

# Introduction to Strong Towns

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Antiques  
on Bishop

OPEN



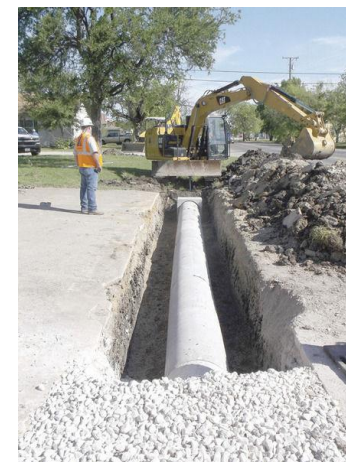
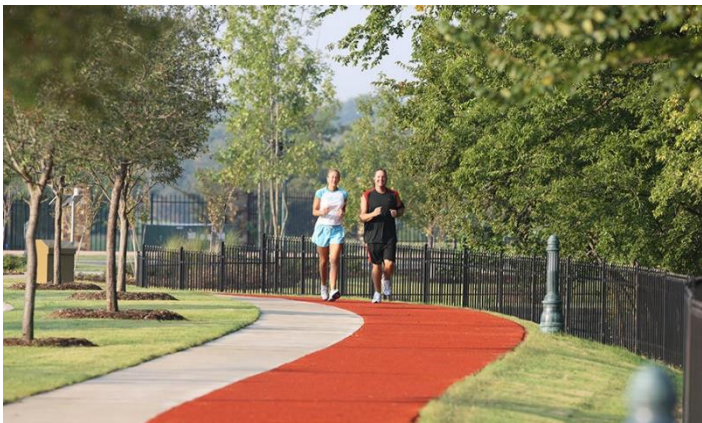
a better future, by design

When it comes to managing growth, infrastructure and development in your community, what's the biggest challenge or frustration you're dealing with?



# Cities' Biggest Challenge

Addressing Growing Needs (and Wants) with Limited Resources





# Race to Be the Best Place to Live, Work and Play



Post WW2, cities have aggressively pursued higher quality of life in the short-term without consideration of the long-term fiscal and environmental impacts.



# What About Maintenance AFTER Growth?





# Municipal Bankruptcies



Cities, towns and counties are shown in **red**. Utility authorities and other municipalities are displayed in **gray**. Click a marker to view details of each filing. Multiple municipalities have filed for bankruptcy in some cities, such as Omaha, Neb., so not all markers are visible without zooming in on the map.

# Funding Infrastructure in North Texas



**\$390B** needed to eliminate just the worst levels of congestion (LOS F)

**\$135B** available through 2045, **\$51B** of this is for roads

**\$339B** shortfall for roads alone

# Municipal Bond Programs

## 2017 BOND REFERENDUM

Plano City Council has approved six propositions to issue bonds for city projects. Voters will consider each proposition separately on the May 6 ballot and in early voting. If every proposition passes, the city would issue just over

**\$224 million in new bonds.**

SOURCE: CITY OF PLANO/COMMUNITY IMPACT NEWSPAPER

### Prop. 1: Street improvements

- Arterial roadway reconstruction: \$32M
- Screening wall reconstruction: \$13.4M
- Concrete street reconstruction: \$8.8M
- Bridge inspection & repairs: \$8M
- New sidewalk installation: \$7.7M
- Other roadway projects: \$20.4M



### Prop. 2: Public safety facilities



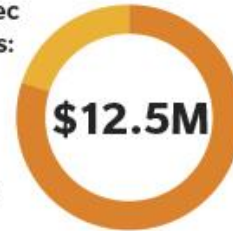
- Fire training center: \$15M
- Northwest Plano police substation: \$12M
- Fleet service center: \$2M



### Prop. 4: Recreation center amenities

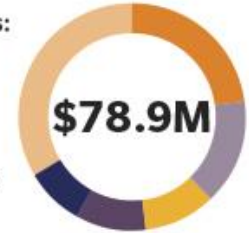


- Oak Point Rec Center pools: \$10M
- High Point Rec Center renovation: \$2.5M



### Prop. 3: Park improvements

- Land acquisitions: \$18M
- Second phase of Carpenter Park renovations: \$12M
- Oak Point Park and Nature Preserve: \$8M
- Artificial turf field additions: \$8M
- High Point maintenance facility and offices: \$6.5M
- Other parks and recreation projects: \$26.4M



### Prop. 5: Library facilities



- Davis Library expansion: \$5M
- Harrington Library expansion: \$5M



### Prop. 6: Collinwood House and historic preservation

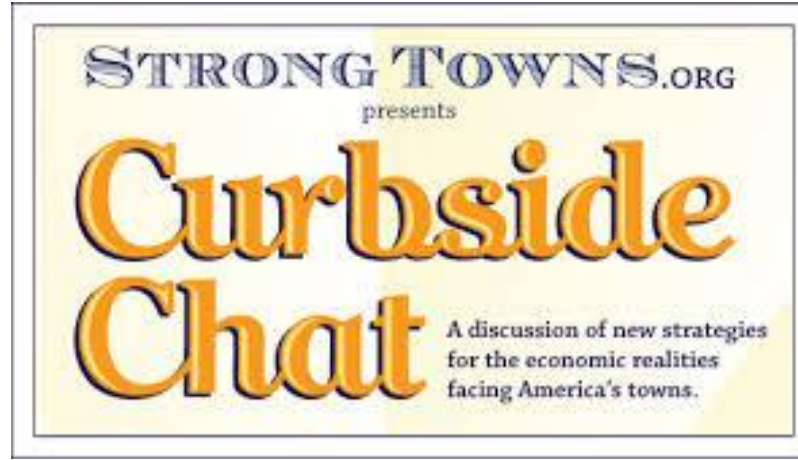


**\$3.5M** If passed, this proposition would fund renovations of the Collinwood House, a 19th-century home, at the building's current site at 5400 Windhaven Parkway. All funds not spent on renovating the building would go toward other historic preservation efforts.

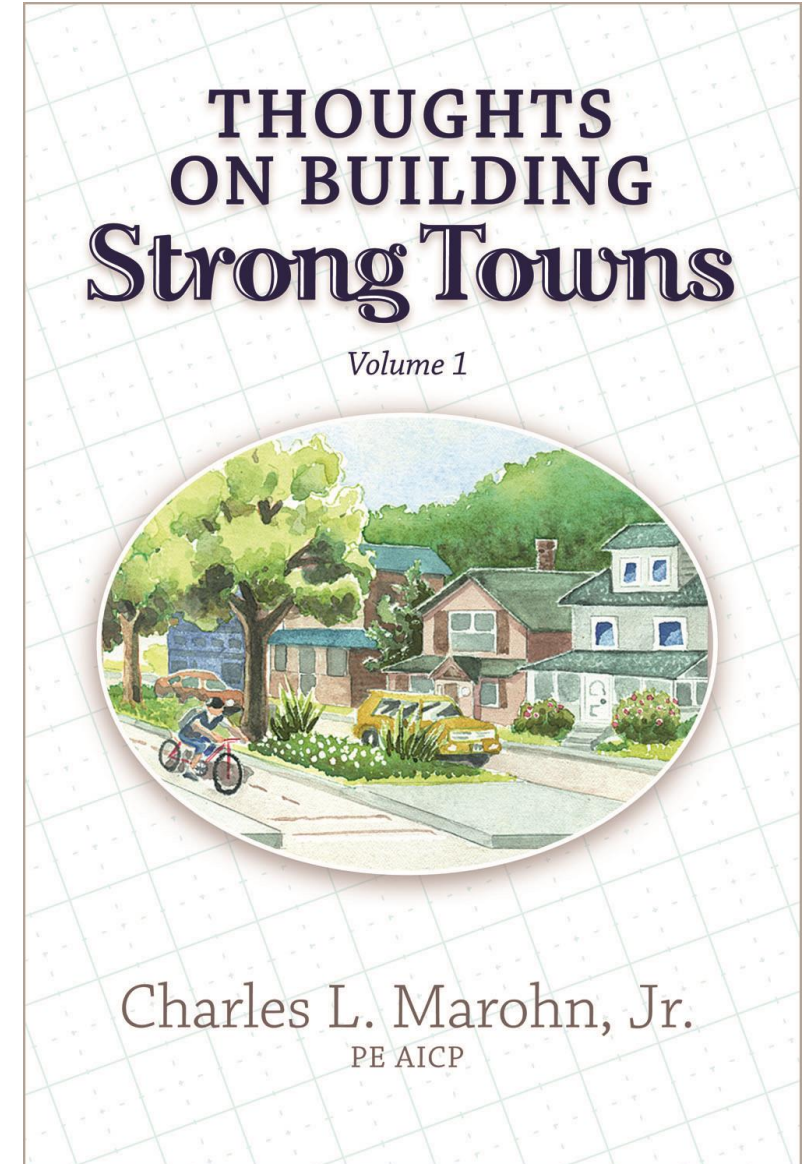


With all the growth, grants and incentive programs, why don't our cities have enough money to pay for basic services and maintenance?

# What is Strong Towns?



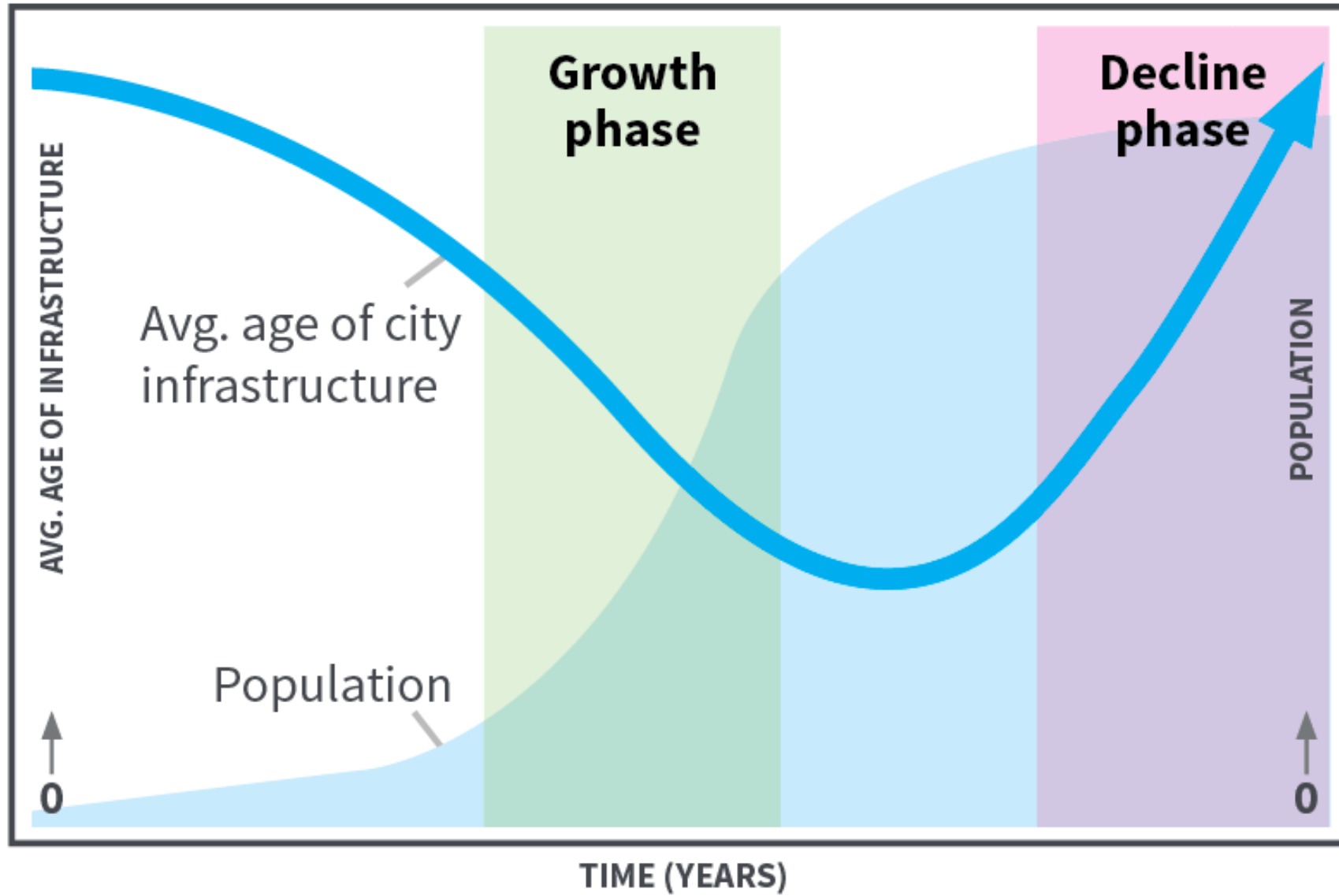
Non-profit media organization focused on explaining why cities are struggling financially and benefits of the traditional development pattern.





# The “Suburban Experiment”

Understanding long-term impacts of rate and pattern of growth



# Comparing Value Capture of Development Patterns





# Comparing Value Capture of Development Patterns



**Old & Blighted Block  
(\$/acre)  
\$1,136,500**

**New Fast Food  
Restaurant (\$/acre)  
\$803,200**



# Comparing Value Capture of Development Patterns



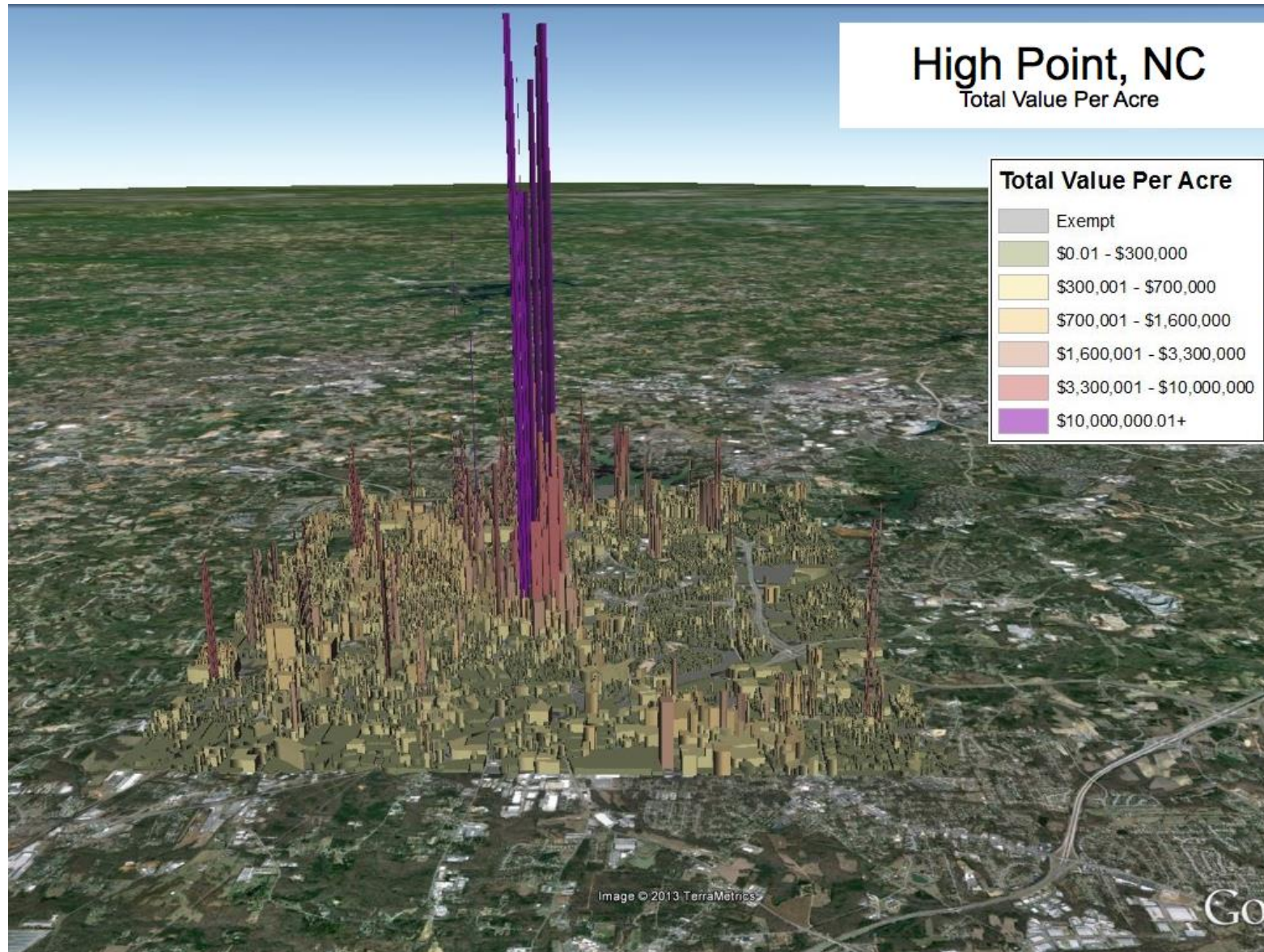
**Auto Oriented “Big Box”**  
**\$0.6M/acre**



**Traditional Grid Downtown**  
**\$1.1M/acre**



# Comparing Value Capture of Development Patterns



Courtesy of: Joe  
Minicozzi, Urban 3

# Comparing Value Capture of Development Patterns



**ASHEVILLE  
WALMART**



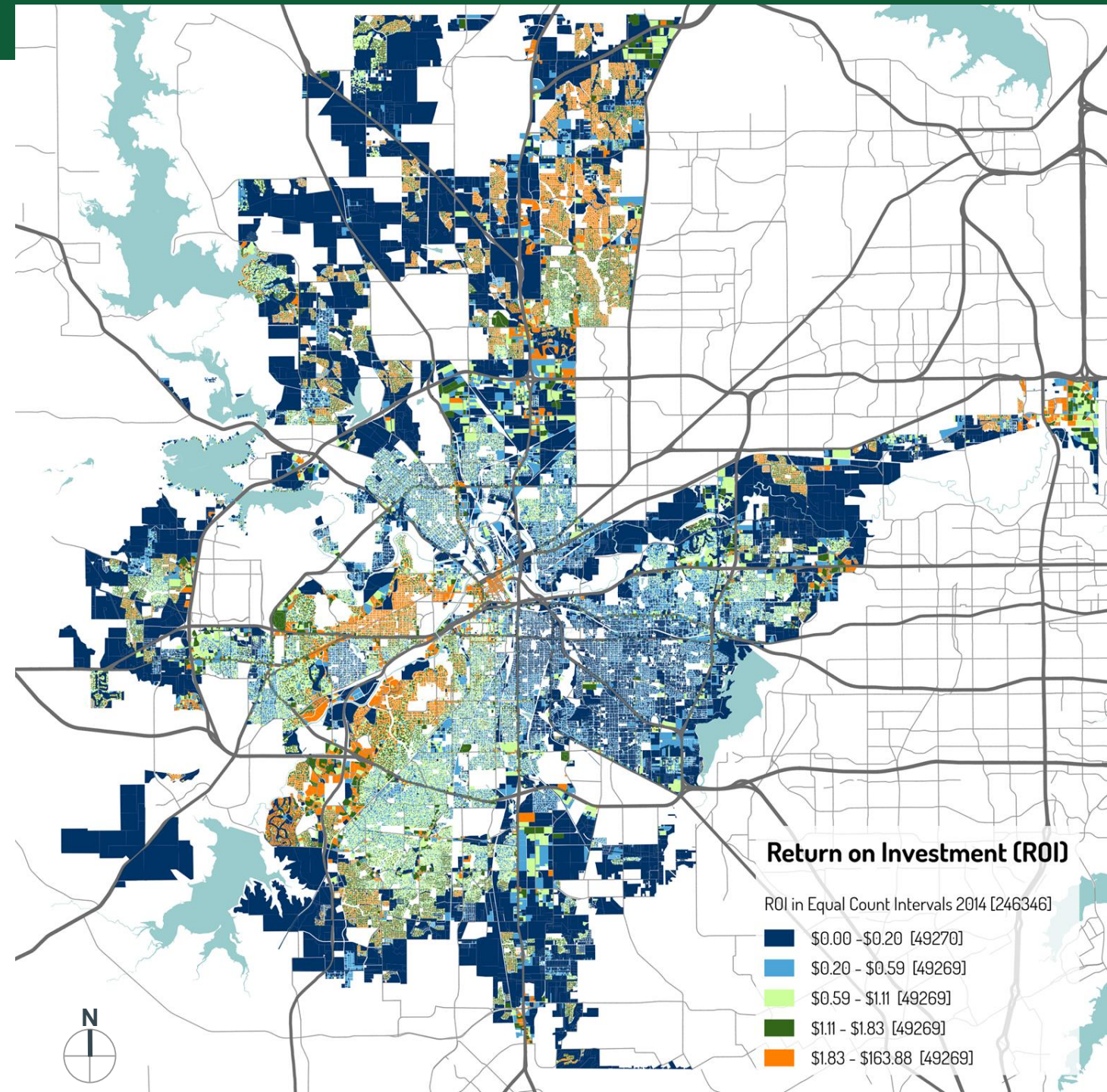
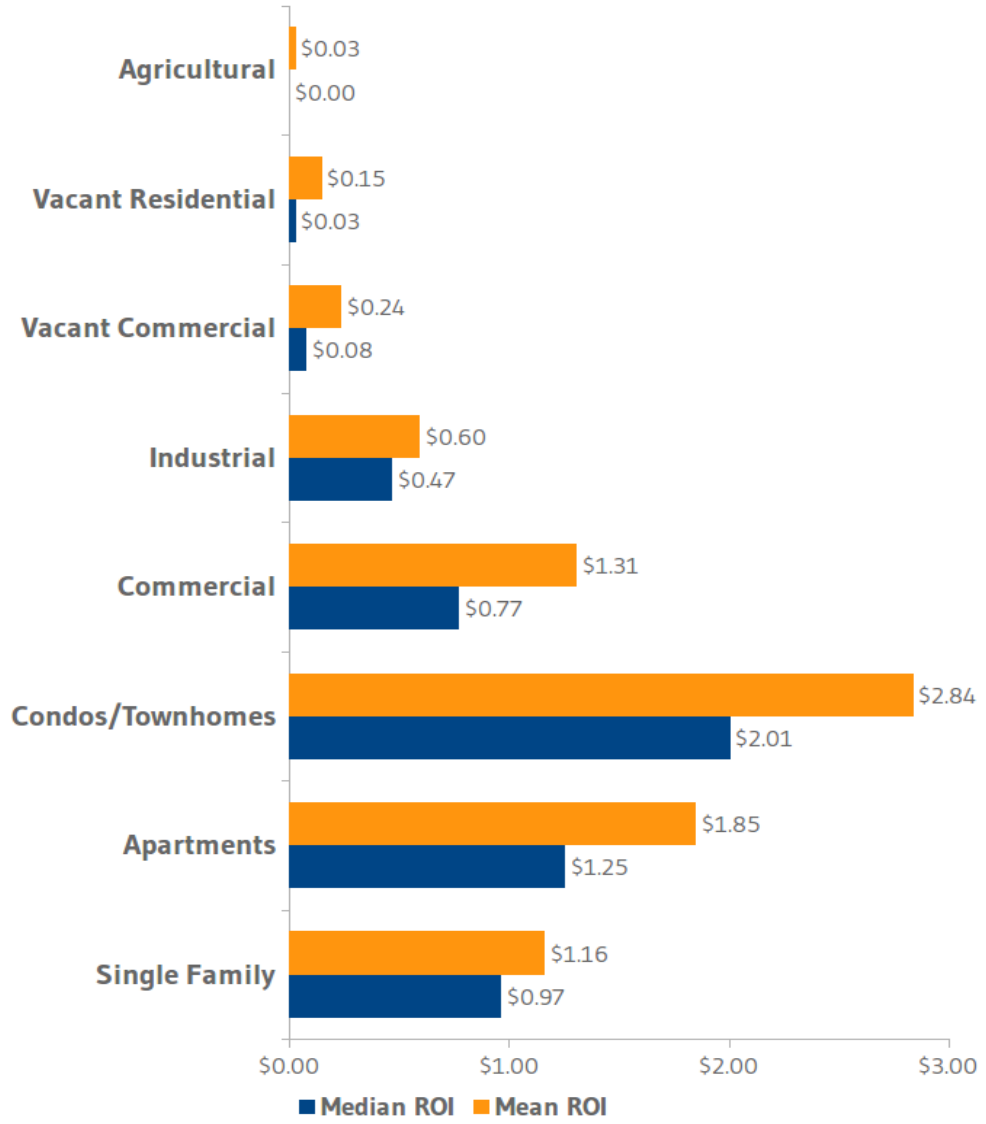
**DOWNTOWN  
MIXED-USE**

Land Consumed (acres):	<b>34.0</b>	<b>00.2</b>
Total Property Taxes per Acre:	<b>\$6,500</b>	<b>\$634,000</b>
Retail Taxes* per Acre to City:	<b>\$47,500</b>	<b>\$ 83,600</b>
Residents per Acre:	<b>0.0</b>	<b>90.0</b>
Jobs per Acre:	<b>5.9</b>	<b>73.7</b>



# Return on Investment

2014 Fort Worth





# Case Study: Circle City

## Evaluating Impacts of Future Development (Land Use) Types on Tax Rate

### Land Use Classifications

Tarrant County Appraisal District 2014

- Single Family
- Du-Tri-Quad Plexes
- Condos & Town Homes
- Apartments
- Mixed Use
- Undeveloped
- Commercial
- Industrial



Current Appraised Value

\$ 3,667,084,825

Current Tax Rate

\$ 0.855

Revenue:

\$ 31,353,575

Budget:

\$ 31,353,575

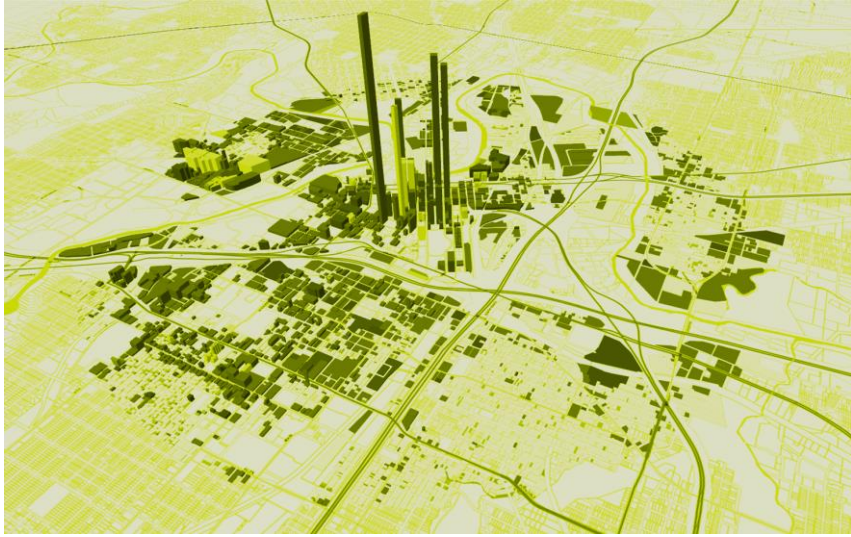
Current Revenue

for Vacant Land:

\$ 443,092



# Circle City: Scenario Comparisons



**LU 1**  
**Single Family**

**Added  
Population**  
10,568

**Projected Tax  
Rate: \$ 0.786**



**LU 2**  
**Apartments**

**Added  
Population**  
14,331

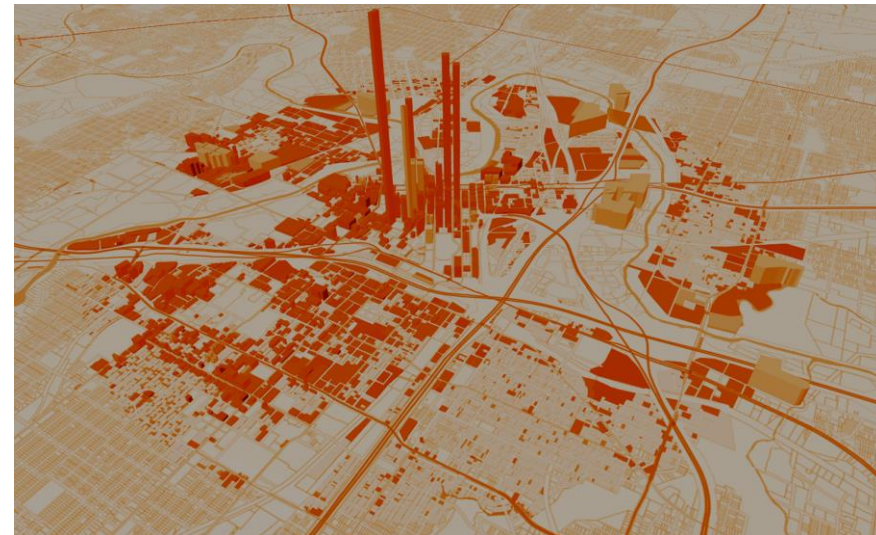
**Projected Tax  
Rate: \$ 0.775**



**LU 3**  
**Condos**

**Added  
Population**  
15,156

**Projected Tax  
Rate: \$ 0.763**



**LU 4**  
**Mixed Use**

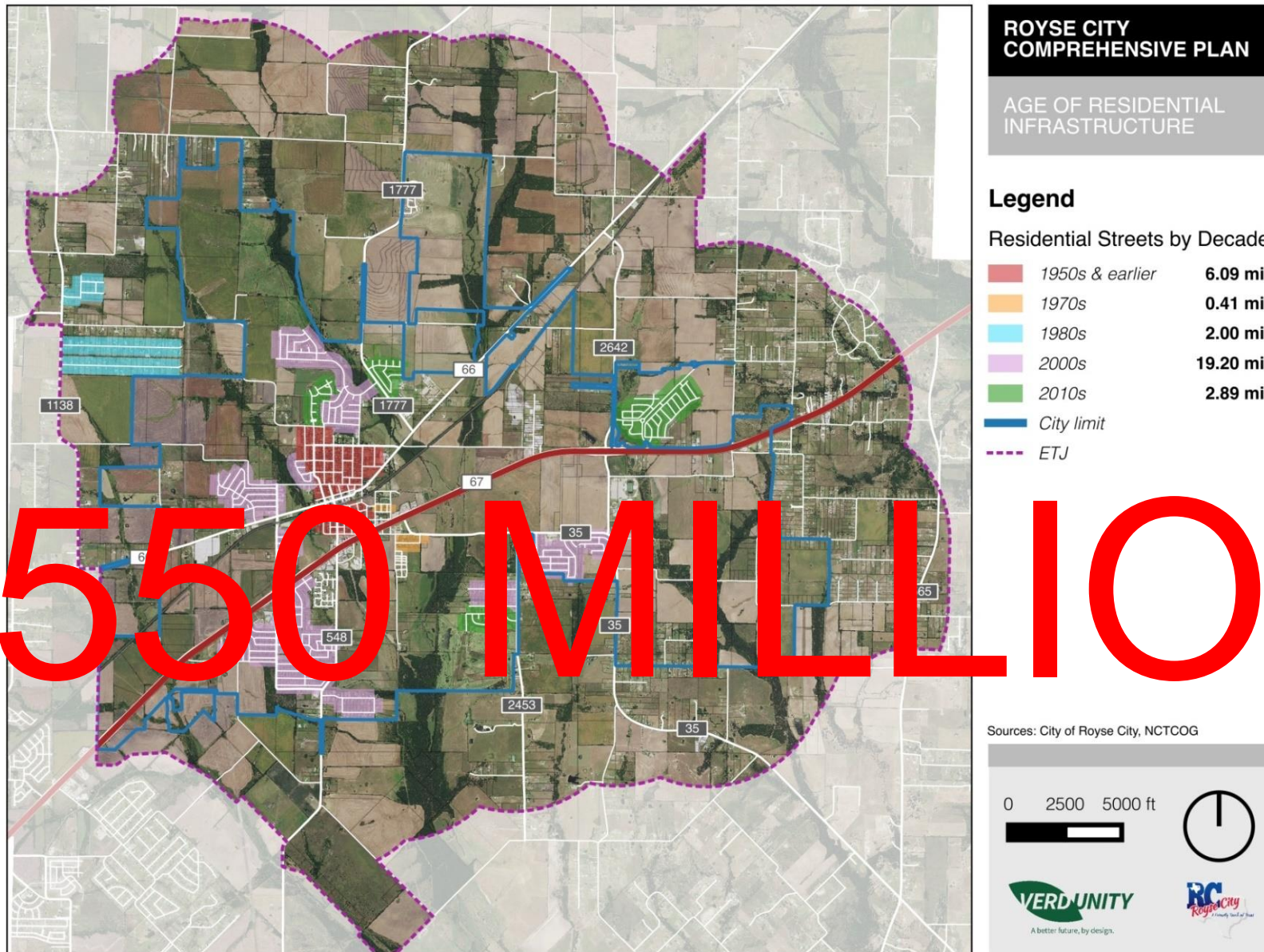
**Added  
Population**  
18,156

**Projected Tax  
Rate: \$ 0.557**



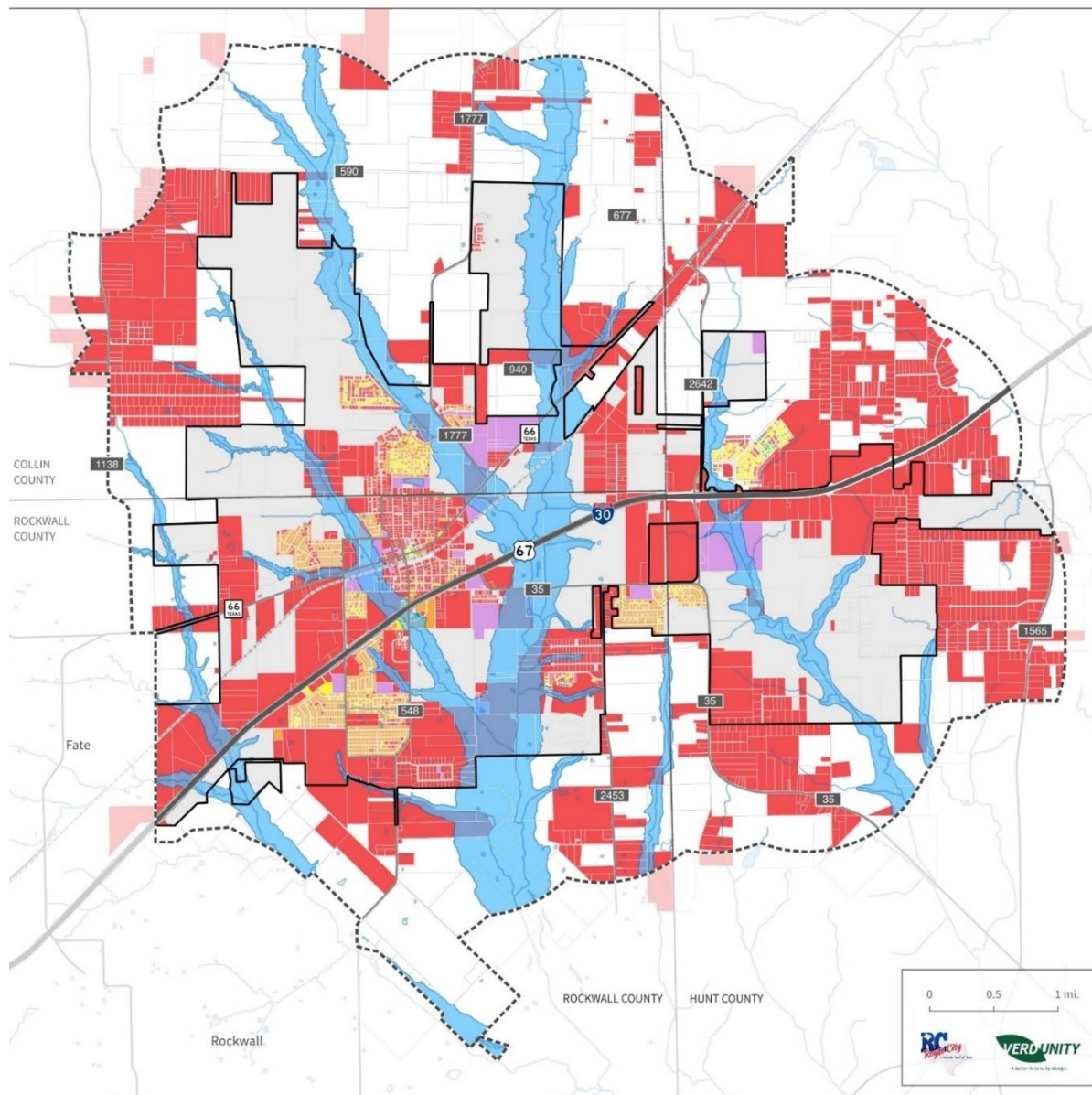
# Understand Existing Liabilities and Opportunities

\$550 MILLION





# Property Tax Revenue (\$/Acre) Analysis



## Property Tax Value Map

Tax Value Per Acre

\$0 - \$50

\$50 - \$3,000

\$3,000 - \$6,000

\$6,000 - \$10,000

10,000 +

City-owned

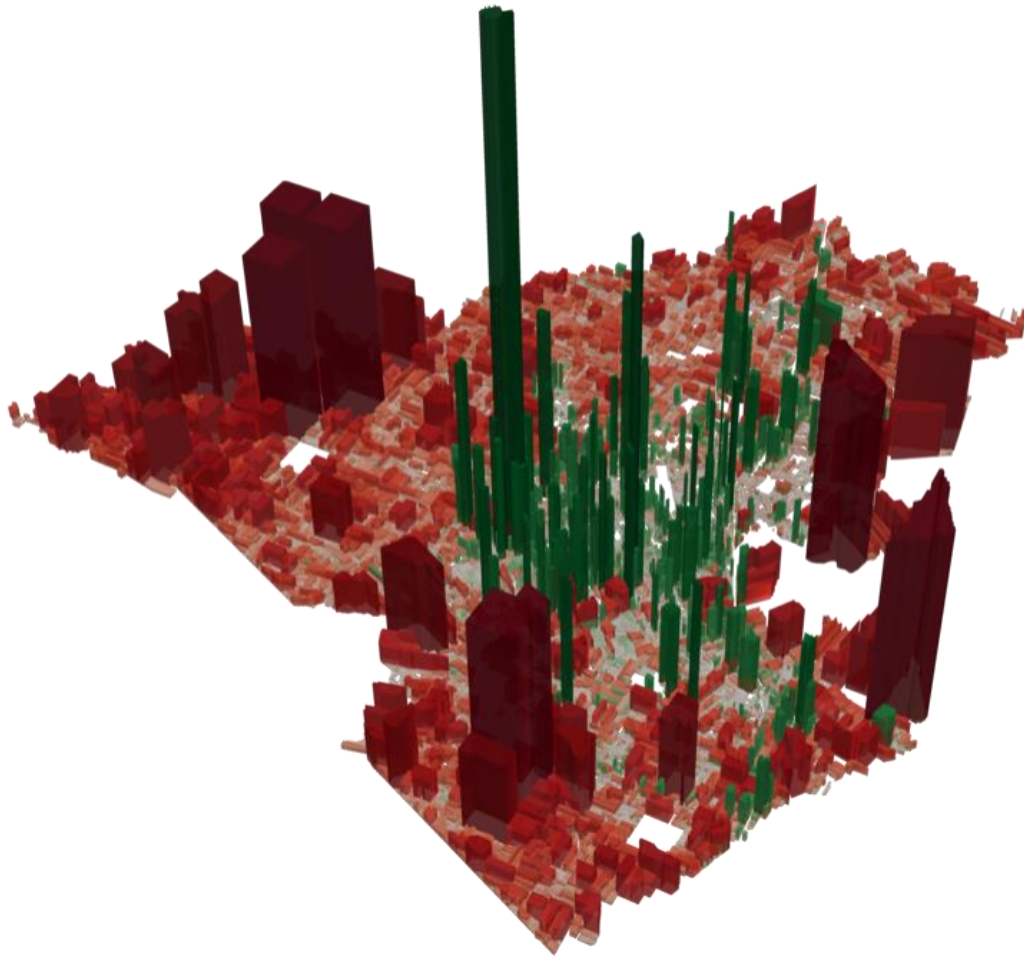
Floodplain

City Limits

--- ETJ Boundary

Compare property revenues to costs required to serve them and identify under/over performing parcels

# Key Insights



Lafayette, LA “Red/Green Map”  
Courtesy of: Chuck Marohn, Strong Towns

- Traditional pattern outperforms suburban by more than double!
- We’ve built more than we have capacity to maintain – and we’ve done it on the backs of those who can least afford it.
- Needs of future generations subsidize needs of the present generations.
- We’re obsessed with chasing dollars for megaprojects when there are small low-risk, high return investments we can make that improve people’s lives immediately.



# Strong Towns Approach



# Strong Towns Impact: Audience Growth

Audience Growth, 2015 to Present





# Strong Towns Impact: Constructive Dialogue

I'm a member of the Strong Towns movement because it doesn't matter if you're Republican or Democrat, black or white, gay or straight, the fiscal health of our federal and local governments affect all of us.

- Ryan Short,  
Indianapolis, IN

[www.strongtowns.org/membership](http://www.strongtowns.org/membership)



# Strong Towns Impact: Members





## Next Steps

- **Strong Towns Regional Summit** in NTX Oct 3-5
- Regional ROI Study (5 County Area)
- Fiscal Impact Analysis and MYFP
  - Lubbock, Fulshear, Fate, Bastrop, League City
- Cultivating Strong Towns Workshops



**CULTIVATING STRONG TOWNS WORKSHOPS!**

The way we're building our places is not sustainable. It's leaving us with fragile local economies, escalating service costs, and disconnected residents—while frustrated city staff & council are stuck administering policies that create places people struggle to connect with and invest in.

Our workshops bring people & perspectives together to:

-  **CREATE A CULTURE OF COLLABORATION**
-  **GET MORE DONE WITH EXISTING RESOURCES**
-  **GROW A UNIQUE & SELF-SUSTAINING LOCAL ECONOMY**

Learn more about 1) how the pieces fit together, 2) the people who need to be involved and what their roles are, and 3) proven & emerging best practices you can apply in your community.

[CULTIVATECOLLABORATIVE.ORG](http://CULTIVATECOLLABORATIVE.ORG)

# Helpful Resources

- General Education/Information
  - Strong Towns [www.strongtowns.org](http://www.strongtowns.org)
- *Strong Towns* Podcast
- Workshops and Consulting Services
  - CULTIVATE! Strong Towns Workshops  
[www.cultivatecollaborative.org](http://www.cultivatecollaborative.org)
  - VERDUNITY [www.verdunity.com](http://www.verdunity.com)

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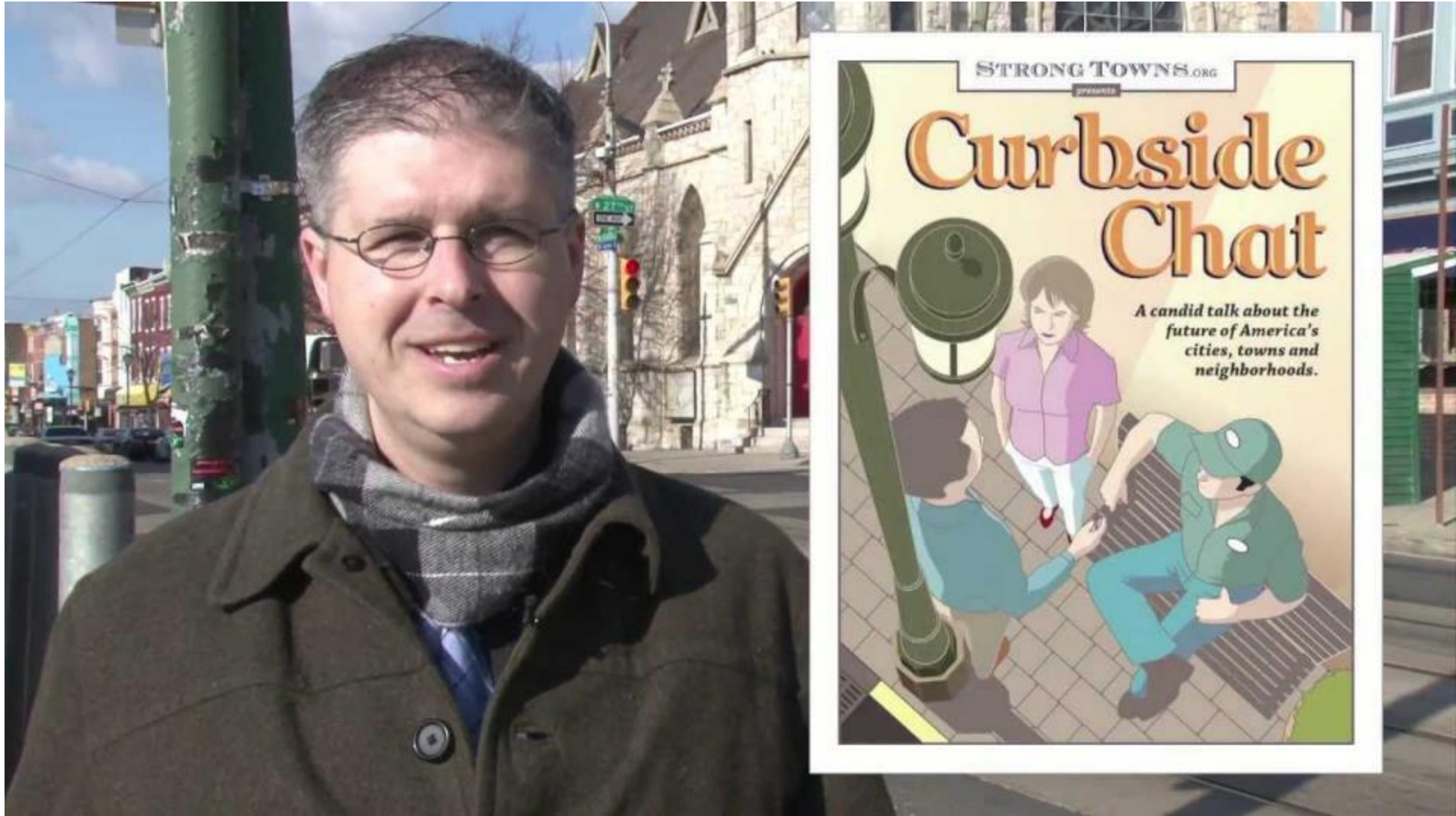


Michael Kovacs, City Manager

let's discuss

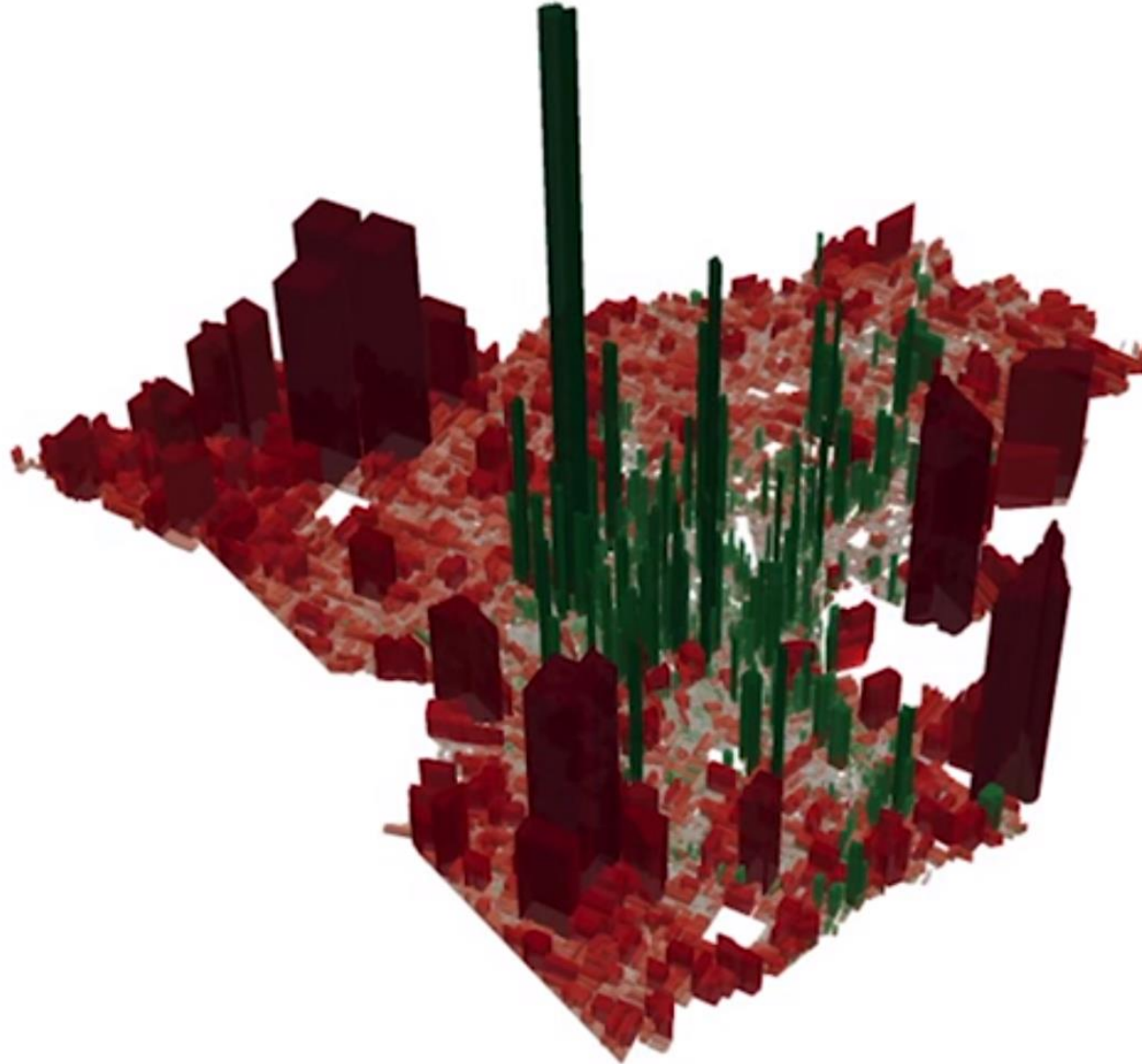
# City of Fate: A Different Point of View on Development

# First Reactions to Strong Towns ....





# Lafayette, LA – Net Revenue to City by Acre



Courtesy of: Chuck Marohn, Strong Towns

# Oh No! ..... Now Multiply Out ....

## Sample Neighborhood in Fate

Expenses	General Fund Ongoing Expenses			Depreciation
	Property	Franchise	Sales	
	\$338,928			\$31,740
Tax Revenue	\$114,490	\$43,332		





# Road Repair Project

Taxable Value: \$747,552  
Tax Received: \$ 2,176  
  
Cost of Repair: \$ 36,484  
Life Expectancy: 5 to 7 yrs

Based on the current taxable value and the current tax rate, it would take 16.77 years for the properties to repay the repairs – that is assuming all of the future tax revenues are dedicated to the replacement costs and no other city services are provided during that same period.



Depreciation/yr. - Love & Kisses ... Mom & Dad

\$2,300,542



# Business Strategy – Build Revenue-Positive



\$2 in revenue for  
every \$1 to serve



# Business Strategy – Different & Cool, “Fate Funky”





# Business Strategy – Missing Middle Housing



# Business Strategy – Preserve Rural Spaces





# Key Takeaways

1. Quantify and communicate the cost of existing infrastructure obligations, current value/acre and service costs.
2. Educate citizens and policymakers about the challenge and strategies to close the gap.
3. Develop a plan to align services with what residents are willing and able to pay for – today and in the future.
4. Prioritize maintenance and invest in existing neighborhoods first.
5. For capital projects, putting back what's there may not be the best option.
6. Evaluate redevelopment and new development through ROI lens.



Michael Kovacs, City Manager

let's discuss

# City of Fate: A Different Point of View on Development

