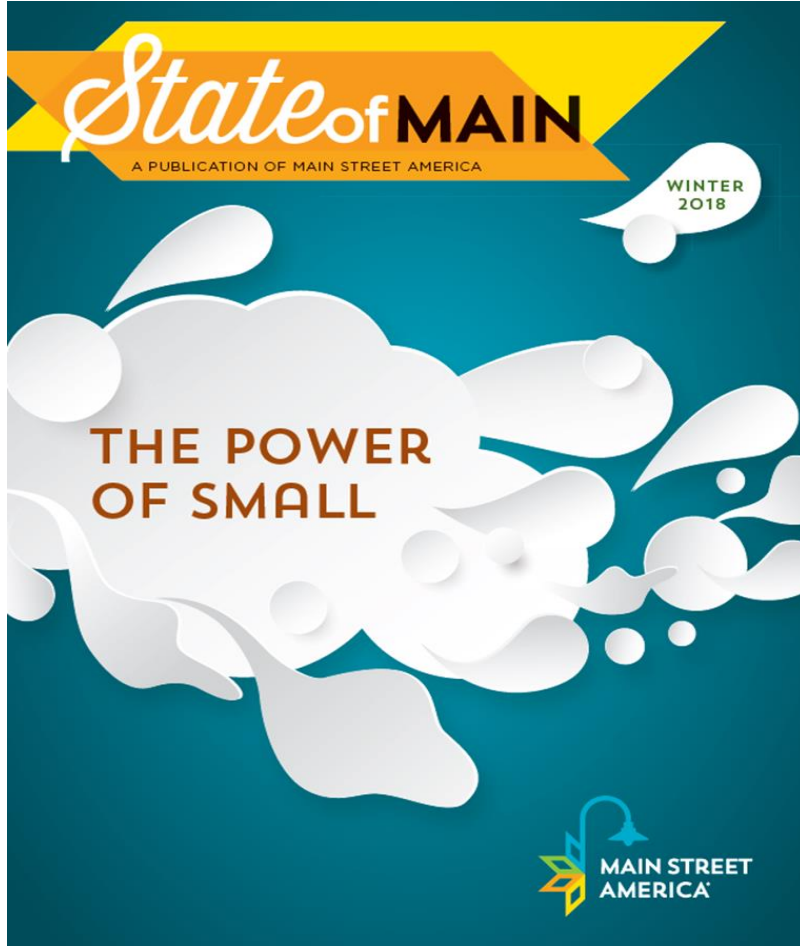
Land Consumed (acres):	<b>34.0</b>	<b>00.2</b>
Total Property Taxes per Acre:	<b>\$6,500</b>	<b>\$634,000</b>
Retail Taxes* per Acre to City:	<b>\$47,500</b>	<b>\$ 83,600</b>
Residents per Acre:	<b>0.0</b>	<b>90.0</b>
Jobs per Acre:	<b>5.9</b>	<b>73.7</b>

\*Estimated from public reports of annual sales per sq.ft..

**Urban<sup>3</sup>**

Joseph Minicopzi, AICP  
Joel@urban3three.com

# The Power of Small



- Small Steps
- Small Businesses
- Small Deals
- Small Developments
- Can add up to  
**BIG IMPACT!**



# Small Town Infill Projects



Dollar General – Bennington, VT



CVS – Davidson, NC



Hampton Inn – Fairhope, AL



Senior Housing – Madison, GA

# Arts and Culture



- Museums
- Theatres & Playhouses
- Concert Halls
- Art Galleries
- Historic Houses
- Festivals
- Murals and public art
- Public squares
- Taverns and coffee houses

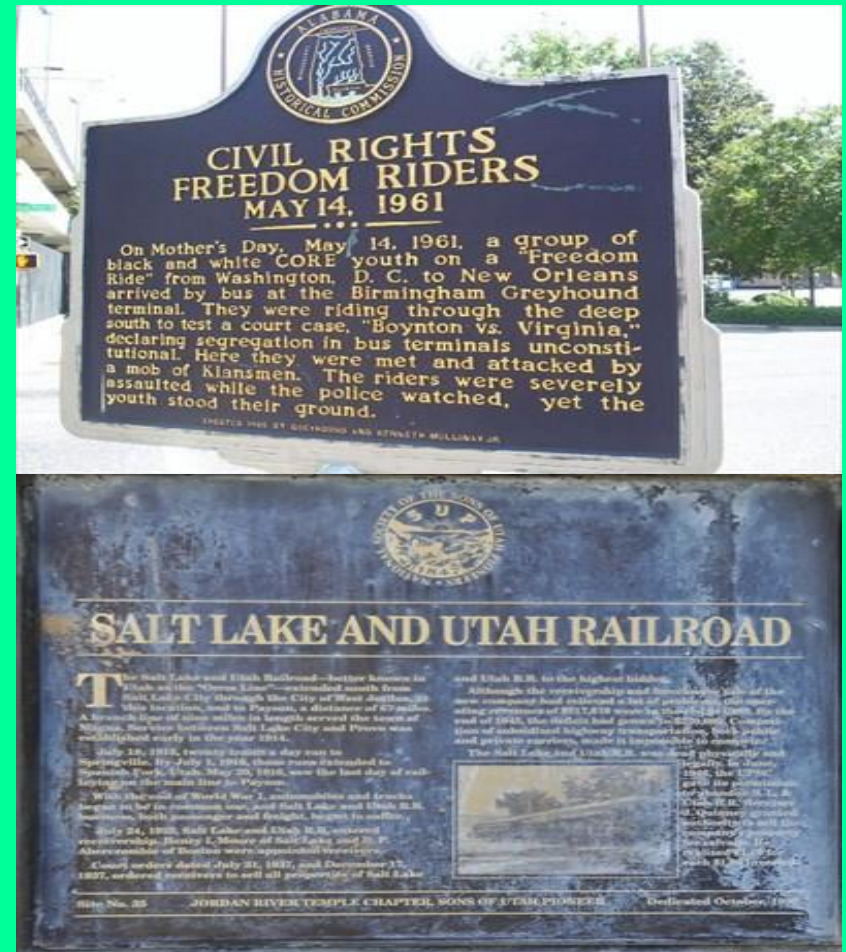




# Tell Your Story



Dolly Parton Statue, Sevierville, TN



Historical Markers



# Celebrate Famous People



Babe Ruth – Baltimore, MD



Eleanor Roosevelt – DC



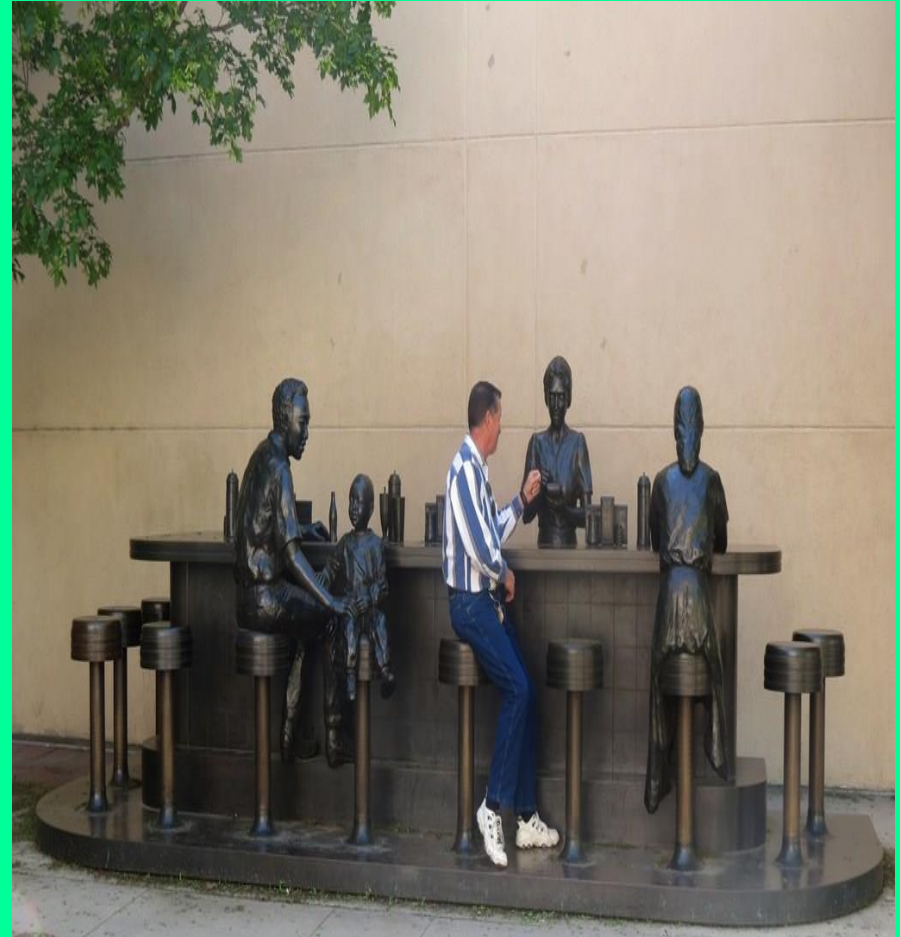
Buddy Holly – Lubbock, TX



# Celebrate Famous Events



Great Depression – Washington, DC



Lunch Counter Sit-In's – Greensboro, NC



# Pioneer Courage – Omaha, NB





# Celebrate Ordinary People



Waterman – Massachusetts



Ranchers – Wyoming



Coal Miners – Pennsylvania



Commuters - Washington



# Tell Your Story!







THE PRINCE GEORGE POST  
1944  
War Loan Drive Starts Today!



THESE SOLDIERS HAVE EVERYTHING THEY'VE GOT  
TO WIN THE BEST OF US... BUT THEY WANT THE  
CASH TO WIN THE WAR.  
TOTAL DONATE \$1,000,000 IN WAR BONDS











# Louisville Slugger Museum



# Big Postcard Orlando, FL



# Integrate Art and Infrastructure









HERSHEY









# Secrets of Successful Communities

1. Develop a shared vision for the future
2. Inventory local and regional assets
3. Build plans around the enhancement of assets
4. Use education, incentives, partnerships, and voluntary initiatives, not just regulation
5. Pick & choose among development proposals
6. Cooperate with neighbors for mutual benefit
7. Protect community character & foster an authentic sense of place
8. Have strong leaders & committed citizens



# Most Polluted City

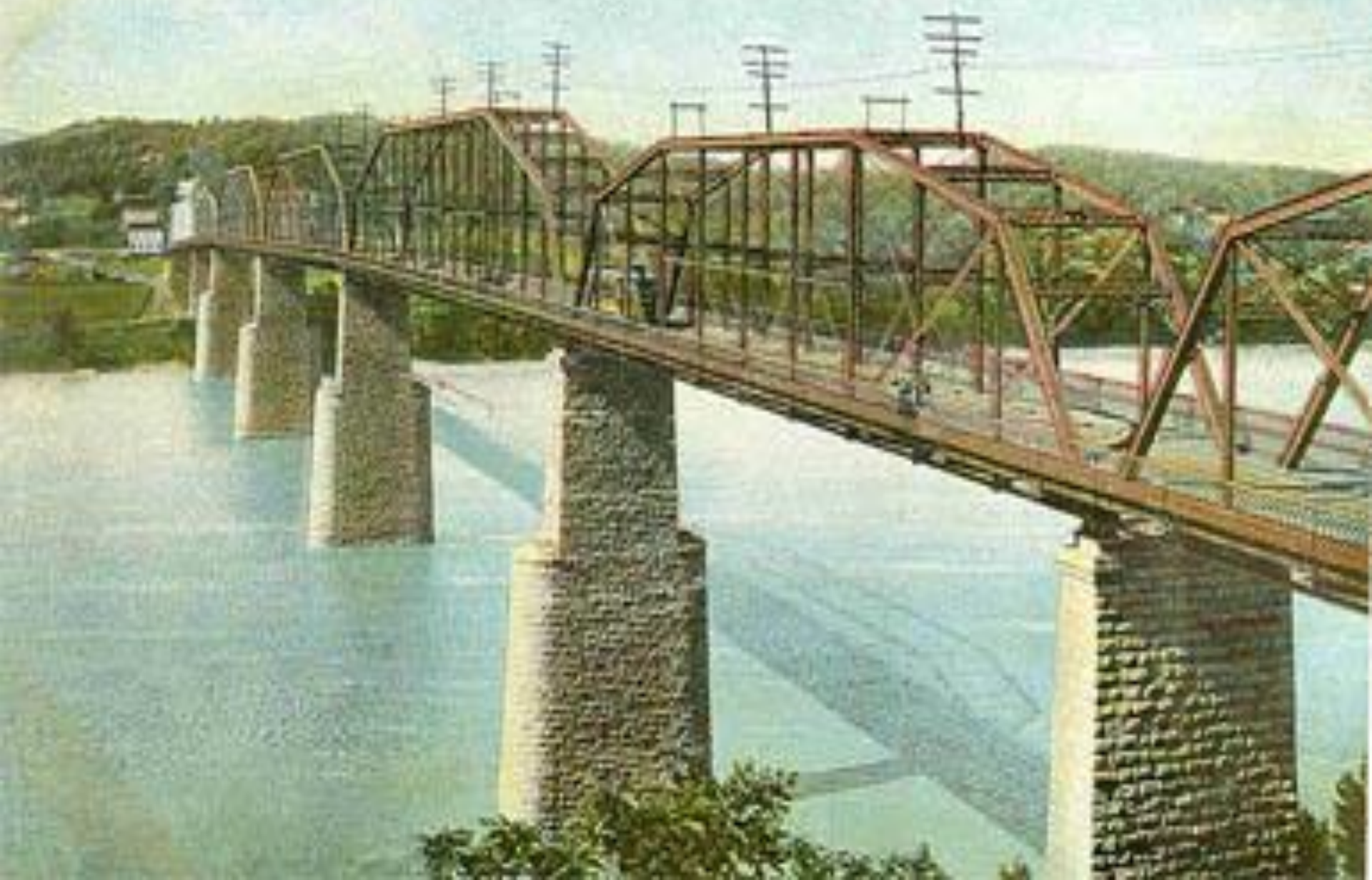


# Model for Community Revitalization





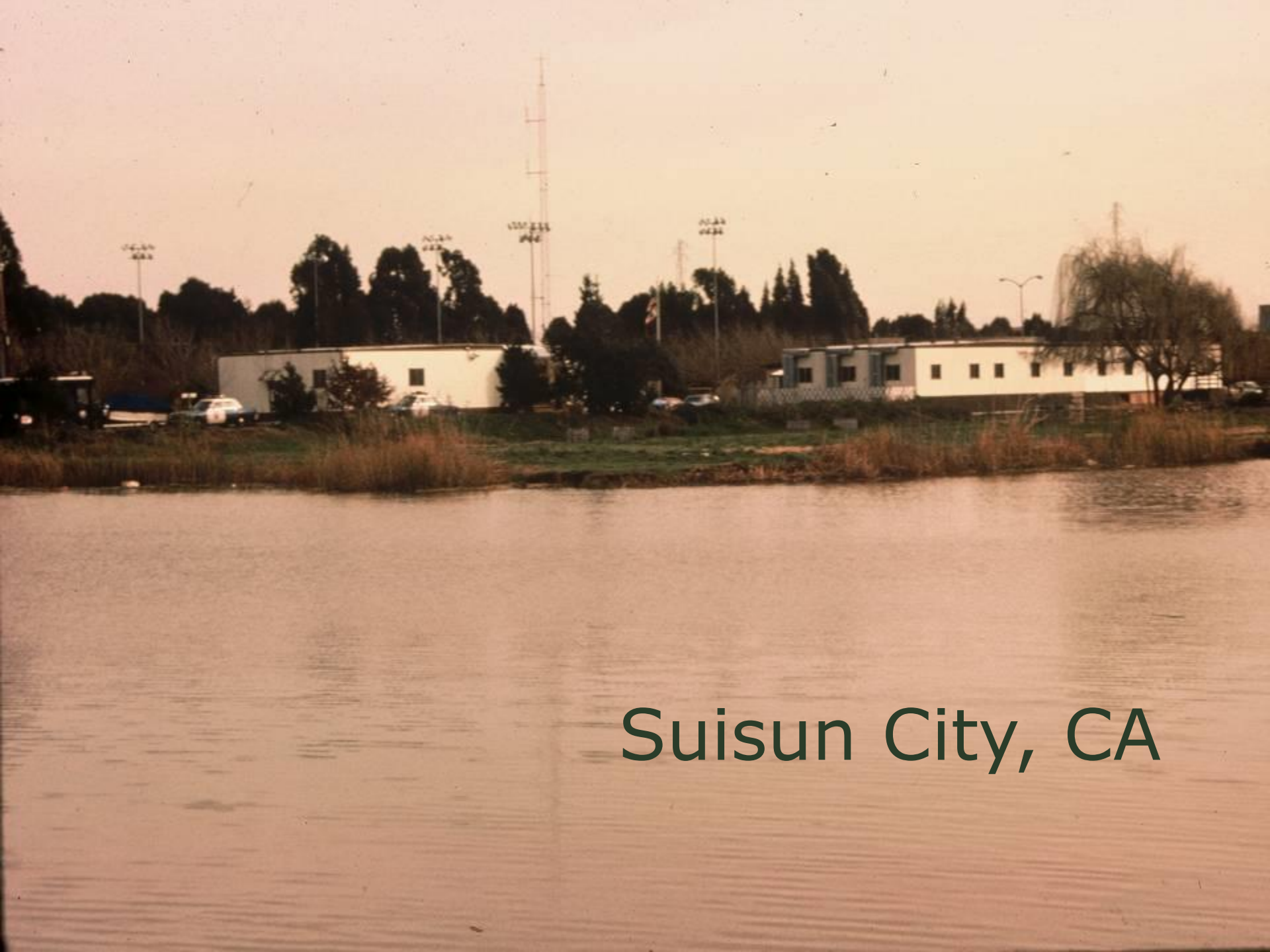
Hamilton County Bridge, over Tennessee River, Chattanooga, Tenn.











Suisun City, CA



Suisun City, CA





*Welcome To*  
**TOWN OF**  
**PORT ROYAL**









# Inventory Assets

- Natural Resources
- Cultural Resources
- Human Resources
- Economic Resources
- Educational Resources
- Recreational Assets



# Sometimes the Assets are Obvious









Sometimes They Are Not Obvious









# WWII Torpedo Factory



# Torpedo Factory Arts Center





# Columbus Riverfront - Before



# Columbus Riverfront - After





# Paducah Flood Wall – Before



# Paducah Flood Wall - After





# Akron Grain Elevators - Before



# Akron Grain Elevators - After





# Tacoma Railyard - Before





# Tacoma Railyard - After





# Poughkeepsie High Bridge - Before



# Poughkeepsie High Bridge - After





# Explore Beyond Regulation

- Education
- Incentives
- Partnerships
- Voluntary Initiatives

# Why Do We Educate?





# Why Should We Use Incentives?



# Development Incentives

- Expedited Permit Review
- Property Tax Credits
- Free or Low Cost Design Assistance
- Transferable Development Rights
- By Right Conservation Development
- Buffer Averaging
- Off-Site Mitigation
- Stormwater Credits
- Code Flexibility









Museum of Art

SEEN  
MADE



# Voluntary Initiatives



**Conservation easements**



**Community Beautification**

# Gettysburg, PA - Before





# Gettysburg, PA - After



# Yazoo City - Before





# Yazoo City - After



**SUCCESSFUL  
COMMUNITIES PICK  
AND CHOOSE AMONG  
DEVELOPMENT PROPOSALS**



# Lexington, VA - Before





# Lexington, VA - After





# Leadership is important!

## But often unappreciated



“Apart from sanitation, medicine, education, wine, public order, roads, irrigation, public health and a freshwater system, what have the Romans ever done for us?”

Monty Python's, Life of Brian

# Hometown Heroes

“Never doubt that a small group of committed individuals can change the world. Indeed, it is the only thing that ever has”

-Margaret Mead



# It's Not Always Easy



# A Final Thought

Vision counts, but  
implementation is priceless!



# Thank You!

©Ed McMahon

Urban Land Institute

[emcmahon@uli.org](mailto:emcmahon@uli.org)