Corporate Partner Spotlight

As part of the "Friends of ILCMA" Corporate Partnership Program, partners at the highest level get the opportunity to submit a one-page written educational piece in the ILCMA newsletter.

My Community Has Adopted A Development Plan – What's Next?
By Lance Dorn, Vice President, SB Friedman Development Advisors

It is exciting to envision and plan for what your community might look like in the future. That is why it is disappointing when development plans sit on a shelf, rather than be carried through to implementation. Plans can falter for a variety of reasons, including a change in priorities, lack of committed leadership, or limited financial resources. Outlined below are a few steps you, as the public sector, can take to ensure that your plan does not experience a similar fate.

1.   Ensure Plan Is Action-Oriented and Implementable. It is important to create a plan that is aspirational and meets community objectives. However, the plan also needs to be achievable and rooted in market realities and financial feasibility. Plans with the greatest likelihood of success are those that are implementable with clear strategies and action steps to achieve the vision and address specific challenges.

2.   Identify Strong Leadership to Advance the Plan. Strong leadership is key. The most successful planning efforts often include a diversity of leadership, including the public sector, business and resident stakeholders, and others with a vested interest. The multiple parties can hold each other accountable and keep implementation efforts on track.

3.   Make the Business Case for Investment. The private sector will likely need to take a lead role in implementation if the plan includes private real estate projects. Therefore, the plan will need to resonate with the development and investment communities. It is important to conduct outreach to these groups and to communicate to them that the proposed projects are economically viable and have the support of the community. If proposed projects are overly ambitious and/or not in line with the market, developers may not take a serious look at the opportunity.

4.   Identify and Deploy Available Resources. Real estate projects need to generate sufficient financial returns to attract developers, lenders and equity investors. For pioneering projects or those in challenging investment environments, the public sector often needs to participate financially in the development. If that is the case, it is important to understand up front the level of investment that may be required. The public sector should also have a clear understanding of the resources available to support private development and be willing to deploy them if the project achieves key community objectives and requires public assistance in order to move forward.

5.   Be Willing to Undertake Some Heavy Lifting. In certain situations, particularly when the proposed project is anticipated to be transformational and have widespread community benefit, it may be appropriate for the public sector to proactively undertake predevelopment work. Activities could include site acquisition and assembly, environmental remediation, and infrastructure construction. Doing so can speed up the process and demonstrate that the public sector is a committed partner.

6.   Build Momentum. Building momentum around plan implementation is also important. The easiest way to do so is to demonstrate that change is already underway. Quickly advancing projects that are "low-hanging fruit" can signal to the community that implementation is a priority. These projects could include programming public spaces to generate activity or financing cosmetic improvements. Projects with a longer time horizon, such as new construction real estate projects, could then move forward in parallel without the perception that plan implementation is stalled or taking longer than anticipated.

A clear strategy and commitment to implementation are the most important aspects of a development plan. While the efforts outlined above do not guarantee development outcomes, they ensure that the process stays on track, and demonstrate to the community that the time and resources to prepare the plan were well spent.