The Best Laid Plans:
Redevelopment Challenges and Solutions
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Land Development

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INTRODUCTION

How can municipalities and developers work together to achieve and support redevelopment? Hopefully this paper will provide some answers or potential solutions to this question.

Every municipality would like to see redevelopment occur. Many developers would like to pursue redevelopment opportunities, but are reluctant to do so. There are unique challenges associated with redevelopment. Some challenges are beyond either the municipality’s control or the developer’s control. Other challenges can be impacted (or created) by a municipality, including its planning regime and processes. If all of the stakeholders (municipalities and developers alike) understand the challenges associated with redevelopment and the potential solutions, this may create a better environment to enhance viability of redevelopment.

Redevelopment can generate significant economic, social and environmental benefits including the following:

- creating new jobs both short term (through the development of the site) and long term (through the new business on the site);
- increasing municipal revenues (property tax; business tax; utility charges);
- increasing federal income tax revenue;
- improving water, soil and air quality;
- reducing urban sprawl by preservation of existing agricultural and other "green" lands;
- effectively using existing infrastructure, services and facilities and by reducing costs of expanding infrastructure, services and facilities to new areas; and
- revitalizing neighbourhoods and communities;

Redevelopment opportunities arise in a number of different settings:

- changing low density residential development to greater density residential development;
- cleaning up modest brownfield sites such as gas stations;
- converting underutilized strip malls to other commercial or mixed use developments;
- converting larger scale heavy industrial sites to more viable industrial sites.

While there is no “magic wand” to fix these redevelopment challenges, examining the challenges, and potential solutions, can help to create an environment to promote redevelopment. The reality of market conditions cannot be underestimated. To some extent, the market will have a tremendous impact on whether the cost of redevelopment satisfies the “risk/reward” consideration every investor in redevelopment must weigh.

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