

GUIDE TO REDEVELOPMENT READY SITES



Jason Horton of Lormax Stern Development Company believes, *"The RRC program represents the most innovative and brightest new thinking about redevelopment in the country."*

GUIDE TO RRSITES

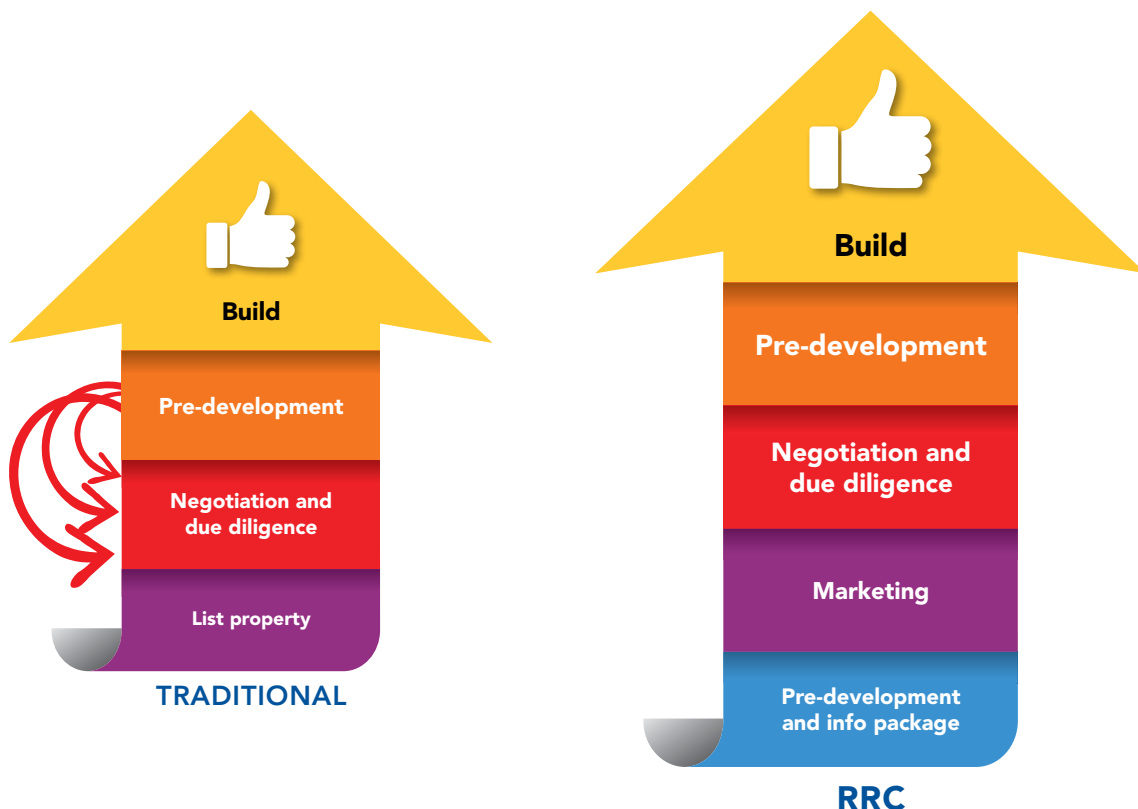
Michigan's communities, small and large, are rich with sites ripe for redevelopment. These properties may be in the form of vacant land, a superfluous surface parking lot, a former industrial site, an historic building that has fallen on hard times, or even vacant storefronts or upper stories along a commercial street. Pushing these properties into more productive uses will help community leaders meet multiple goals, from increased tax revenue to a better quality of life for existing residents.

Most communities allow the market to drive development, leaving these properties in their current state for decades. The Redevelopment Ready Sites® (RRSites) process is aimed at changing the way redevelopment occurs. A different way to promote investment, the process of forming an RRSite empowers your community to proactively seek preferred development for a site. This creates a mutually beneficial arrangement for both developer

and municipality. The developer receives clear approval requirements, predictable timelines and exceptional customer service, while the community secures the kind of development desired, increased tax revenue and economic activity.

The RRSites approach is most significant with vacant, obsolete, or underutilized properties in walkable downtowns and neighborhoods. It differs from traditional methods by giving communities the opportunity to get some of the more pressing work completed on the front end, reducing the amount of time spent later in the negotiation and pre-development phases.

This approach also allows communities to proactively promote their desired outcomes for specific sites, and empowers local leaders work together to attract developers who share a similar vision.



GUIDE TO RRSITES

The Redevelopment Ready Communities® (RRC) [Best Practices](#) outline standards for the selection, visioning and marketing of priority sites. After a community meets all the expectations of Best Practice 5, MEDC will designate and market their priority properties as Redevelopment Ready Sites®.

The following information is designed to be a guide for meeting the six evaluation criteria of

Best Practice 5, and for reaping the benefits of the RRSites program's streamlined process for attracting successful reinvestment to your community. While each of the criteria interrelate, this document is organized so that the user can skip around to the specific section that the community has prioritized for attention.

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CRITERIA 1

The community identifies and prioritizes redevelopment sites

EXPECTATION

The community maintains an updated list of at least three priority sites.

Redevelopment Ready Sites® (RRSites) are sites targeted by the community and ready for investment. The first step in the RRSites process is the selection of priority sites for redevelopment. This process is different for every community, but this section will suggest key guidelines to follow. Sites should be prioritized carefully and strategically, as many barriers in the redevelopment process start with selecting the wrong site.

Redevelopment sites can be:

- Vacant land
- Surface parking lots
- Former industrial sites
- Brownfields
- Historic rehab or adaptive reuse
- Vacant storefronts
- Vacant upper stories

The RRSites approach is most impactful with vacant, obsolete, or underutilized properties in walkable downtowns and neighborhoods, because these properties allow the community to reuse and upgrade existing infrastructure, return previously underutilized parcels to the tax rolls and meet goals associated with creating a stronger sense of place. These sites also have greater challenges that are barriers to traditional economic development models, such as higher costs associated with historic building rehabilitation, environmental cleanup, or conflicting interests from neighboring property owners. Therefore, they should be chosen carefully and with the community's overall strategy in mind.

The priority sites may be obvious for your community or a more intensive, collaborative decisionmaking process may be needed. Start by compiling a list of potential sites. Key factors to consider include:

Community Goals: What are you trying to achieve? Tax base, blight removal, sense of place, employment?

Available Resources and Capacity: What can you leverage to drive development? Maybe it's public investment, property ownership, or other development incentives. What sites fit with state or federal agency priorities? What potential partner organizations are already promoting sites in the community?

Market Feasibility: What development is feasible? Have you done a market study or explored construction costs?

Current Land Conditions: What has been sitting vacant, how long, and why? What condition is it in? What is the value? Is every parcel at its highest and best use?

Ownership Status: Is it publicly or privately owned? An area with multiple contiguous publicly owned properties would be advantageous and should be considered. If the property is not owned by the municipality, does it have a cooperative property owner?

Site Challenges: Stubborn owners, existing buildings, potential environmental issues, neighbors' interests, quality of infrastructure.

Community leaders often strike out on a misguided path at this juncture in the redevelopment process by picking the wrong sites. While every situation is unique, there are some common pitfalls to avoid:

“We don’t have any redevelopment sites” or “Our community is already built-out”

Redevelopment sites are not only large vacant eyesores. They can be underutilized surface lots or vacant upper stories in downtown. Take a fresh look at the land in your community, asking yourself, “Is every property at its highest and best use?”

“We have to tackle the biggest properties first!” There is an obvious temptation to pour effort into the largest/most blighted vacant sites in every community. If the conditions are ripe for progress, this is the right move. But insurmountable issues with property owners or environmental contamination can lead to wasted effort. If conditions aren’t ripe, it may be more productive to achieve success on other sites first, then come back to the bigger site later.

Picking by default, rather than strategically

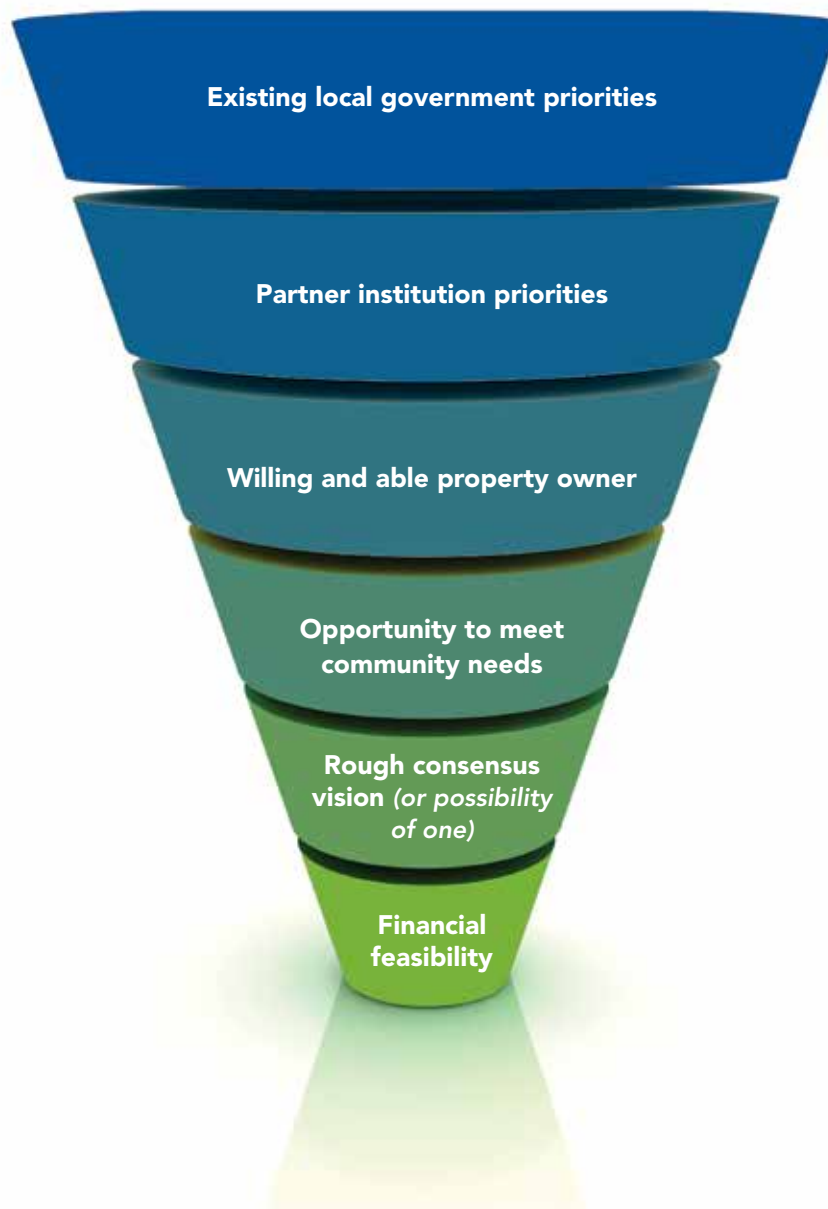
It is possible that the vacant property in a business park or near the highway exchange is the highest priority. But it is worth taking the time to examine those assumptions and consider whether community goals could be better met by investing elsewhere.

Once you have compiled a starter list of all the potential sites and basic information about each of them, it is time to prioritize and decide where to invest your community’s collective time and effort. This prioritization effort is best done in collaboration with key community stakeholders, such as your major employers, institutional landowners and regional economic development/planning agencies. If your community has a Michigan Main Street program and/or downtown development authority, those entities should be integral to the process as well. In some cases, broader public engagement at this stage may be appropriate, but that is generally better saved for the site visioning process. See Criteria 3 (page 8) for more insight into that process.

CRITERIA 1

continued

The following graphic depicts a recommended path to filtering your list of priority sites. Start with the list of all potential sites and sort them based on the criteria listed. High-priority sites should be able to meet each criterion listed. Other sites can be relegated to the community's longer-term to-do list for future attention.



CRITERIA 2

The community gathers basic information for at least three priority sites

EXPECTATION

The community gathers basic information for at least three priority sites.

When selecting a site, developers/businesses are looking to save time. The more information your community can provide, the more quickly a potential investor can determine the possibilities of a site. The following information is *required* to meet the RRC Best Practice criteria and the more of it that can be gathered, the more marketable your site will become. Think of this information as an incentive to attract redevelopment.

When gathering site information, look to include the following information:

- Photo of the site and/or rendering
- Desired development outcomes for the site
- Owner contact information
- Community liaison contact information
- Zoning
- Lot size
- Building size
- State equalized value
- Utilities on site
(water, sewer, electricity, natural gas)
- Wired broadband infrastructure
(DSL, cable, fiber)
- Sample pro forma

Once this information is gathered, it should be readily accessible by community staff and partner organizations. It should be presented in a visually appealing, clear, and concise manner which is consistent with community-wide branding. See Criteria 5 (page 11) for a more in-depth description of where to find this information and how to package it.

CRITERIA 3

The community establishes a vision for at least three priority sites

EXPECTATION

The vision includes desired development outcomes.

Having a vision for redevelopment outcomes is a key part of that proactive approach to marketing sites. While the final redevelopment may not perfectly meet the vision, the act of creating a vision allows the community to assess its goals and measures of success.

Site visioning provides an opportunity to engage the public and other stakeholders as part of a larger process. It can be useful in communities with little to no information on site selection in their existing plans, and can also be used as a precautionary method for high-profile and/or controversial developments. In all cases, the act of public engagement is a means to include the community vision early in the process. Consider the opportunity to highlight the positive aspects of each development, particularly how each project will advance your community toward its stated goals. However, developing a site vision need not be an intensive process if time or capacity constraints prohibit it. Some guidelines to use to decide what level of effort is appropriate include:

Start with what's already been done.

Examine your master plan or subarea plan along with existing zoning. Look at listed priorities from major stakeholder groups, such as regional economic development entities and/or business groups. Review notes from previous public engagement efforts, such as master plan input sessions. Collectively, these sources may give you what you need to sketch out a consensus vision for the site. If not, more visioning work may need to occur.

Are there other engagement processes ongoing or upcoming, or just complete?

Take the opportunity to engage the public and have a conversation about priority redevelopment sites as part of other required processes (master plan update, DDA plan update, etc.). Avoid “engagement exhaustion” if you have recently completed intensive engagement on a related issue.

Is the site likely to be high-profile and/or controversial? If so, facilitated development of a consensus vision will likely be a good use of time and resources.

Ask the right questions to the right audience. Broad public input is best suited for the broad strokes of the vision. Target more specific stakeholder groups for more specific questions of design and scale. Avoid setting false expectations: don't ask for input on details that you don't plan to control and resist the temptation to present preliminary or unrealistic visuals of development scenarios too early in the process.

Once you determine the level of public engagement that is appropriate for the site(s) in question, you should activate your public participation plan.

PUBLIC PARTICIPATION PLAN

Having a public participation plan (P³) is another best practice of the RRC program. This document not only outlines how community members will be engaged during the master planning process, but also during low and high controversy development projects. For more information on how to write a P³, reference the *“Public Participation Strategy Guide.”*

FORM A STEERING COMMITTEE

Some communities have chosen to form a multidisciplinary team to develop a vision for RRSites, promote them and interface with the business community. This team approach can be called many things and may already be happening in your community or region under an existing initiative. For the purposes of this guide, we will use the generic term “steering committee.” If a similar group of local leaders already exists and serves similar functions to a steering committee, their local ties and community influence could be a boon to the redevelopment process. Depending on local circumstances, it may be wise to seek to operate within an established structure.

WHO IS INVOLVED?

The steering committee is the organizational foundation for visioning and packaging of priority sites. It is a group of people committed to seeing the site redeveloped. The community should strategically select those involved with the development process and individuals important to a specific site. This group should consist of those willing to meet frequently and accomplish activities to package, market and redevelop the site. Many other people should be included in the overall process, but steering committee involvement requires a substantial commitment. Some communities may have an economic development team already assembled or may need to create a steering committee from scratch.

The following list should be considered for involvement in the steering committee, depending on the location and size of the site:

- Staff from the planning, building, community and economic development departments
- Property owner
- Community manager or supervisor
- Members of the governing body
- Members of the Planning Commission and Zoning Board of Appeals
- Neighborhood leaders
- Real estate professionals
- Members or staff of the Downtown Development Authority/Corridor Improvement Authority/Land Bank Authority/Brownfield Authority
- Consultants

ROLE OF THE STEERING COMMITTEE

After a priority site is identified, the steering committee should create an action plan focusing on the activities to be accomplished. The major duties of the steering committee are to gather relevant information about the site, organize public visioning session(s), and actively market the site. The action plan should include what needs to be accomplished, who needs to accomplish it, and when it should be completed. Members of the steering committee should plan to meet on a regular basis, with report-outs on specific project goals.

Committee members should be prepared to advocate the redevelopment project once the community engages with potential developers, and especially once a potential project has entered the formal local approval process.

CRITERIA 4

The community identifies potential resources and incentives for at least three priority sites

EXPECTATION

The community identifies negotiable development tools, financial incentives and/or in-kind support, based on the project meeting the community's vision and desired development outcomes.

IDENTIFYING POTENTIAL INCENTIVES

Once the sites have been prioritized and a general vision for the desired development types has been developed, it is important to assess the financial feasibility of redevelopment on the specific sites. This information will set the table for a community discussion about the need and appropriateness of using development incentives. Assessing the feasibility of redevelopment can be done as a part of a market study, but can also be tackled in a less formal manner by your steering committee, especially if that committee includes members familiar with construction costs, the local real estate market, and project financing. MEDC Community Assistance Team specialists can help your community with a basic *pro forma analysis*.

Once the community has identified the potential need for incentives, it is important to identify which ones will be used on this site, which ones won't be used on this site, and which ones could be used, if necessary. Knowing the available incentives shows that the community is ready and serious about moving this property. It is not essential that all possible incentives be offered, but your community should be able to present a united front on these questions when communicating with developers. Developers want clear expectations so that they can assess the possibilities of doing business with your community.

Consider local tools such as reduced purchase price, waived permit fees, expedited/priority review timelines and local grant programs (site assessment, façade, etc.) Utilize your resources at MEDC, MSHDA and MDEQ and get familiar with MEDC's community development guide on www.miplace.org, which provides background on a variety of state-authorized tools such as brownfield TIF, OPRA, CRP and LDFA. The RRC program does not require that certain incentives be used. [MEDC Community Assistance Team specialists](#) are available for more information about financial incentive tools.

CRITERIA 5

The community assembles a property information package for at least one priority site

A property information package, or “PIP,” is a compilation of the information available and relevant to a developer for your priority redevelopment site. Providing a good PIP allows an interested developer to effectively evaluate a site and decide whether to pursue a project—and reduces staff time needed to answer common questions.

The information included in a PIP will vary depending on the size and complexity of the site and the amount of past work you have completed. The following is intended as a guideline. A PIP should include at least the first few items in each category.

Basic Stats

- Site address and any common names for the site
- Lot/parcel size
- Current property owner and contact info
- Asking price
- Pictures of the site
- Current and previous uses
- Property survey and topography
- Property tax assessment information
- Building size (stories, square feet, layout)

Site Vision or Desired Development Outcomes

- Summary of relevant master plan, downtown plan, corridor plan goals
- Vision statement
- Minimum required development criteria
- Preferred concept sketches
- Known stakeholders

Site Context

- Neighborhood map and photos
- Highlight of amenities of the site
- GIS information, especially parcel outline, street and utility maps
- Traffic studies, transit information, WalkScore

Development Regulations and Process

- Municipality contact info
- Current or future zoning designations

- Summary of zoning or form-based code district
- Expectations of entitlement process (existing zoning, PUD, etc.)
- Water, sewer, broadband and other utility locations, capacities, and contact information
- Storm water requirements
- Planned improvements identified in capital improvements plan

Environmental Issues

- Deed restrictions
- Known environmental conditions (existing BEA or ESA)
- Eligibility for brownfield financing
- Brownfield Redevelopment Authority contact information
- Soil conditions and natural features map
- Existing building condition report

Market Conditions

- Market analysis or feasibility study results
- Available financial incentives
- Demographic data, at community and block group levels
- Sales comps for desired development
- Current rents in neighborhood

DESIGN MATTERS!

PIPs can take a number of different formats, but an unformatted list of text should be avoided. Consider the PIP as a résumé for the site, and by extension, for the community. Assume a developer has three minutes to determine if a property is worth their time and additional consideration. Good design will help capture the developer’s attention and keep them interested in your PIP’s content. In addition to making your package visually pleasing, try to keep consistency between packages so that your documents become recognizable. Having a template on hand could help achieve brand consistency.

CRITERIA 6

Prioritized redevelopment sites are actively marketed

EXPECTATION

The community assembles a property information package for at least one priority site.

Get the message out! Be proactive in creating a buzz about your community. Creating a package with a summary of the redevelopment plan and necessary information for potential developers, business owners and tenants helps get the word out. Identify ways to market your properties in your marketing strategy. Work with your partners and other resources and audiences to extend your reach.

In some cases, a well-designed PIP (see Criteria 5, page 11) is sufficient for your marketing needs. In others, you may need something more detailed and/or formal, such as an RFP (request for proposals) or RFQ (request for qualifications). An RFP is most appropriate when the site has very specific constraints and you need a public process to compare similar projects on cost and other characteristics. In most redevelopment scenarios, an RFQ will lead to better results than an RFP, because it is designed to communicate the community vision and start a relationship with a developer. Instead of soliciting a

competitive RFP-style bid on a discrete project scope, the RFQ will require the developer to articulate their vision for the project and their ability to deliver on that vision, yet leave more room for the project results to vary.

A companion document to this guide, titled “[How to: Issue a Developer RFQ](#),” discusses the relative merits of RFP versus RFQ in more detail and contains detailed instructions on creating an RFQ.

MEDC MARKETING ASSISTANCE

The property information package should be marketed on the municipal website with other business and development information. ZoomProspector and OppSites are online site databases for any type of properties provided at no cost by the MEDC. Once your community has met the RRC best practice criteria, it will be certified as a Redevelopment Ready Community® and provided with Certified Redevelopment Ready Communities® and Redevelopment Ready Sites® logos to use in marketing materials. In addition, your RRSites will be marketed by the MEDC via its various channels.