

NORTH CAROLINA: DEVELOPMENT RULES & REGS

DAVE SPETRINO
PLANTATION BUILDING CORP

North Carolina Economic Development
Board Meeting

HOW CAN WE GET BETTER QUALITY REAL ESTATE GROWTH & DEVELOPMENT IN NORTH CAROLINA?

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Pop Quiz: True or False?

- Growth is inevitable?

Pop Quiz: True or False?

- Growth is inevitable?
- The opposite of growth unattractive?

Can we agree?

- Growth is inevitable?
- The opposite of growth is unattractive?

- The question is not whether our part of the world is going to change.

The question is how?

What is Real Estate Development?

Before



After



What is Real Estate Development?

Vision



Reality



What makes a good development?



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- A project that contributes positively to the quality of life for its residents.
- Provides property tax revenues to the government.
- Profitable for the Developer.

What is a Developer?



Al Czervick from Caddy Shack

What is a Developer?



The Donald, "You're Fired!"

What is a Developer?



Raiford Trask (with burrito)

What is a Developer?

- Developers are the coordinators of the activities, converting ideas on paper into real property
- The role of the real estate developer is to have a positive impact on the community and the environment.
- “Agent of Change”
- Developers take the greatest risk and, if successful, should benefit from the greatest rewards.

What's the problem?



“The development approval process in much of the United States has proven to be antagonistic, expensive, unpredictable, and unsustainable.”

Why is this important?

- Creates 'easy' patterns of development (instead of the 'right' ones)
- Requires current & future generations to fund the past (poor) planning and development decisions
- Limits innovation, competition and risk

Why is this important?

Home, Drive.



Home, Work, Walk, Drive, Parks.



Why is this important?

Future infrastructure needs



Existing infrastructure repairs



Why is this important?

Can't do this...



If you have to do this...

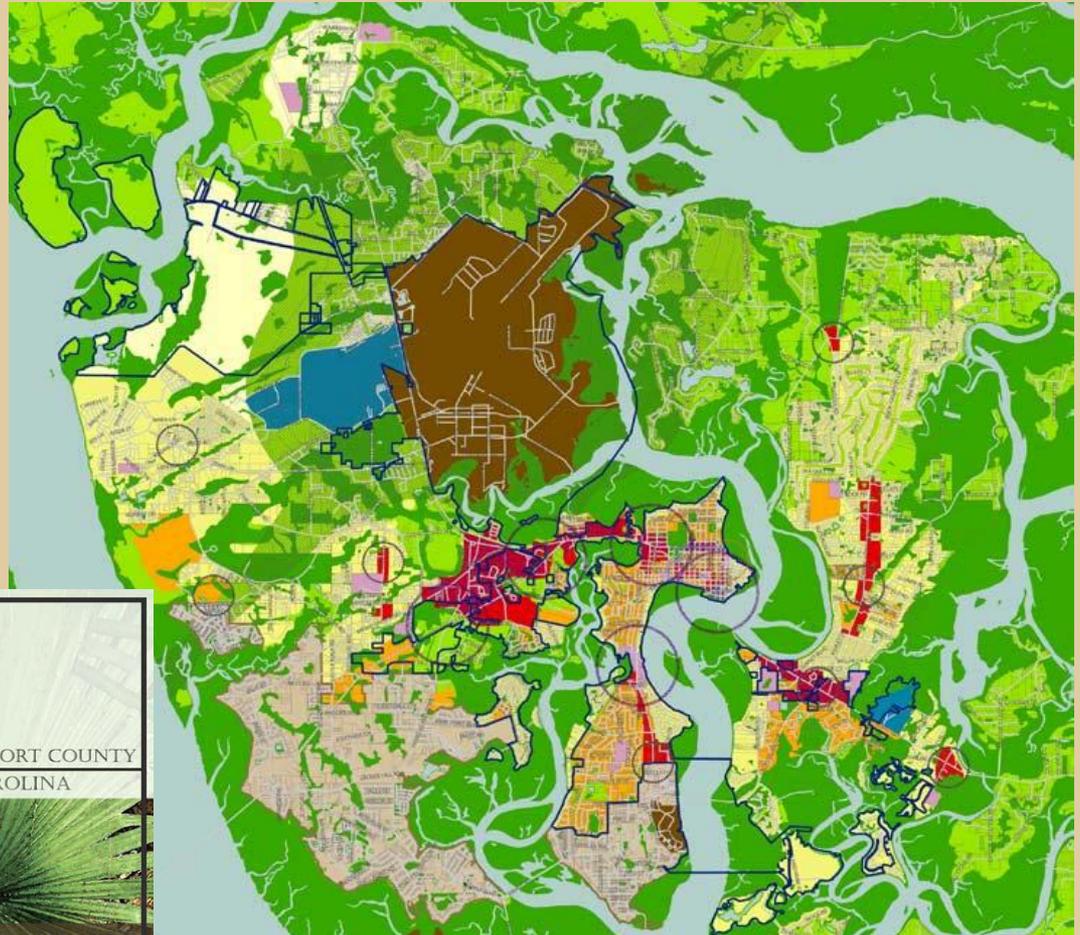
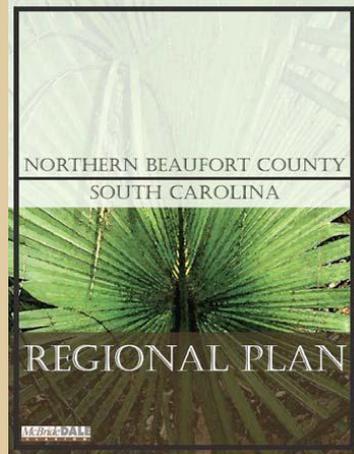


Solutions:

- Don't improvise, plagiarize.

Solutions: Plagiarize

Beaufort County, SC



Solutions:



- Don't improvise, plagiarize.
- Simplify the processes

Solutions: Simplify the processes

the Gross Area mapped to that Zone multiplied by the By-Right Gross Equivalent Density limit for that Zone from Table 14B.

3.4.3 The Density Allocation for a Transect Z one may be increased by the use of Community-Scale Density Transfers, up to the effective By-Transfer Gross Equivalent

Density limit specified for each Zone by Table 14B. For each Transect Z one district with Density Allocation so increased, no less than fifteen percent (15%) of the increase by Density Transfer shall be designated for Affordable Housing accessible to buyers at the 100% A MI level, to be distributed throughout such district.

Alternatively the developer may choose to replace any three (3) such designated Affordable Housing units with one Certified Affordable Housing unit provided through an Approved Affordable Housing Provider in accordance with Section 1.7.1 and two

market-rate units.3.4.4 For each Transect Zone district, a portion of the final Density Allocation consistent with Table 14B shall be exchanged for other Functions at the following rates: a. For Lodging: 2 bedrooms for each Equivalent Housing Unit exchanged.

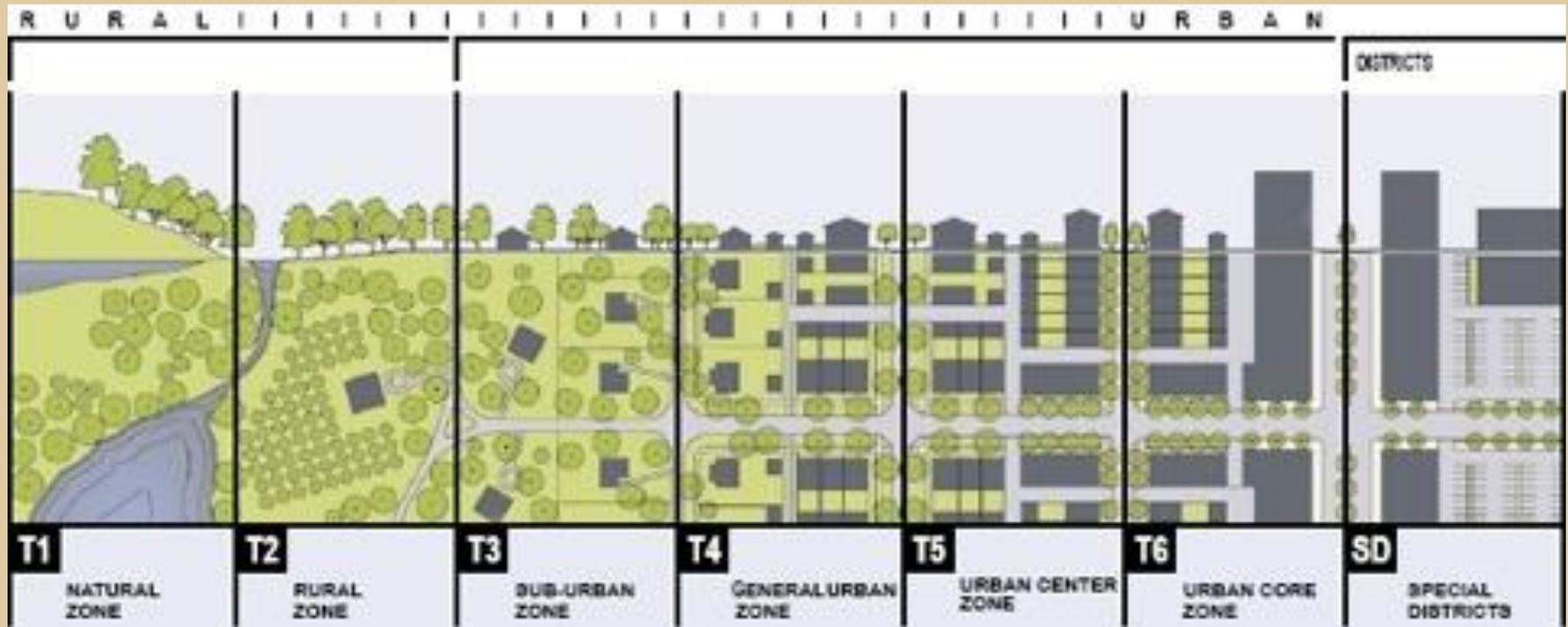
b. For Office or Retail: 1000 square feet for each Equivalent Housing Unit exchanged.

c. The number of Equivalent Housing Units exchanged shall be approved by Warrant.

3.4.5 The housing and other Functions for each Transect Z one shall be further adjusted at the building scale according to Article 5.

3.4.6 After Thoroughfares, Civic Functions, and lot lines have been laid out, Maximum

Solutions: Simplify the Processes

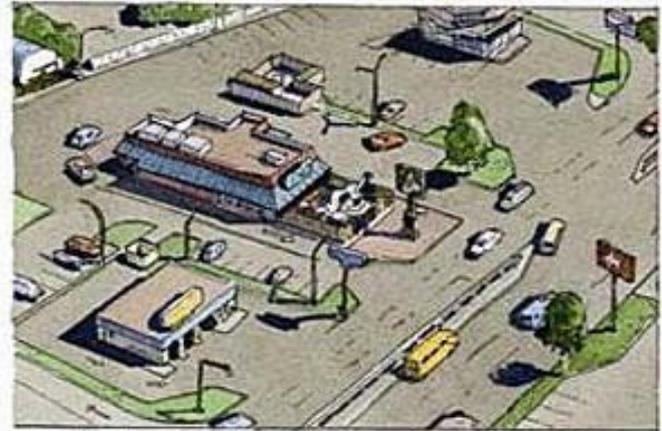


Form Based Zoning

Solutions: Simplify the Processes

- Identify desirable patterns of development (and make it easy to conform to them)

Retail Development



Conventional Suburban Development



SmartCode

Solutions:

- Don't improvise, plagiarize.
- Simplify the processes
- Don't add regulations without removing others

Solutions: Removing Impediments

- Remove zoning impediments that limit opportunities (and creativity)
- Embrace innovative solutions (especially if the solution meets your desired outcome)



Golden Belt Mfg. in Durham

Solutions:

- Don't improvise, plagiarize.
- Simplify the processes
- Don't add regulations without removing others
- Avoid the “culture of ‘NO’”

Solutions:

- Don't improvise, plagiarize.
- Simplify the processes
- Don't add regulations without removing others
- Avoid the “culture of ‘NO’”
- **Most importantly...**

Solutions: “Find behavior you like...



“Find behavior you like and reward it!”



New York Hatters, Downtown Wilmington – 2008 Project of the Year