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Developer Recruits New Urbanist for Multi City Building Campaign

Long Island-base Renaissance Downtowns is using the downturn to avidly propose development projects in third- and fourth-tier cities

Philip Langdon

Some new urbanist architecture and planning firms have noticed an uptick in interest from real estate developers in the past two months – possibly a sign that development activity has bottomed out and is now hesitantly starting to revive.

At CNU's annual gathering in Denver in June, the spotlight was seized by a new player – Renaissance Downtowns LLC of Plainview, New York, which has begun advocating new urbanist concepts in projects that the company wants to build, mainly in municipalities across the Northeast.

Renaissance, led by Donald Monti, has assembled a Who's Who of new urbanist planning firms, including ACP Visioning and Planning, Dover Kohl & Partners, Duany Plater-Zyberk & Company, Goody Clancy, Jeff Speck, John Massengale, Looney Ricks Kiss, Moule & Polyzoides, and Urban Design Associates. These and other firms along with consultants such as Zimmerman / Volk Associates have been asked to work with Renaissance on mixed use projects in cities of 30,000 to 150,000 people.

The projects are situated in "third and fourth-tier cities" – places that Monti says are ripe for undertakings that would greatly expand their downtown residential population. Others are in suburban downtowns. Most of the downtowns where the projects are being proposed "have no people living in them," Monti told a CNU session. "We will try to get 3,000 to 4,000 people living in them." Each project proposed by Renaissance "has to have a transit component," Monti pointed out.

In five northeastern states, Renaissance and other Monti companies have targeted 22 communities, including Paterson, New Jersey; Springfield, Massachusetts; Nashua, Concord and Manchester, New Hampshire; Norwalk, Bridgeport, Waterbury, New Britain, Hartford, Bristol, Meriden, Enfield, Windsor, New Haven, New London and Norwich, Connecticut; and Glen Cove, Long Beach, Hempstead, Copaigue and Freeport, New York.

“Over the next 24 months, as other investors and developers take a wait and see attitude, Renaissance plans to invest its resources and human capital for select opportunities that are now available for those entrepreneurs with the vision and stomach to step up to the plate,” declares a 65 page prospectus that was distributed during CNU-17.

“Renaissance believes that the market will rebound no sooner than 2011,” the prospectus states. Consequently, the company’s goal is to hammer out local agreements and get plans completed within a two year time span – before the more cautious developers decide it’s safe to reenter the market.

PRIVATELY PAYING FOR PLANNING

In communities where Renaissance hopes to work, the company’s strategy revolves around quickly obtaining cooperation from the local government. In Nashua, New Hampshire, the first (and currently only) city where Renaissance has been named “preferred developer” the company concluded about six months of negotiations this May by winning authorization to devise a plan for waterfront land at the edge of downtown.

Half of the city owned 13-acre site near the confluence of the Merrimack and Nashua Rivers consists of virgin land. The other half is a former Johns Manville asbestos plant property that Nashua Economic Development Director Tom Galligani says was “completely cleaned 15 years ago.”

Renaissance’s strategy for the target communities also emphasizes the need to persuade “significant private downtown property owners” to join with Renaissance; those owners would form a “private property owners’ alliance” (PPOA) that would bring multiple properties into each project. Such partnerships will ensure that a “comprehensive shared redevelopment vision” can be conceived and carried out, Monti says.

In Nashua, the company is looking at forming a partnership with the owners of about 17 adjacent acres. Thus the entire redevelopment area would cover approximately 30 acres.

Renaissance promises to pay the cost of any master planning up front – an offer that’s expected to make the process palatable to municipalities strapped for cash. Galligani anticipates that the master planning in Nashua, an 84,000 person city about 40 miles northwest of Boston, will cost between \$200,000 and \$400,000.

In each participating city, the government presumably will use one of the New Urbanism-oriented planning firms recommended by Renaissance. Part of Monti’s pitch is that the company will bring in one of the nation’s best planning teams. The planners would work with the government, land owners and “stakeholders” to devise an acceptable plan. Monti says that although Renaissance will pay for the planning, the municipality will be in charge.

“They will do extensive public outreach,” Galligani said of the developers. “If they work with us collaboratively, it will be easier to go through the permitting process. I am very

excited about the potential. We're assuming that by the time we put the shovel in the ground, about 2 years will have passed." That estimate matches Monti's forecast of when the market will have rebounded.

WHATEVER IT TAKES

Among some new urbanists who have agreed to work with Renaissance, there is uncertainty as to how successful the company's pursuit of projects will be. Monti has been a developer for 35 years, operating companies such as Glen Isle Development Co., which is carrying out a joint development with RXR Realty and the Posillico Group on a 46 acre site in Glen Cove, New York. In Denver, Monti identified himself as "a reformed developer" admitting that until not long ago he was undertaking projects that emphasized privacy and exclusion rather than open spaces to the public.

Brandon Palanker, director of new business development for Renaissance, says the turning point for Monti came when he asked Beyer Blinder Belle of New York to lay out a sequestered development in Glen Cove. The firm refused, saying the concept of a development with cul-de-sacs separated from the rest of the community was "not the right way to do things" and was "not where the market is going" Palanker says. Thus, 18 months ago, was born Renaissance Downtowns. Four months ago the company began doing its road show for municipalities, planning firms, and others.

"Cities of Tier 1 and 2 are too expensive" for Renaissance to pursue, Palanker says. Therefore Monti's organization has fasted upon third- and fourth- tier cities, preferably those that are not far from a large metropolitan center. Nashua became an enticing prospect because it has undeveloped land near a downtown that has gone from dull to lively in recent years. Furthering its appeal, commuter rail service has been proposed for an existing freight line that runs through the area.

Some new urbanists wonder whether many communities, with their entrenched local politics, can be enticed to embrace an out of town developer, form a public-private partnership and adopt a plan quickly, as Monti wants them to. The prospectus says Renaissance has a "whatever it takes" attitude.

The company says it uses a "stage gate process" to systematically evaluate projects and avoid losing much time pursuing proposals that will not come to fruition. "This isn't going to be easy," Palanker says. The prospectus states: "To take advantage of the next two years, a sense of urgency must be acknowledged by both the developer and the municipality."

A Bright Urban Prospect

Renaissance Downtowns says the Obama administration will be a boon to cities. Other developers at CNU agreed that plenty of urban investment is coming in the next decade. Equity will flow to urban undertakings because "people are more concerned about a sense of place," said Chuck Perry, managing partner of Denver based Perry Rose LLC.

The “millennial” generation – the 75 million Americans born between 1977 and 1996 – “will abandon suburbs and move into downtowns at a greater percentage than any previous generation,” predicted Laurie Volk of Zimmerman / Volk Associates. Cities and older suburbs have captured an increasing share of building permits in recent years, Volk noted. In 15 of the largest 50, cities’ share of residential building permits more than doubled between 1990 and 2007.

Author James Howard Kunstler, pessimistic about long term trends, argued that demographic projections are misleading because the economy is going to contract radically, and many Americans will be unable to afford lofts and other one person or two person big city housing units. Kunstler said many more people will have to share their dwellings, and conditions in large cities will become unstable.

The action, he said, will be in smaller cities such as Troy, New York; Dayton, Ohio; Grand Rapids, Michigan; Macon, Georgia; Tallahassee, Florida; and Akron, Ohio – places “scaled properly to the energy diet of the future.” It’s worth noting that some of the places cited by Kunstler qualify as third- and fourth – tier cities – less populous environments, where Monti anticipates a strong demand for urban housing within walking distance of other daily needs.

Regardless of whether it’s in big cities and their suburbs or smaller communities, a consensus seems to have formed that mixed-use, walkable development will be a major wave of future construction. “People under 40 are demanding to live in a one stop community,” observed Max Reim of Live Work Learn Play, a Montreal-based organization that helps developers plan mixed –use centers and find retail tenants.

Some suburbs are already benefiting from this trend. Terry Wendt, a Chicago area planning consultant, noted that in the Chicago area, “at least three quarters of the rail suburbs have started to revitalize.” These are generally suburbs that boast walkable mixed-use centers.