



# LOCAL-MOTIVE TOUR

## HOW DO WE GET MORE SMALL-SCALE DEVELOPERS?

### START BY GROWING YOUR CITY'S NETWORK OF SMALL-SCALE DEVELOPERS

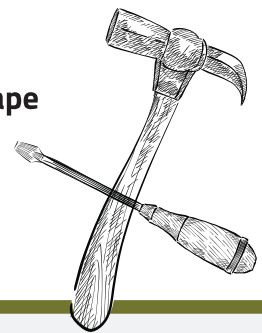
Communities that realize how financially productive small scale development is – and how distorting, stifling, and problematic large leaps in the development pattern are – quickly recognize how much they need incremental developers. Then they see how few of these developers exist.

It's important to recognize that communities don't attract or import small developers; they grow them. Start growing your own network of small developers by first recognizing how the current process is designed to favor the large developer.

### WHAT'S THE DIFFERENCE? SMALL VS. LARGE SCALE DEVELOPERS

#### SMALL DEVELOPER

- Is doing everything on their own
- Is the competitor crowded out by red tape
- Does not have a long financial leash
- Is doing a custom, specialty project each and every time



#### LARGE DEVELOPER

- Has a team of specialists on call
- Accepts burdensome regulations (*they keep out competitors*)
- Has access to patient capital
- Is generally repeating a low-risk formula over and over





## SMALL DEVELOPERS IN YOUR CITY SHIFTING YOUR APPROACH

Cities often prefer large developers because they make polished submissions, have professionals on hand to respond to staff requests, can negotiate for extras during the process, and pay their fees without too much complaint. Cities establish systems with the large developer in mind, unaware of how they are crowding out the small developer they say they want.

If your community wants small developers, you can't treat them like large developers—because they aren't. And that's a good thing! Small projects are lower risk and should be treated that way.

### TO GET MORE SMALL DEVELOPERS AND MORE INCREMENTAL PROJECTS, A CITY SHOULD:

- Allow the next increment of development intensity always and everywhere by right (i.e. the least amount of regulatory friction).
- Eliminate off-street parking requirements and charge the right price for public parking.
- Stay on top of maintenance. Don't let your neighborhoods fall apart.
- Design streets to create value, not destroy it. Don't let your fire chief or maintenance department set urban design standards.
- Get rid of zoning codes that treat existing urban neighborhoods like greenfield development. Throw out minimum lot size, required lot width, coverage maximums, and similar standards in existing neighborhoods. If possible, shift to a form-based code with clear approval processes.

