



PLACEMAKING One Brick at a Time

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DOING A REAL DEVELOPMENT PROJECT

HOW TO DO IT

“You say, ‘I’m going to lay this brick as perfectly as a brick can be laid.’ You do that every single day. And soon you have a wall.”

- Will Smith

A WALL OF QUESTIONS



- Do you have a vision for your downtown? If not, how do you get one? Does your vision have multi-generational appeal?
- What is your definition of “success”?
- Are in this for a quick fix or long haul?
- Do you know if there is market demand for downtown? What land uses? How much? At what price?
- Is there a **there** there? Are there building blocks you can build your vision around?
- Do you have good access into downtown? Can you draw demand for 3-5 miles around? The visibility retail requires?
- Do you have infrastructure to support new/infill development?
- Are you organized to implement your vision? DDA? Redevelopment Agency, Etc.?

A WALL OF QUESTIONS



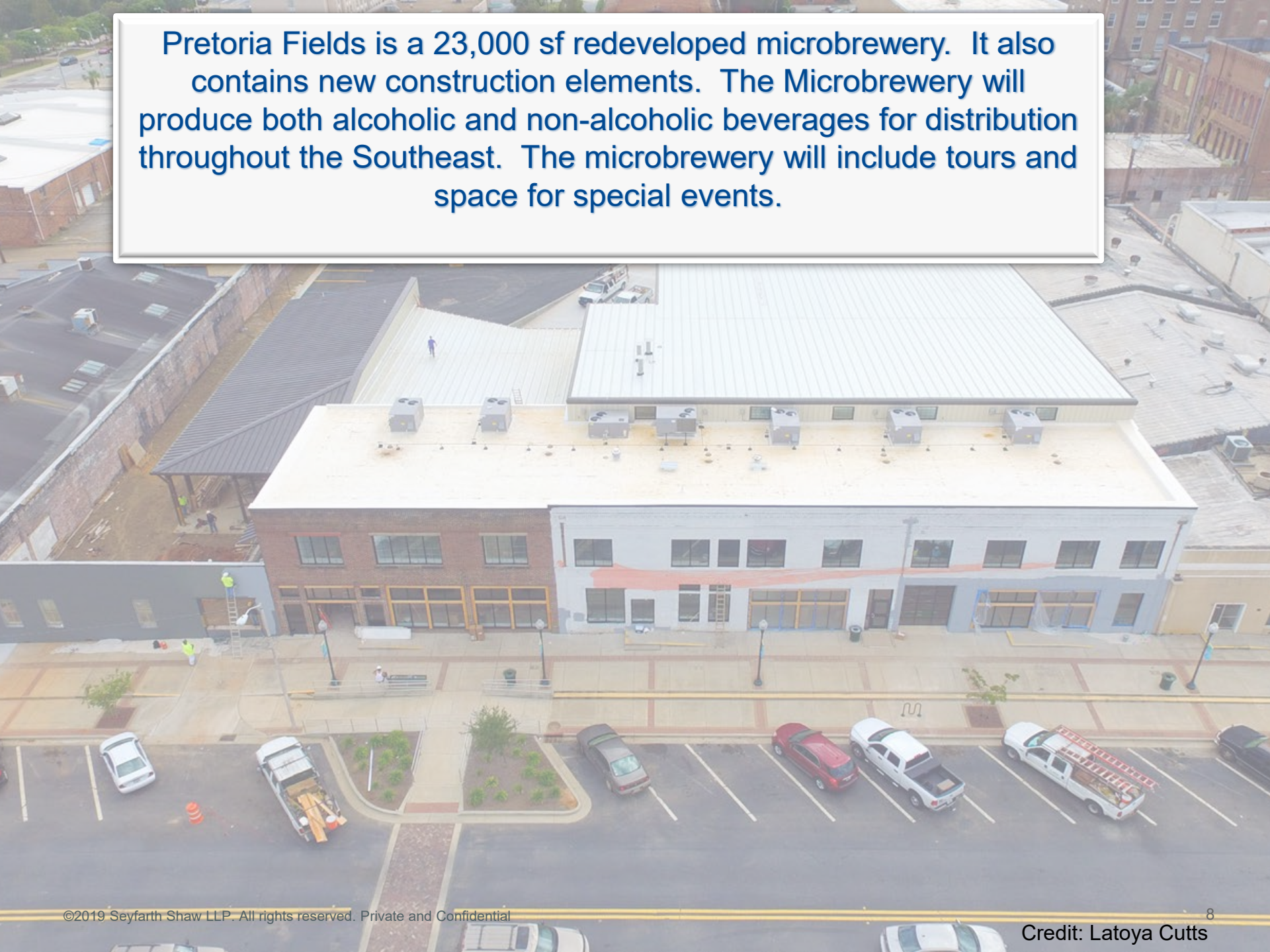
- Do you control key parcels for your vision or are they controlled by others?
- Do you have funds for site acquisition, land write-downs, or infrastructure?
- Are you prepared to offer public incentives to achieve your vision?
- Do you have zoning policies in place that can support new development?
- Are you prepared to engage in an RFQ/RFP process for developers?
- Do you expect a short term or long-term return from your investment?

IRL



THE ALBANY MICROBREWERY PROJECT

Pretoria Fields is a 23,000 sf redeveloped microbrewery. It also contains new construction elements. The Microbrewery will produce both alcoholic and non-alcoholic beverages for distribution throughout the Southeast. The microbrewery will include tours and space for special events.



IT WAS THE CATALYST

2 old hotel repurposed for apartments with retail

The Flats at 249

5 "207 Pine" boutique hotel & data center

4 "The Flint" restaurant in rehabbed and expanded building

3 "Front Street Market" retail stores in space leased from city authority

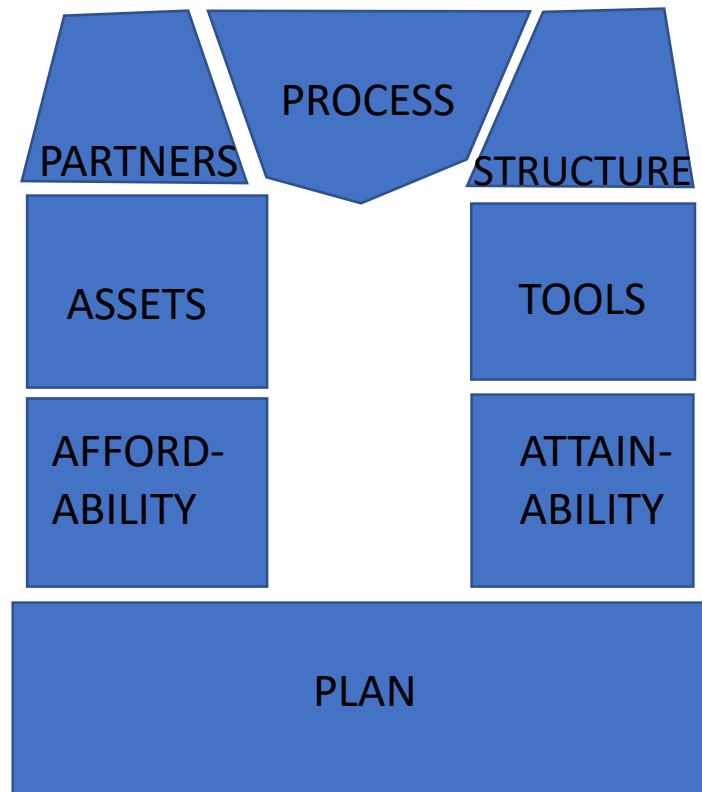
1 Pretoria Fields

6 Albany Museum of Art donated building to be renovated 128 & 146 W. Broad Ave.



THE BUILDING BLOCKS

BOTTOM UP DEVELOPMENT



PLAN

Some possibilities

- Master Plan
- Redevelopment Plan-
Redevelopment Powers Law
- Urban Redevelopment Plan-
Urban Redevelopment Law

Albany had-

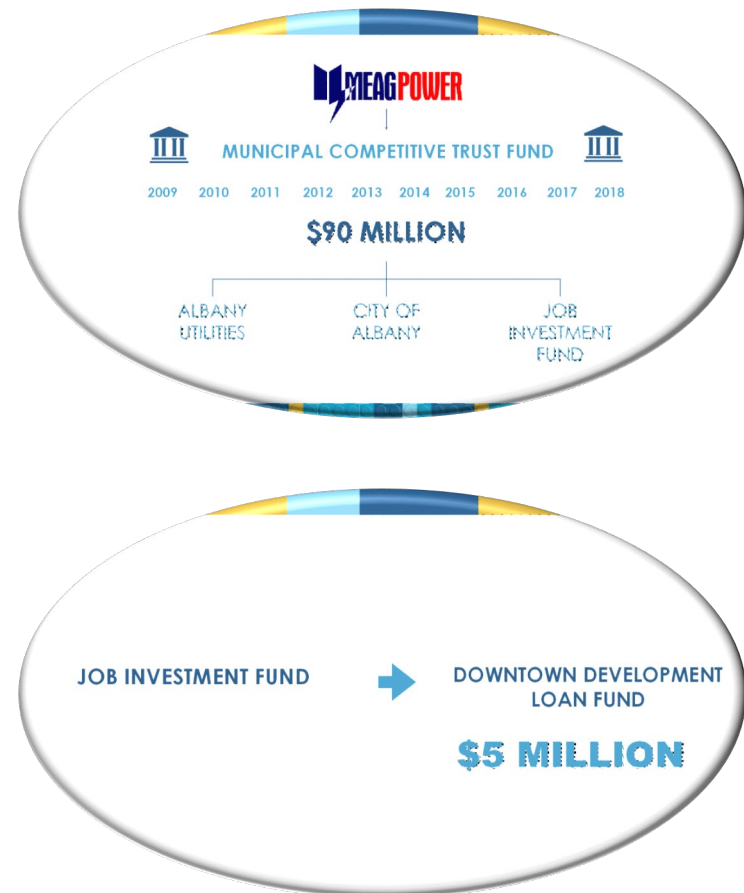
- 1996 Albany Downtown
Riverfront Master Plan
- 2008 Redevelopment Plan for
Albany Tax Allocation District #1:
Albany Riverfront and Gateway
TAD
- 2010 Urban Redevelopment
Plan
- 2015 Downtown Investment
Loan Fund (DILF) Program
 - from Job Investment Fund

AFFORDABILITY

Some possibilities

- City general fund
- Contract revenue bonds
 - Issued by local authority, repaid by City
- Pass-through loans
 - GCF, DCA
- Monetization of project revenues
 - HMT
 - PILOTs
- Create and monetize district
 - See “Tools”, slide 16

Albany had



Images credit: Latoya Cutts

ATTAINABILITY

You might have the resources to afford something, but...

- Will you get a satisfactory ROI?
- How much of your resources can you justify committing?
- Even if you make an investment, even if it is more than you **should** have invested... will the project succeed?
- How do you explain yourself if the project fails?
- Many factors are beyond your control, including
 - What type/quality/size project your demographics will sustain
 - Your location

Albany analysis

- The developer is a doctor, but
 - He hired a qualified microbrewery consultant
 - He hired an experienced microbrewery operator, and
 - He is local.
- City's investment was 22% of total project costs (see "Structure", slide 19)
 - Above does not include value of land under ground lease with nominal ground rent
 - higher than normal TAD funding for a project
 - but these are not TAD funds
- Important noncash factors
 - expected economic stimulus from project
 - evaluation of likelihood of success- Project was expected to locate anyway in unincorporated County if it could not be attracted to downtown
 - need

ASSETS

What you have to work with

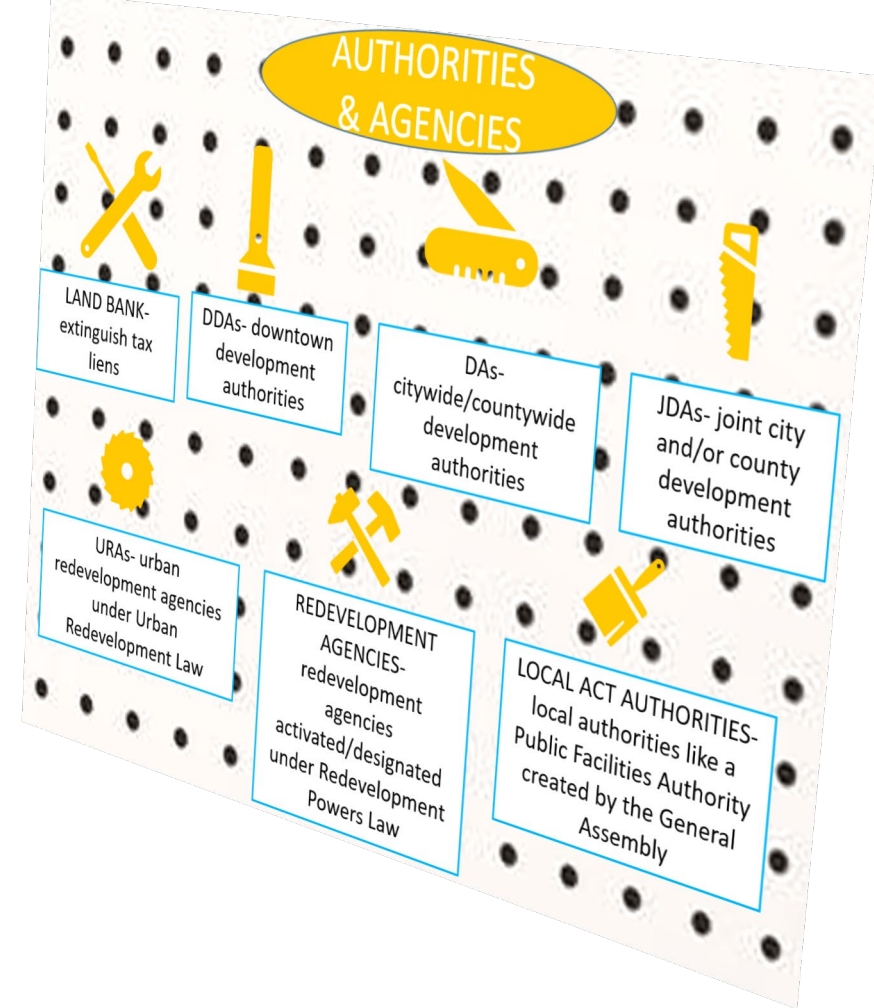
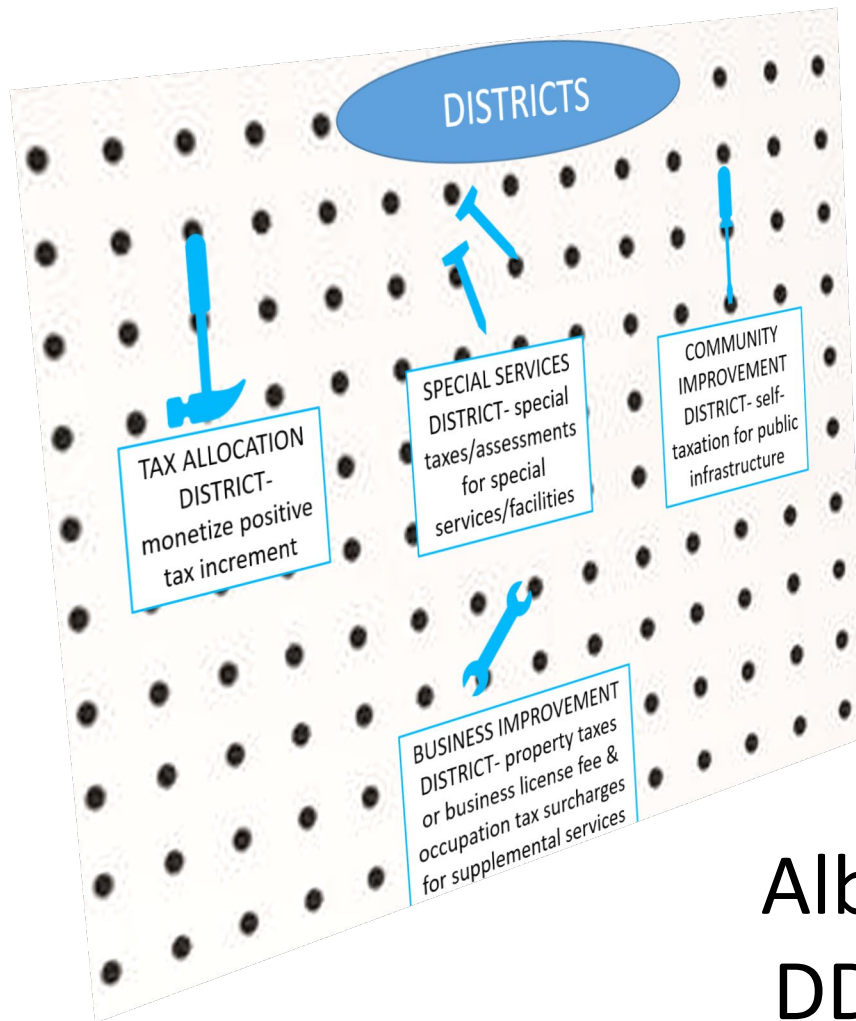
Possibilities

- Publicly-owned property
- Local authorities organized and operating
- Development districts in place
- Funding
- Access to expertise
- Leadership (“Every project needs a champion.” Dan McRae)
- Elected official support
- Support of the public

Albany had

- City-owned site
- DDA and ADICA
- TAD
- Funding
- Professional advice
- Strong, capable city manager
- Support of City Commission
- Public willing to give it a try on the right terms

TOOLS- Possibilities



Albany: TAD,
DDA, ADICA
(local act redevelopment
authority)

Partners

Possibilities

- DIY; e.g., DDA as developer (Albany's Front Street Market project by ADICA and DDA)
- Contractual relationship; e.g., fee developer/prospect (Suwanee DDA multifamily/retail project)
- P3- public/private partnership; e.g., master developer (Chamblee Town Center project)

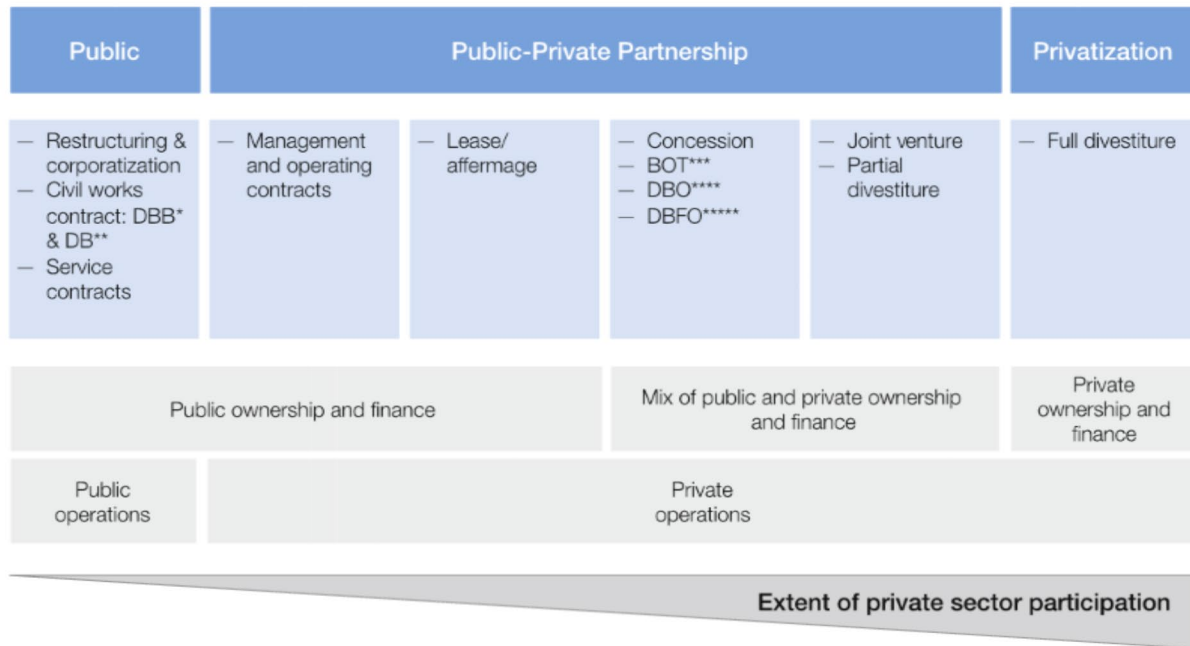
Albany

- "P3 the Georgia way"
- Involves both "contractual relationship" and "P3"
- Structure designed to comply with Constitutional prohibition of "gifts and gratuities"
 - land ground leased to keep in public ownership until Public Benefit Consideration received
 - in exchange for cancellation of subordinated loan, DDA will receive an ownership interest in the Project which it will resell for the Public Benefit Consideration
- see "Structure", slide 19

Structure- P3 possibilities



P3 vs. Public or Private Project Delivery

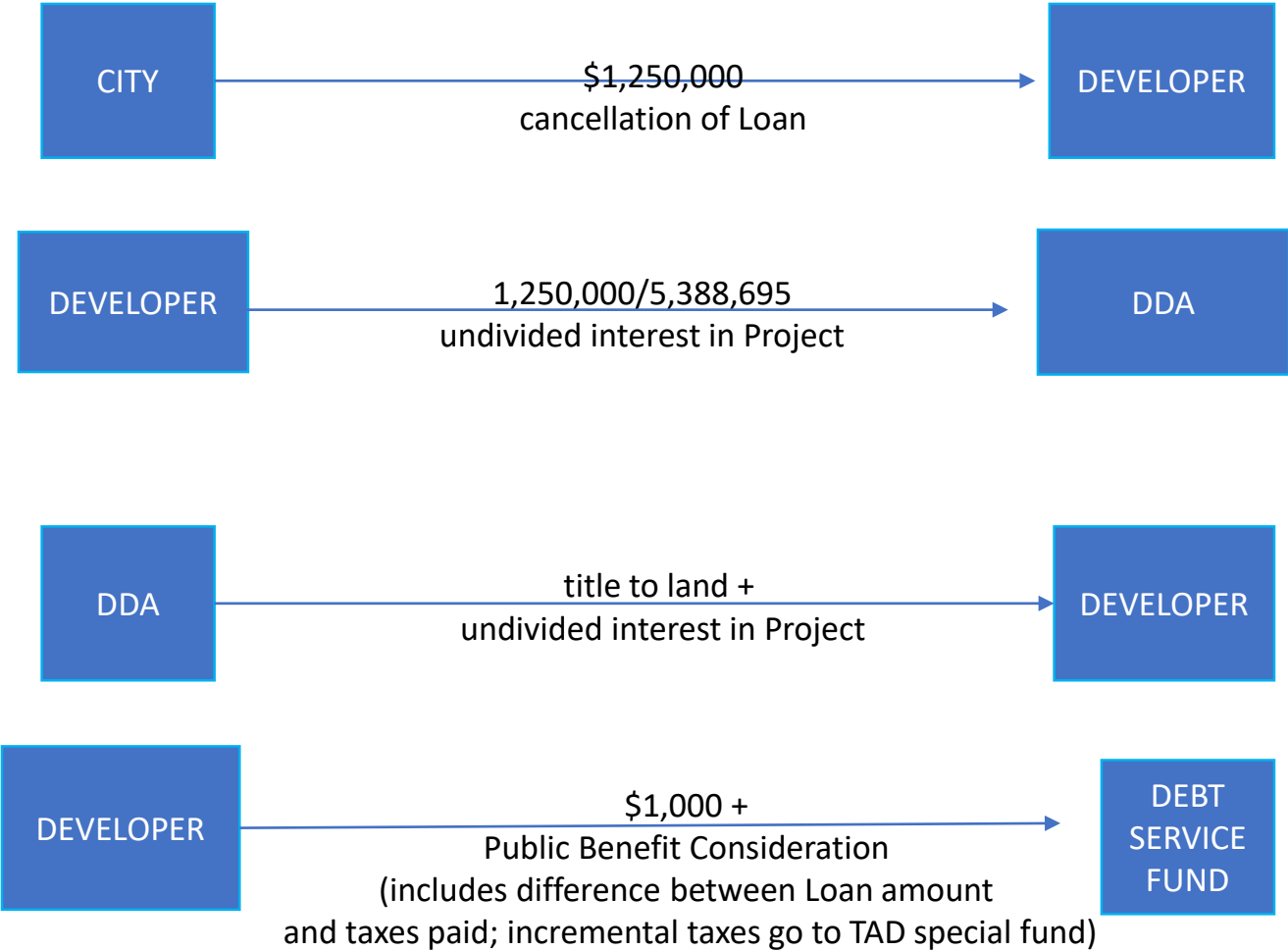


*DBB = design-bid-build **DB = design-build ***BOT = build-operate-transfer ****DBO = design-build-operate *****DBFO = design-build-finance-operate

Source: World Bank PPP in Infrastructure Resources Centre. "PPP Arrangements / Types of Public-Private Partnership Agreements." Available at <http://ppp.worldbank.org/public-private-partnership/agreements>

Source: World Economic Forum and The Boston Consulting Group - Strategic Infrastructure - Steps to Prepare and Accelerate Public-Private Partnerships, 2013, p. 15.

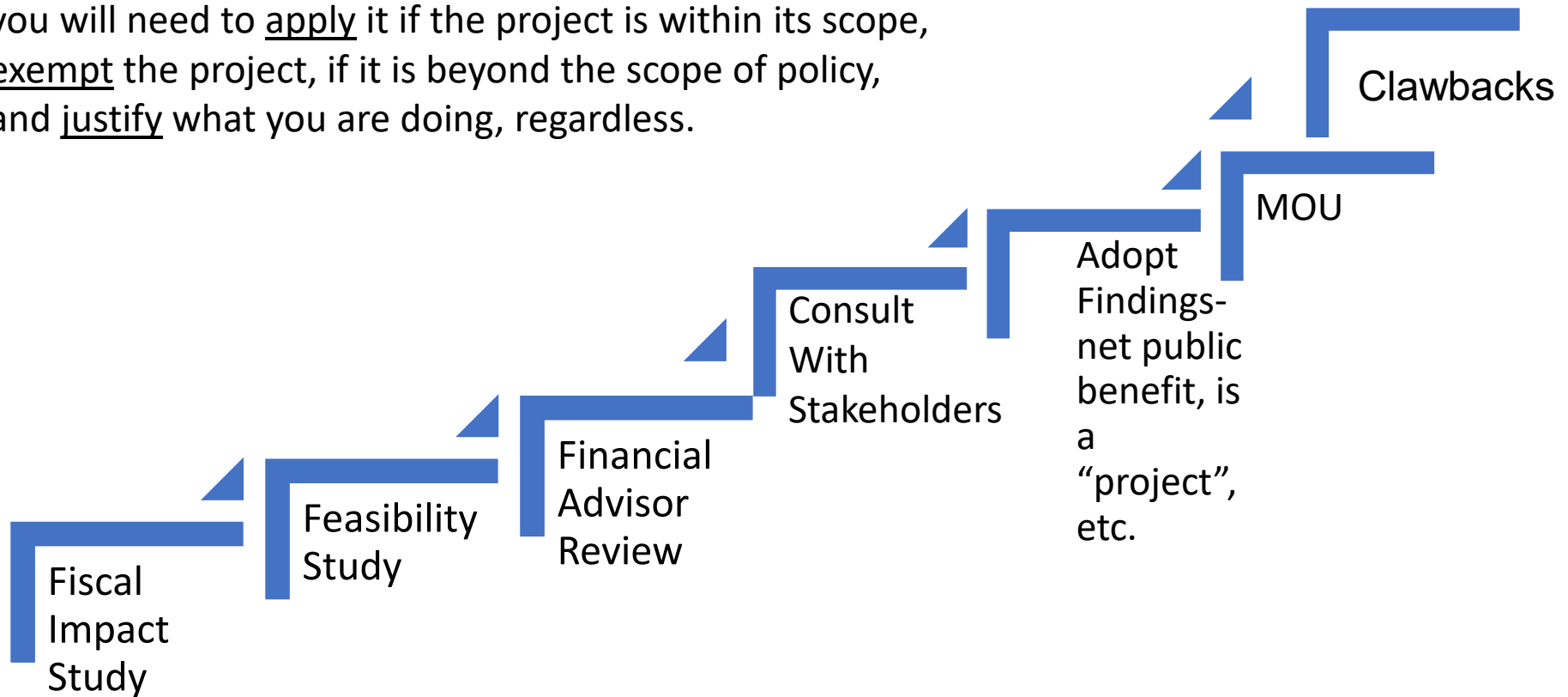
Structure- Albany



Process- Possibilities

“Steps” you need, particularly if your project is large or controversial

If you have a written incentives policy, you will need to apply it if the project is within its scope, exempt the project, if it is beyond the scope of policy, and justify what you are doing, regardless.



Albany: Market Assessment, Stakeholder consultations, findings, MOU, clawbacks

CONCLUSION

**MAKE NO LITTLE PLANS.
THEY HAVE NO MAGIC TO
STIR MEN'S BLOOD AND
PROBABLY THEMSELVES
WILL NOT BE REALIZED.
MAKE BIG PLANS. AIM
HIGH IN HOPE AND WORK.
REMEMBERING THAT A
NOBLE, LOGICAL
DIAGRAM ONCE
RECORDED WILL NOT DIE.**

DANIEL H BURNHAM

MORE INFORMATION



QUESTIONS?

If you have any questions or comments on this presentation, please do not hesitate to let me know.

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