

# SMALL, LARGE, TOUGH, AND UGLY: STRATEGIES FOR BUILDING DEMAND IN TOUGH MARKETS

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Relevant Sites: [Vitanuova.net](http://Vitanuova.net) | [Lorainharborawp.com](http://Lorainharborawp.com) | [Toledoawp.com](http://Toledoawp.com)  
[Lakefrontdistrict.com](http://Lakefrontdistrict.com) | [Redevelopmentinstitute.org](http://Redevelopmentinstitute.org)



# Attracting Buyers

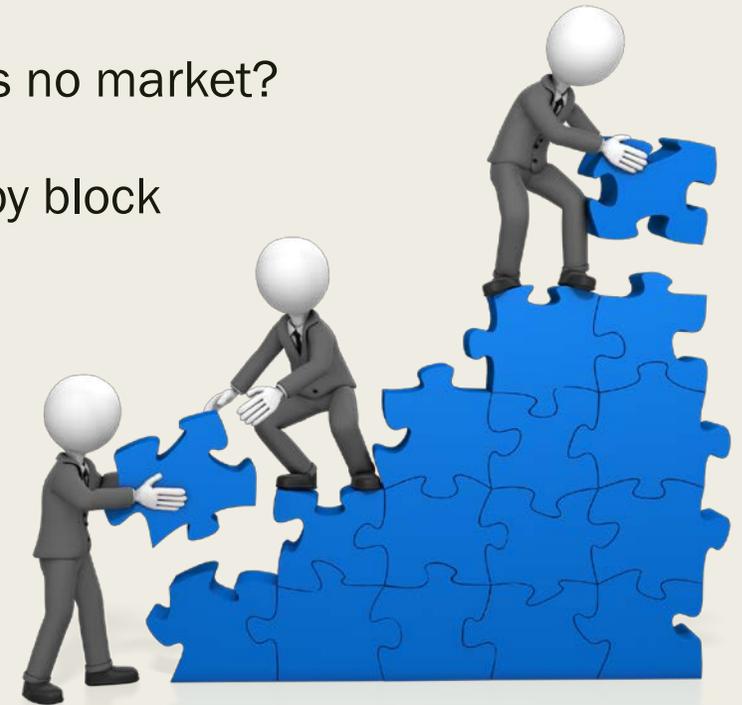
- Depends on the market?
- 1<sup>st</sup> tier real estate
  - Areas are where most activity is focused
  - Requires little if any public involvement unless sites are heavily contaminated or other encumbrances. Gateway cities, around ports, major metro areas.
- 2<sup>nd</sup> tier real estate
  - Areas-active real estate community mostly focused on residential and downtown.
  - Public/Private partnerships required for redevelopment. Many times, build to suit.
- 3<sup>rd</sup> tier real estate
  - No significant development
  - Some public investments/almost always build-to-suit.
- 4<sup>th</sup> tier real estate
  - Rural

Election 2016: County-Level Results



# Strategies for Rebuilding America

- **Lorain, Ohio:** Clearing the Path for Success
- **Meriden, Connecticut:** Finding the Right Buyer
- **Toledo, Ohio:** When “speculative” development is the right thing to do!
- **Gary, Indiana:** Starting from Scratch: What to do when there is no market?
- **South Bronx, New York:** Taking back the neighborhood block by block

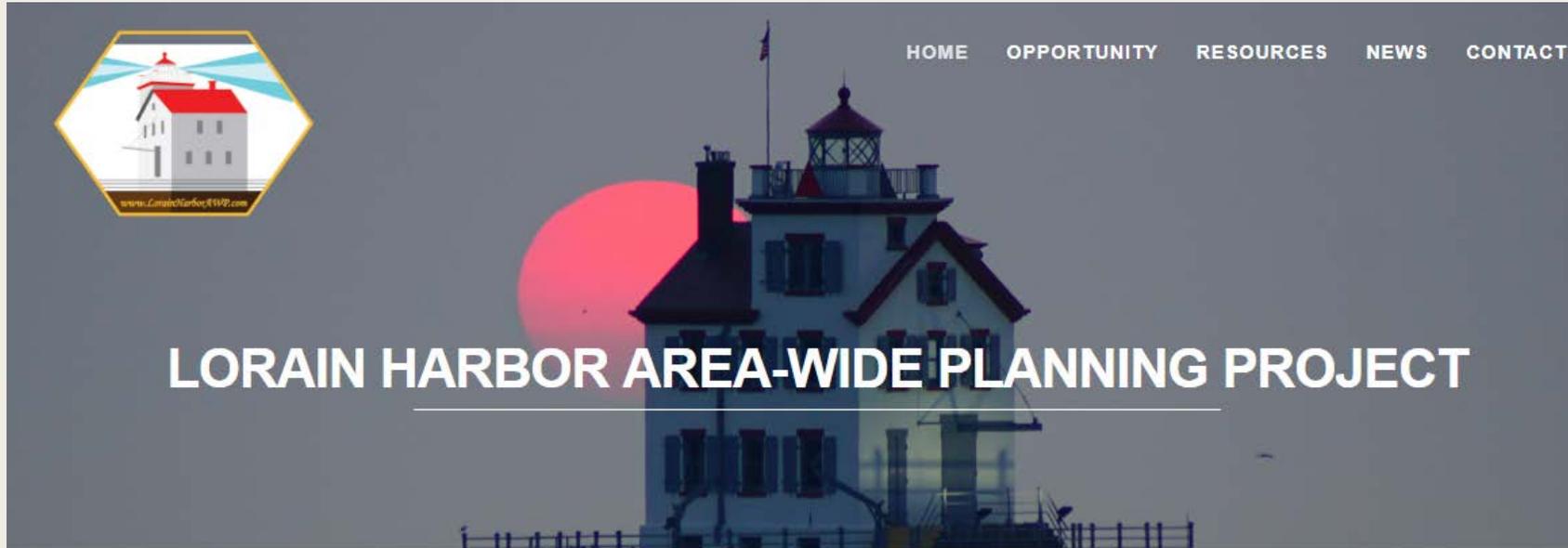




# Clearing a Path for Success

Lorainharborawp.com – Lorain, Ohio

# Clearing a Path for Success



## LORAIN HARBOR AREA-WIDE PLANNING PROJECT

**WELCOME** to the information hub for the Lorain County Area-Wide Planning (AWP) Project. This website is the key resource and information sharing system for stakeholders, community members, and interested parties. LorainHarborAWP.com is designed to engage stakeholders and communicate progress as Lorain County implements its USEPA area-wide plan project for properties at the mouth and along the banks of the Black River. [Click here to learn about the project boundaries and details.](#)

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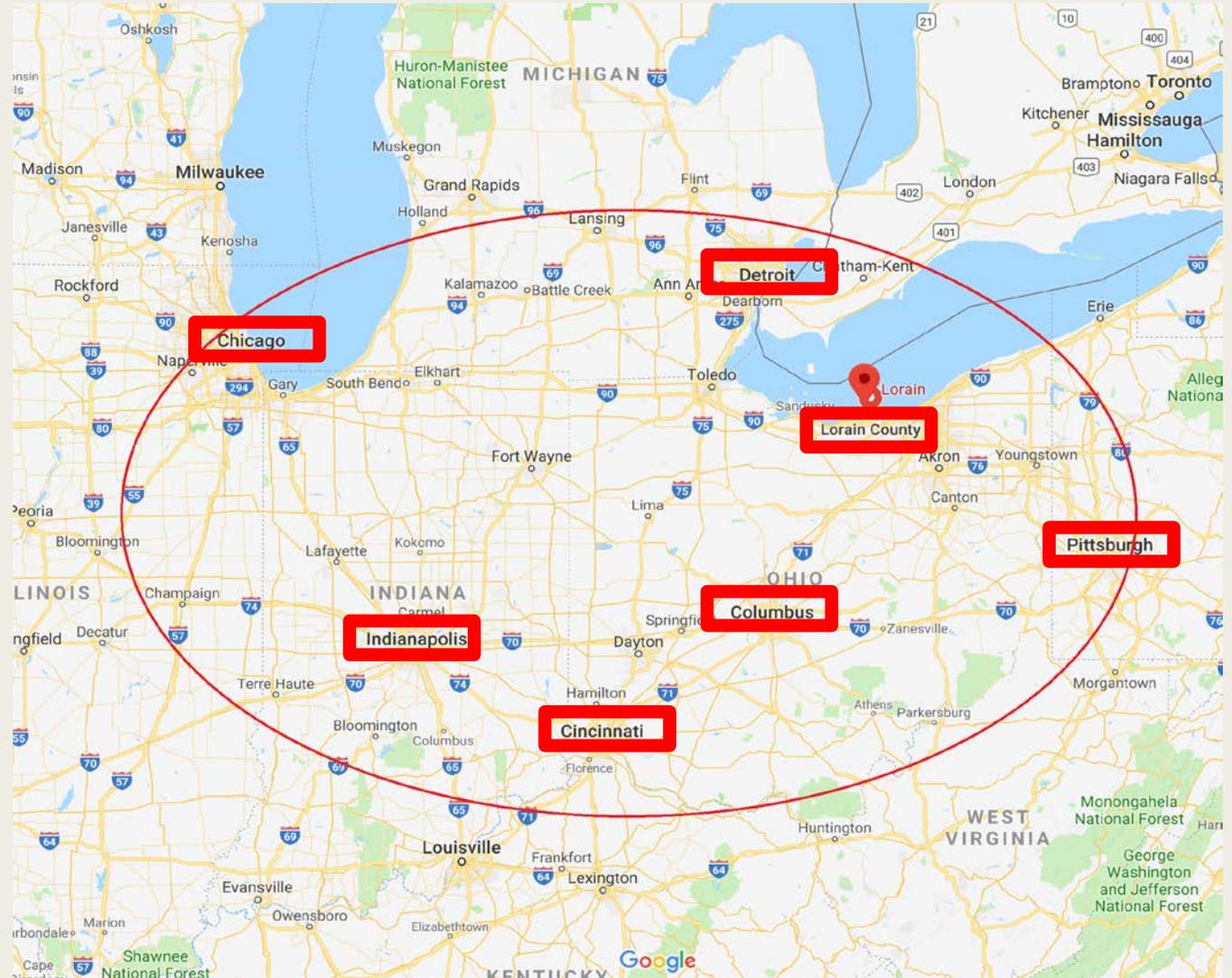
# Before you talk to developers, create a clear landing pad for them

- Lead with public investment
- Get institutions and foundations engaged
- Clear land-remove title issues
- Conduct environmental due diligence
- Work with property owners to set expectations
- Work with communities to calibrate market to expectations
- Make sure to incorporate indigenous residents concerns
- Roll out the red carpet!



# Clearing a Path for Success: Next Steps Open for Business

- Expression of interest on 5 key properties April 15<sup>th</sup>- August 1st
- Extensive outreach to the region
- Workshops, Boat tours
- Local support: process to be managed by city port authority



# Finding the Right Buyer: Picking a Needle From a Haystack

Types of developers:

- Institutionally-funded, usually developing in one market class
- Well-heeled private developer focused on one or two markets
- National Risk transfer companies-usually land developers
- Local/regional-usually builder/developer
- Contractors/People with money to spend/etc.
- Alumni



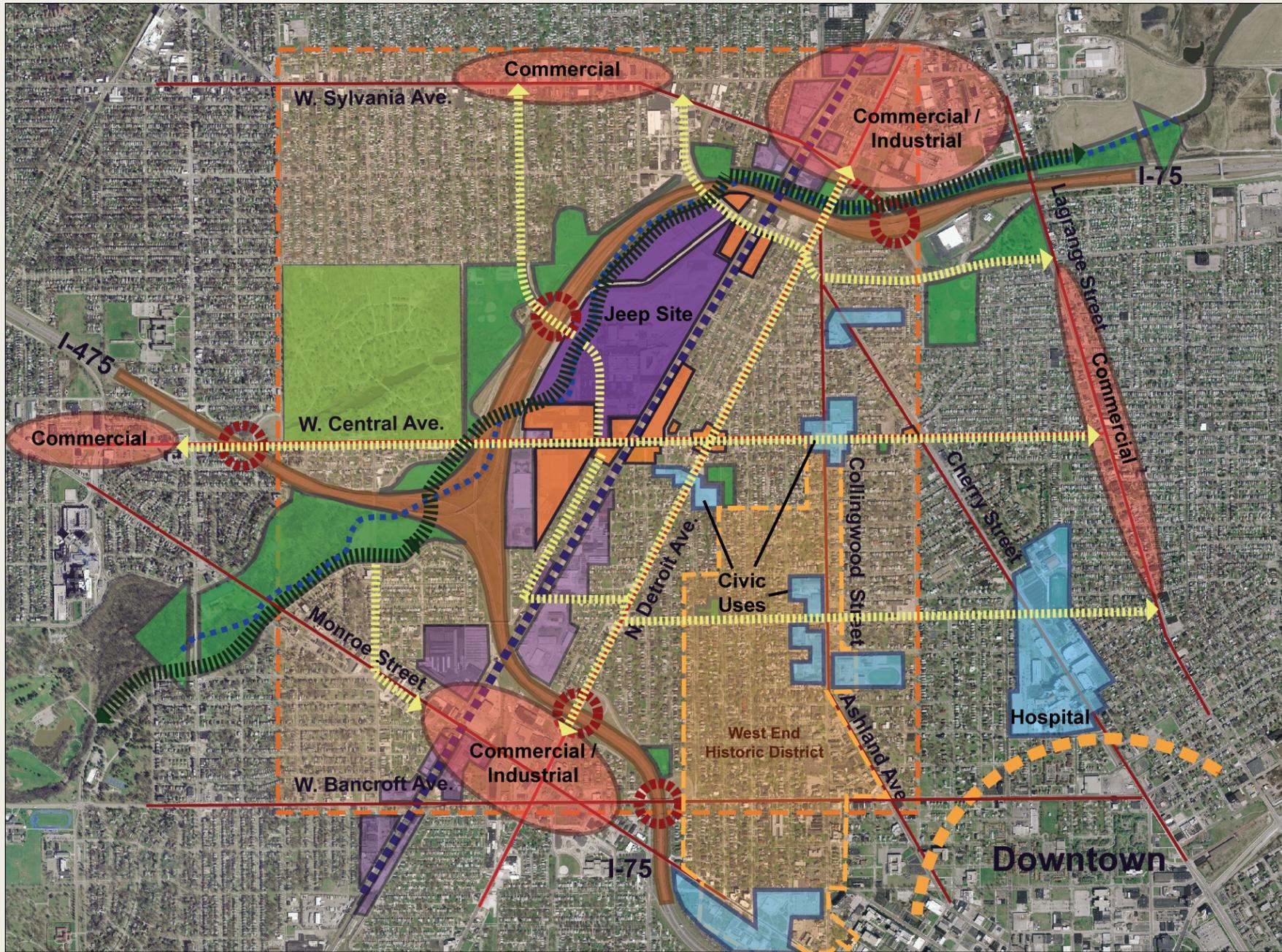
# Finding the Right Buyer: Picking a Needle From a Haystack

Company who purchased this site:

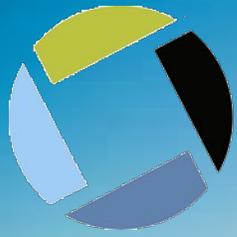
- Focused specifically in this region (knew where Meriden, CT was)
- Developer had significant brownfield redevelopment experience
- Strategy was to find underutilized assets with some income







Bikeway / Complete Streets system



**OVERLAND**  
INDUSTRIAL PARK



# Partners

A key objective for the project is to identify projects and programs that the partners can carry out upon completion of the Toledo area wide plan.

- U.S. EPA Region 5
- City of Toledo
- Cherry Street Legacy Project – St. Vincent’s Hospital
- Toledo Design Center
- Toledo Community Foundation
- Funder’s Network for Smart Growth
- Toledo Port Authority
- Old West End Neighborhood Initiative
- NeighborWorks Toledo
- Toledo Land Bank
- Lucas County Department of Planning and Development

Access to federal partners

Key Sponsor

Neighborhood revitalization

Neighborhood design support

Fund Special Projects

Access to foundations

Property acquisition / job creation

Community Organization

Green housing

Vacant property management

Job prep / Job training

# Starting from Scratch: What to do when there is no market?



# Rebuilding from Scratch: The Miller Station Story

LakefrontDistrict.com



Problem	Solution
Train operator wanted to close station/consolidate	Proved train station viable
Richest and poorest lived across tracks	Created new district that incorporated richest and poorest
City was not trusted	Created “as-of-right” development standards. Created vision for development
No market activity	Invited market



Lakefront District

Marquette Park

Park Pavilion

Miller Beach

Indiana Dunes National Lakeshore

Lakefront Station District

Miller station

Road closed

Aetna

12

20

90

Marquette Trail

Lake Street

Marquette Trail

Clay Street

*Greetings from*

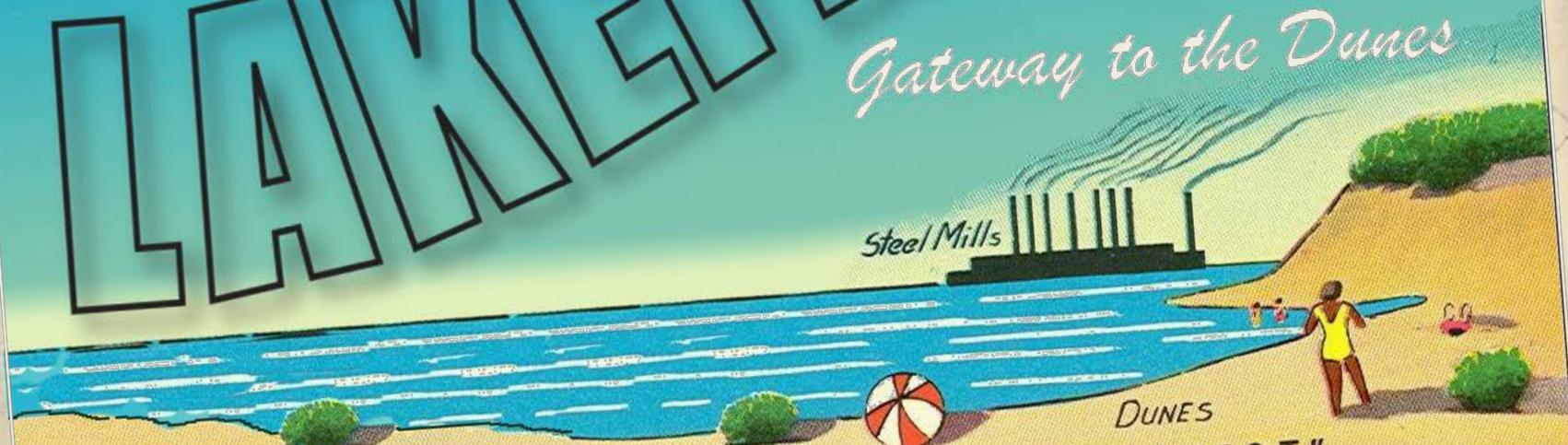


**THE**

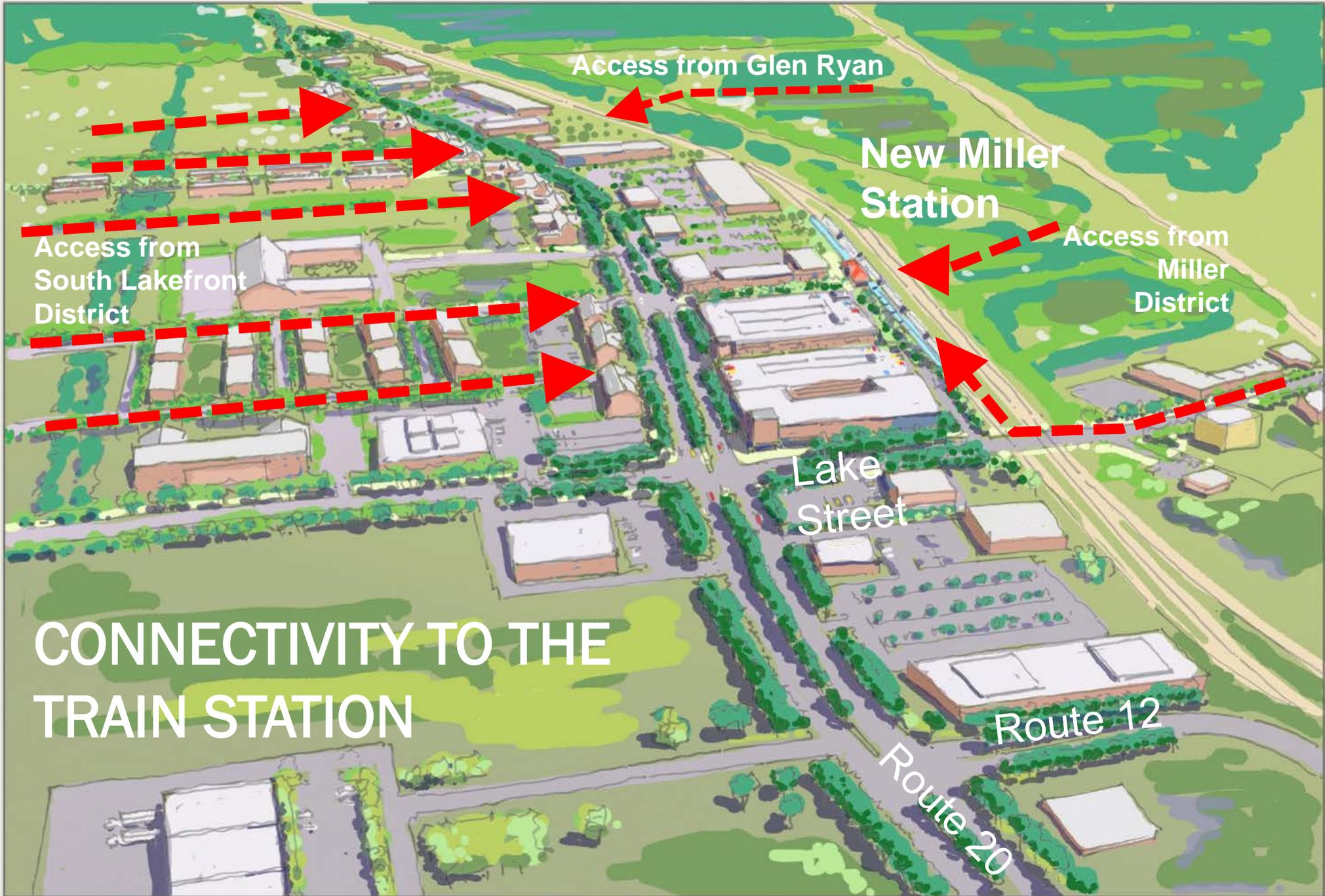
# LAKEFRONT

**District**

*Gateway to the Dunes*



"PLAYGROUND OF THE MIDDLE-WEST"



Access from Glen Ryan

New Miller Station

Access from Miller District

Access from South Lakefront District

Lake Street

Route 12

Route 20

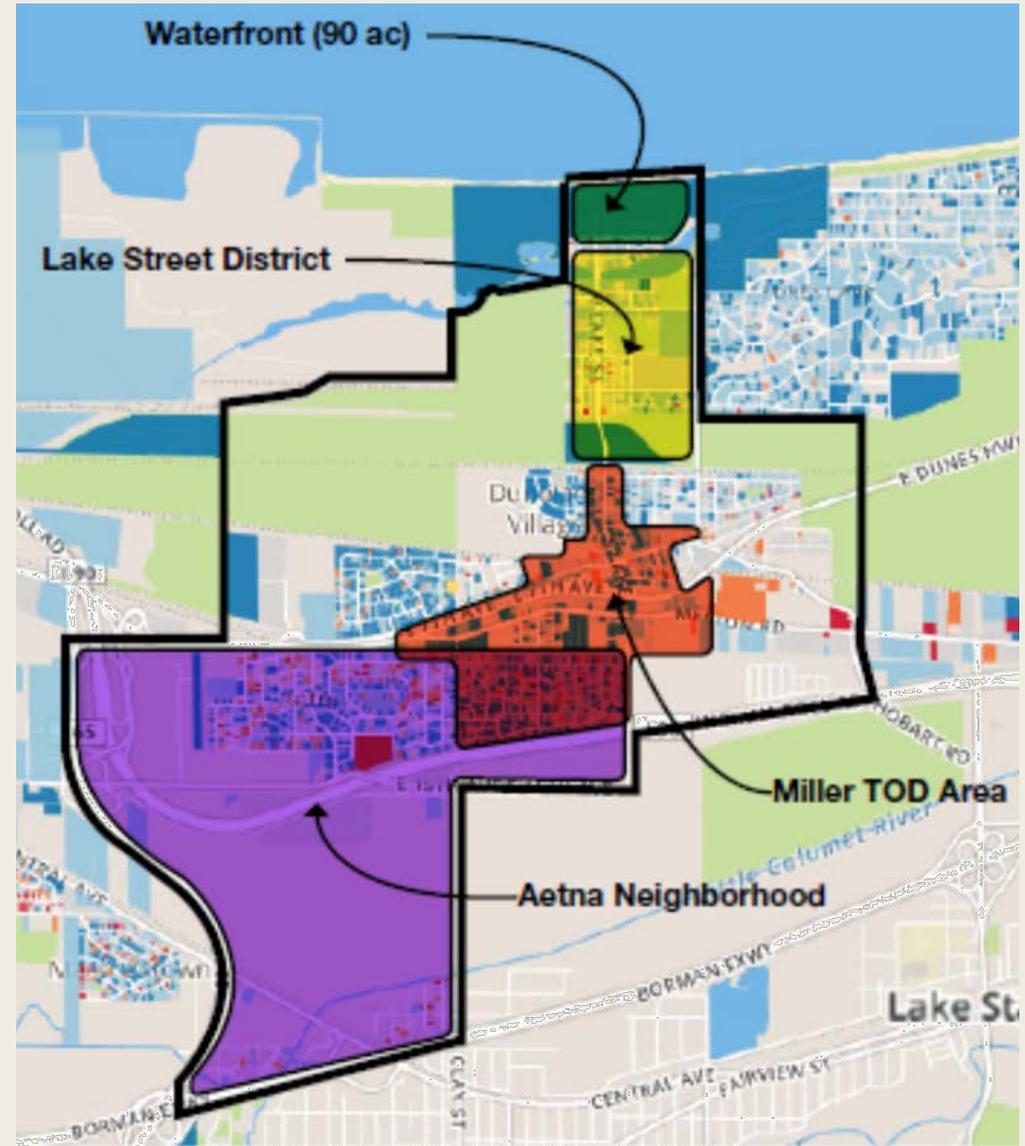
CONNECTIVITY TO THE TRAIN STATION

# Master Developer Selected

Meridianhospitalitygroup.com



**MERIDIAN**  
Hospitality Group

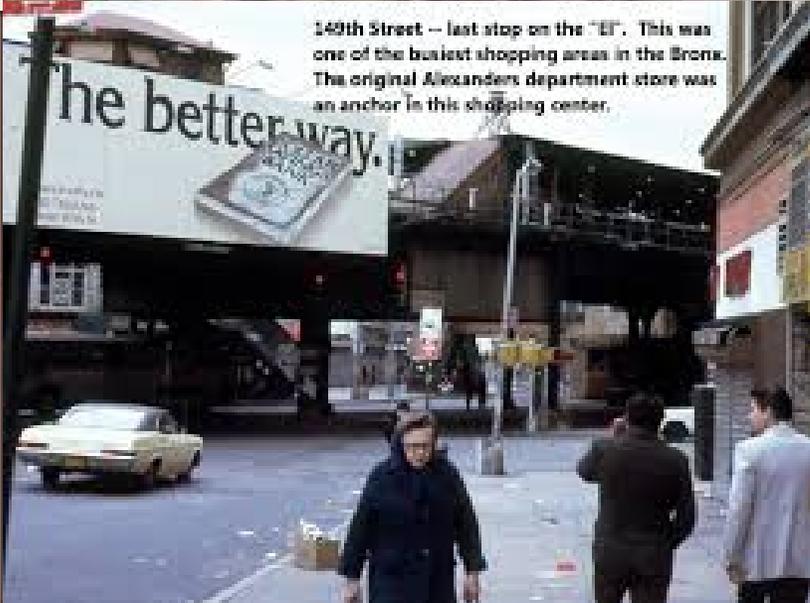


Gary, IN Study Area Scoping Diagram  
09-15-2017

# Taking Back the Neighborhood Block by Block



# South Bronx – 1970's



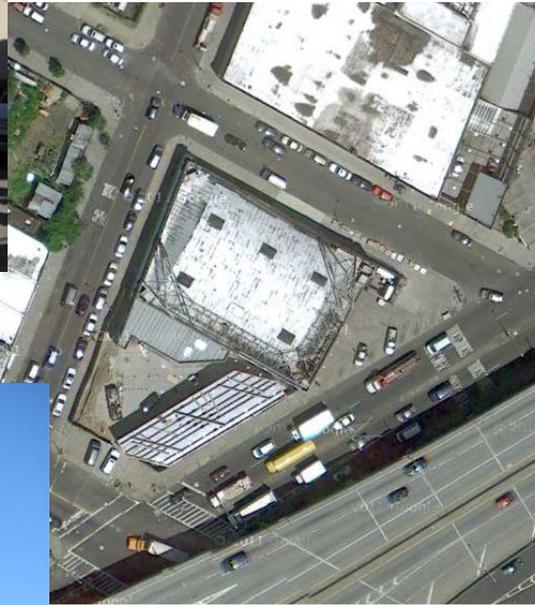
149th Street -- last stop on the "E". This was one of the busiest shopping areas in the Bronx. The original Alexanders department store was an anchor in this shopping center.

# Taking back the neighborhood block by block



- Define neighborhoods and understand their relationships to their surroundings. Market study, demographics will help point out potential uses
- Every community has nodes of strengths inherent in it. Vacant land is an asset. You need to identify your assets and familiarize yourself totally with them
- Development = property and property = ownership whether it be municipal or private. You must engage owners and other stakeholders in the development process. They live and work there and understand their needs and wants. Creativity in development is seeing the untapped idea and working it
- Find that special niche in your community that has the potential to spur development. Community development is a building by building and block by block effort

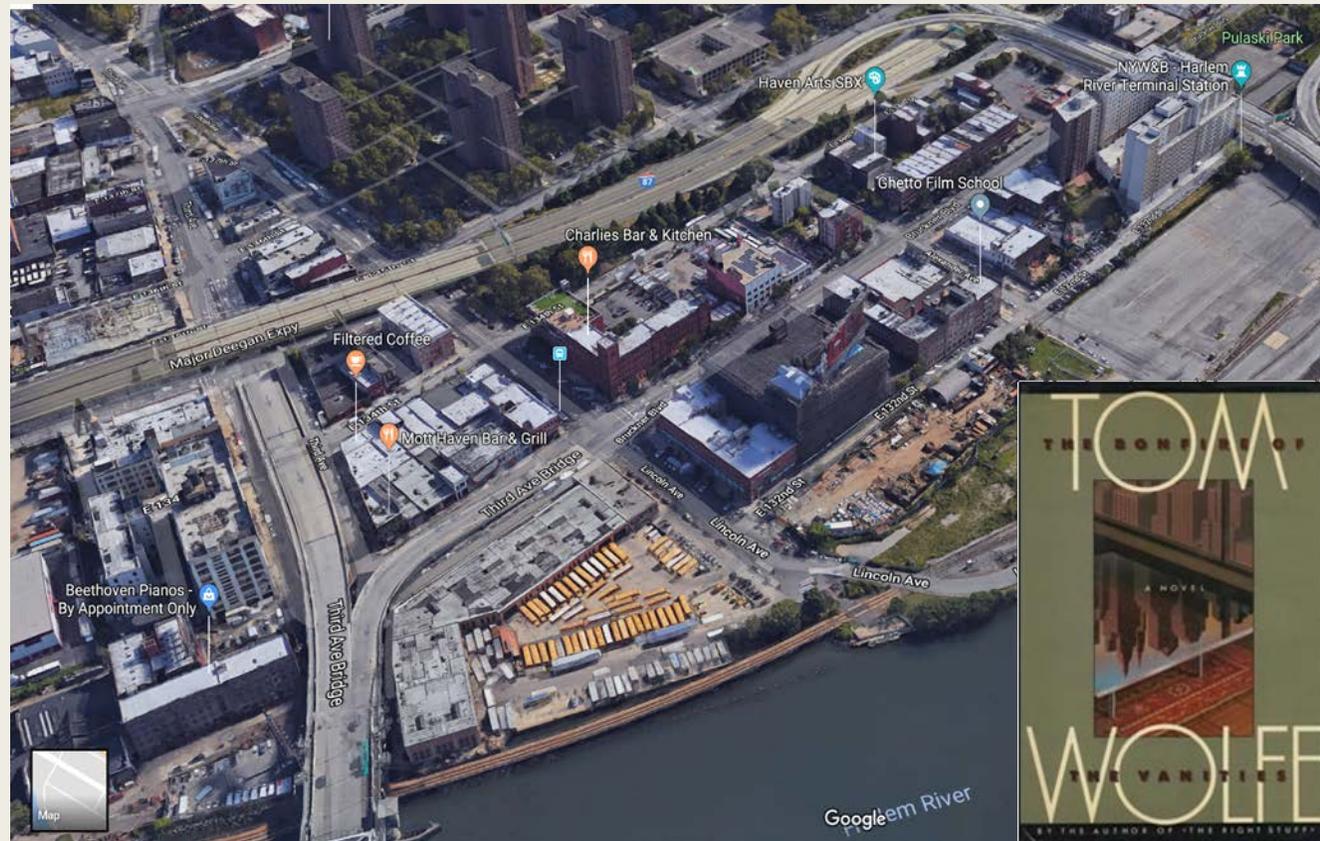
# BOA Site: Bruckner and East 138th



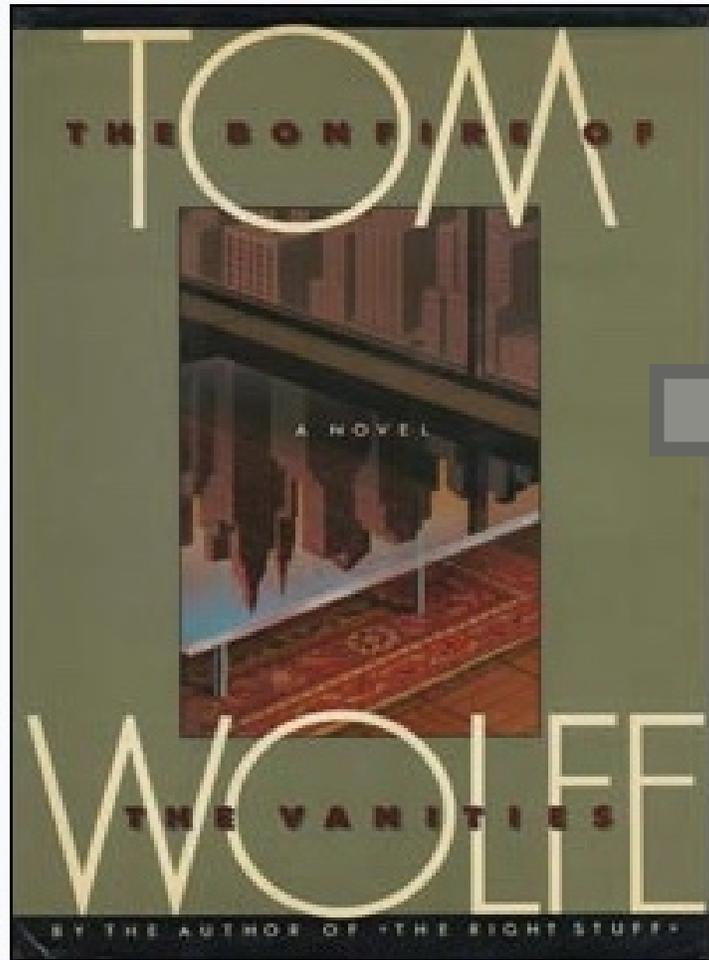
## Bruckner and East 138th, New York, NY: Former Gas station site

- Purchased at auction by a private party without his knowing the site was a brownfield.
- Site strengths – highly visible, well trafficked area
- Site Weaknesses – brownfield, odd configuration. Vacant eyesore for 15 years
- Met with owners and assisted them to clear a number of obstacles - brownfield cleanup, financing, permitting
- Retained architect to undertake site study to determine alternative highest and best uses for site
- Developed market study and Pro-formas for development alternatives

# Taking the stigma head on: Bruckner Boulevard – the Bonfires of the Vanities



- Area strengths – at foot of Third Avenue Bridge to Manhattan. Numerous attractive though vacant buildings
- Area weaknesses – reputation, very dark at night – menacing aspect. No development focus.
- Created the Port Morris Local Development Corporation to focus on the street's development. Began by finding a single small business which sold antiques out of a storefront and through her was able to get several adjacent owners to consider leasing space to other antique dealers at no cost other than new tenant covered their operating costs.
- **Worked with Department of City Planning to create a new zoning district for the Avenue MX1 allowing retail, residential and manufacturing**
- Branded the area the Bruckner Boulevard Art and Antique District and promoted it throughout the borough



Cover of the first edition



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REAL ESTATE

## *A Bronx Antiques Row Brings Hope for Renewal*

By ALAN S. OSER DEC. 29, 1996

A CHARTER bus from Holyoke, Mass., was parked outside Lou Newkirk's antiques shop in the Port Morris section of the Bronx on a recent raw Saturday afternoon. Inside, Anne Tracy and her daughter, Becky, from Berkshire, Mass., were browsing.

The bus driver, Gary Despres, had deposited other in-town-for-the-day shoppers from Massachusetts in midtown Manhattan earlier in the day, and would soon be driving back to Manhattan to pick them up. But on his route south from New England he had passed Mr. Newkirk's shop and others nearby so many times that curiosity at last overcame him. He wanted to spend part of his idle afternoon discovering what lay behind those intriguing facades, and so did a few of his passengers.

# BOA Site: Vista



## Vista Site

- Planning study by SoBRO to focus on neglected waterfront area surrounding Third Avenue Bridge. Met with all property owners to understand their positions
- Undertook due diligence of sites to de-mystify development opportunities.
- Hired architect to undertake basic planning analysis. The site will ultimately accommodate over 400 units of market rate and affordable housing –
- Several developers are examining the sites in detail.

# Setting the pace – The Philips Jones Building



- 6 story 120,000 sf industrial building, Building abandoned in early 1970s
- Businesses fleeing area in droves
- Identified Vacant factory, scrambled for dollars and rebuilt factory to serve as a counter to rampant abandonment.
- Met with adjacent owners, toured the building and worked closely with them to get rehabilitation dollars for their buildings.
- Rental prices for industrial space at all time high today – very little land or buildings on the market

# REDEVELOPMENT



## Series

Questions?

On behalf of Michael Taylor and Neil Pariser, we would like to say thank you for attending this webinar.

Next Webinar:

Friday, May 11<sup>th</sup> 2018, 12-1 pm EST

How to Create and Maintain a Successful Brownfields Program in your Community

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