



Small Development Implementation Clinic

Overview and Proposal
Corpus Christi, TX

Overview

The educational non-profit Incremental Development Alliance is happy to partner with the City of Corpus Christi to provide a Small Real Estate Development Implementation Clinic on September 29-30, starting midday Thursday and ending midday Friday. Executive Director Jim Kumon will visit the city to better understand the existing ecosystem for small real estate developers, meet with local stakeholders and make suggestions for future programming and training.

The goal of the Clinic is to provide, in a short timeframe, *a customized strategy of tangible implementation steps* the City and its community partners can take to *encourage small scale real estate development projects* in its downtown and surrounding neighborhoods. The focus will be on projects that are 1-4 stories on small or individual lots, which are the physical building blocks for financially sound municipal tax base, regardless of use. A building stock which is both flexible and adaptable to changing trends, space type demands and infrastructure needs has a more robust capacity over the long term. This is true of some of the most desired and productive buildings in Corpus Christi, especially in downtown, and the purpose here is to build on that tried and true precedent.

It is not, however, all just about sticks and bricks. Attracting and retaining entrepreneurial talent is crucial for any major US city. Given the major economic drivers of the Corpus Christi city and region, there exist the economic underpinnings to support a class of professionals building new and renovating existing spaces. However, recent real estate RFPs released by the city have fallen short in attracting both qualified and robust responses to buy and transform key city properties. At face value, there could be either a workforce development opportunity, a regulatory reform opportunity, or both, in order to create a stronger pool of applicants for future real estate projects. This clinic will thus explore both the human capital and the physical/technical sides of the equation.

Topics Covered

In conversations with Business Liaison Alyssa Barrera, the Incremental Development Alliance has identified four topics specific to Corpus Christi that are worth examining in further detail to provide pathways of least resistance to small development projects in the city.

1. A Quick Check on Regulations and Geography

- Are there basic rules inside typical zoning, parking, stormwater and landscaping sections of city code or common private sector practice that make small lot development physically impossible or create artificial hardship? These are typically found when regulations were put in place much later after existing building stock was originally built and they create unintended conflicts for even replacing what currently exists.
- Are there zoning classifications or geographic areas that have natural attributes conducive to small development? How can those be strengthened and rallied around to create a string of small wins or improve comparable values in the area?

2. Review of new City Incentive programs and Eye Test for Small Development Sites
 - The city has recently created new incentive programs to financially assist development projects in a TIF zone. A review of these programs will look at how well they serve smaller projects and get a thumbnail sketch of their financial impact. Suggestions will be provided for improvement based on the typical capacity of a small developer.
 - A tour and review of 2-3 key city owned properties to discuss how to best utilize the site, create a supportive environment around the project once a private sector buyer is found and what incentives may be the most helpful to completing the transaction.
 - Discussion of Value Per Acre metric as a way to measure productivity of sites that are sold by the city to ensure maximum return on investment to valuable land in the city core.
3. Discuss cultivating a cohort of Small Developers from Corpus Christi dedicated to Corpus Christi
 - The city competes for talent with other major metropolitan areas across Texas and the southwest. How can it both leverage proximity to educational resources in Houston and San Antonio while not having to constantly import knowledge or lease capacity from the development communities in those other regions?
 - Discuss what educational resources the Incremental Development Alliance has provided other major cities to identify and leverage its business community to create small developers who do projects as either a side endeavor or a full time career.
4. Strategize how to create ongoing mentorship and technical assistance programs
 - Discuss what strengths and weaknesses Corpus Christi has in creating its own set of support programs and networks for small developers. Small developers are by definition generalists, they do not have the resources to hire large teams of specialists trained to do each task in the building and real estate process. Having readily available technical assistance or pre-arranged compliance pathways, access to bankers, investors and credit enhancers and a healthy natural progression of mentorship from other small developers are critical aspects to a supportive ecosystem for small projects.
 - Discuss what other regions are doing to build capacity for this ecosystem through collaboration with foundations, local and state economic development agencies, colleges and private design and construction industries.

Activity Description

The session will be broken in three segments of time, Thursday afternoon, Thursday early evening and Friday morning.

Thursday afternoon: Welcome meeting, meeting with city development services department and metropolitan planning agencies, discussions on Topic 1 issues, approximately 1-4 PM.

Thursday early evening: Transition to Topic 2 issues, tours of key sites and buildings, 4-7 PM.

Friday morning: Review and summary of Topic 2 findings, discussion of Topics 3 and 4, 8:30 AM -12 PM.

A 2-3 page memo of findings and opinions will be prepared by Jim Kumon and sent to the City no later than October 5. Clinic fee includes a registration fee full scholarship for Alyssa Barrera to attend the Small Scale Development Training Workshop in San Antonio on September 28.

All Activity Budget Total: \$1,750