

CITY OF PLANO

Housing Trends & Strategic Plan: Final Advisory Group Meeting

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Presented by:

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The Economics of Land Use



O a k l a n d

S a c r a m e n t o

D e n v e r

L o s A n g e l e s

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OVERVIEW

TONIGHT'S MEETING

- Review of Major Findings
- Review of Policy Options Available to Plano

FINDINGS

DEMAND

- *Employment and wage growth in Plano have been strong, owing its success not only to the city's economic developers, but its historically strong and well-educated local labor force.*
- *Household growth, on the other hand, was not as strong.*
- *As the resident labor force approaches retirement and seeks to age in place, the average age of Plano's residents has increased.*
- *New mortgage investment is declining.*

FINDINGS

SUPPLY

- *The city has limited areas to facilitate additional growth, except for infill sites, redevelopment opportunities, and a few areas for new development.*
- *The city added little housing between 2000 and 2017 by comparison to the number of jobs it added.*
- *Cost of residential construction has contributed to supply-side constraints.*

FINDINGS

AFFORDABILITY

- *A larger portion of the city's workforce is commuting more than it was than 10 years ago, and many of those imported jobs are in the city's top-performing industries.*
- *As a result, in-commuting and cross-commuting patterns are pushing local roads beyond capacity.*
- *Incomes have not kept pace with housing prices; as a result, even households earning the median income can no longer afford the median-priced home.*
- *Households "overspent" by more than \$191 million in 2016.*

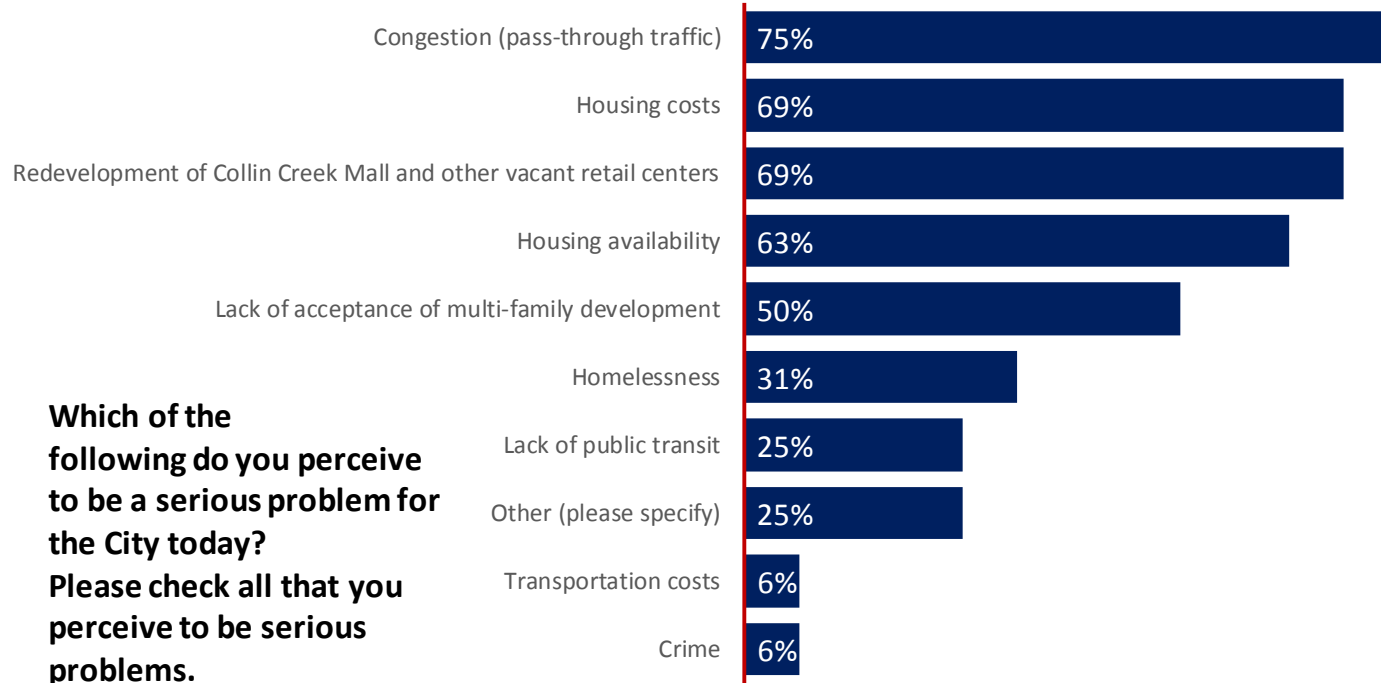
FINDINGS

STATED PREFERENCES

- *After a sense of safety and security, housing cost and the quality of construction are most important to the city's residents and workers in choosing where to live.*
- *The under 35 group is most cost-conscious of all age groups, mindful of safety and security, but less so than the others, and more driven to live near work, recreation, dining and shopping.*
- *The under 35s generally lack sufficient funds for a down payment, though their incomes can support mortgage payments.*
- *The 35 to 54 group is generally focused on aspects of housing that facilitate an efficient and safe home and work life, where cost is less important than either of the other age groups, but home size, greater privacy between homes, and quality public schools are more important.*
- *For those over 55, aspects of the physical residence are most important, with quality of construction, no HOA fees, lower maintenance living and walkability among this group's chief considerations.*

PERCEIVED PROBLEMS

RESULTS = SUM OF ALL CHECKED



**Which of the following do you perceive to be a serious problem for the City today?
Please check all that you perceive to be serious problems.**

RANK OF PERCEIVED PROBLEMS

RESULTS = WEIGHTED AVERAGE RANKINGS

Crime	1	n = 5
Housing costs	1	n = 4
Housing availability	2	n = 11
Lack of acceptance of multi-family development	2	n = 1
Congestion (pass-through traffic)	3	n = 11
Transportation costs	4	n = 7
Redevelopment of Collin Creek Mall and other vacant retail centers	4	n = 9
Lack of public transit	6	n = 9
Homelessness	6	n = 1

Of those you perceive to be a serious problem for the City today, please rank your answers from most serious to least serious (1 = most serious)

DISCUSSION

- Agreed?
- Over/under-stated?
- Anything missing?

WHERE TO GO?

POLICY OPTIONS AVAILABLE TO CITY

HOW BEST TO RESPOND?

POLICY CONSIDERATIONS

Programmatic

- *What are the problems?*
- *Do you want to try to solve them from the supply- or demand-side?*

Practical

- *What resources does the city have?*
- *What's in the city's purview?*
- *If the city does grow, where?*

Political

- *How much political will is there?*
- *How much political capital can you spend?*

POLICY OPTIONS AVAILABLE TO PLANO

DECISION RUBRICS

- *Prioritize regenerative, or ongoing, funding sources rather than one-time fixes*
- *Emphasize tools with the greatest potential impact*
- *Ensure that recommended code changes are compatible with existing code*
- *Pinpoint recommended programs to address the issue where the greatest burden exists*
- *Focus on solutions with broad stakeholder support*

DEGREE OF CITY INTERVENTION

RESULTS = WEIGHTED AVERAGE DEGREE

1 = No effort at all
10 = Maximum effort

Transportation costs	5.0	n = 1
Housing costs	5.3	n = 11
Homelessness	5.9	n = 10
Congestion (pass-through traffic)	6.8	n = 4
Lack of acceptance of multi-family development	7.1	n = 8
Lack of public transit	7.3	n = 12
Housing availability	7.8	n = 16
Redevelopment of Collin Creek Mall and other vacant retail centers	7.9	n = 11
Crime	10.0	n = 1

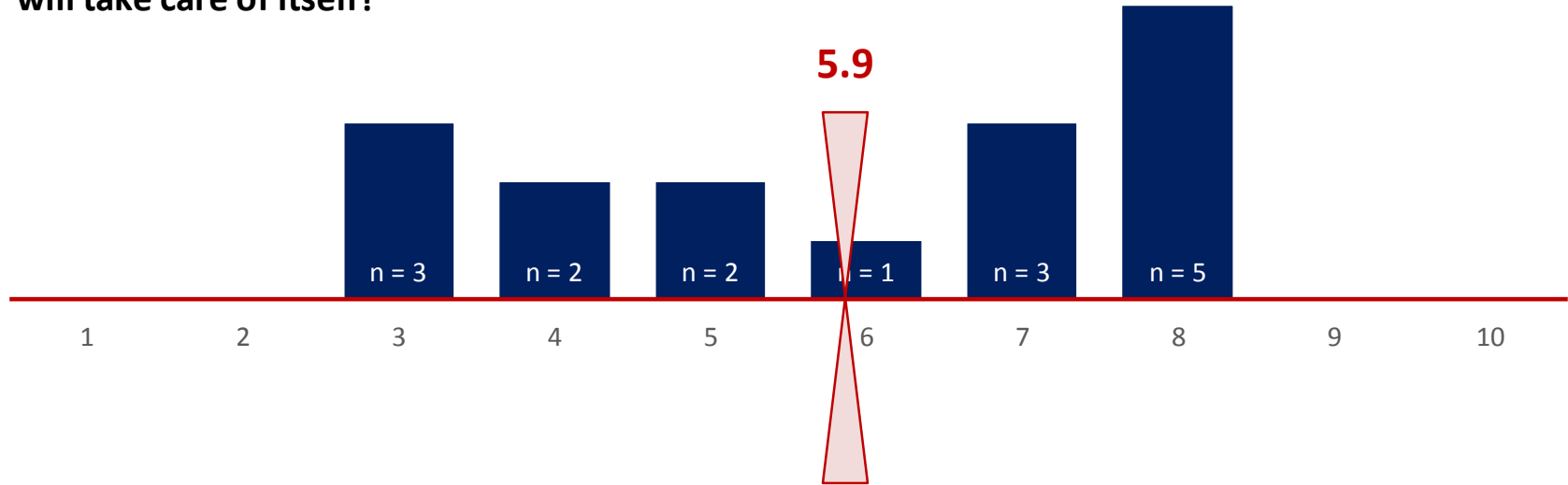
On a scale of 1 to 10, to what degree do you think the City should seek to effect change for the problems identified?

MARKET PHILOSOPHY

HOW MIGHTY IS THAT INVISIBLE HAND?

Left to "its" own devices,
do you believe the market
will take care of itself?

1 = market will take care of itself
10 = market requires intervention



POLICY OPTIONS AVAILABLE TO PLANO

Source of Funds

- *Regenerative Funds*
- *General Obligation Bonds*

Incentives

- *Development Incentives (Financial)*
- *Development Incentives (Regulatory)*
- *Incentive tiering*

Development Cost and Zoning Provisions

- *Review and recalibration of development impact fees*
- *Zoning modifications*

POLICY OPTIONS AVAILABLE TO PLANO

Policy Options

- *Housing as Infrastructure*
- *Land use controls*
- *Down Payment Assistance*

Strategic Planning Considerations

- *Area Plans*
- *Catalytic Site Inventory*
- *Partnership Opportunities*

DISCUSSION

- Did we strike a good balance in the examples to match our “philosophy”?
- Broad and specific enough?
- Provides sufficient “direction” to leadership?
- Anything missing?

November 12th meeting