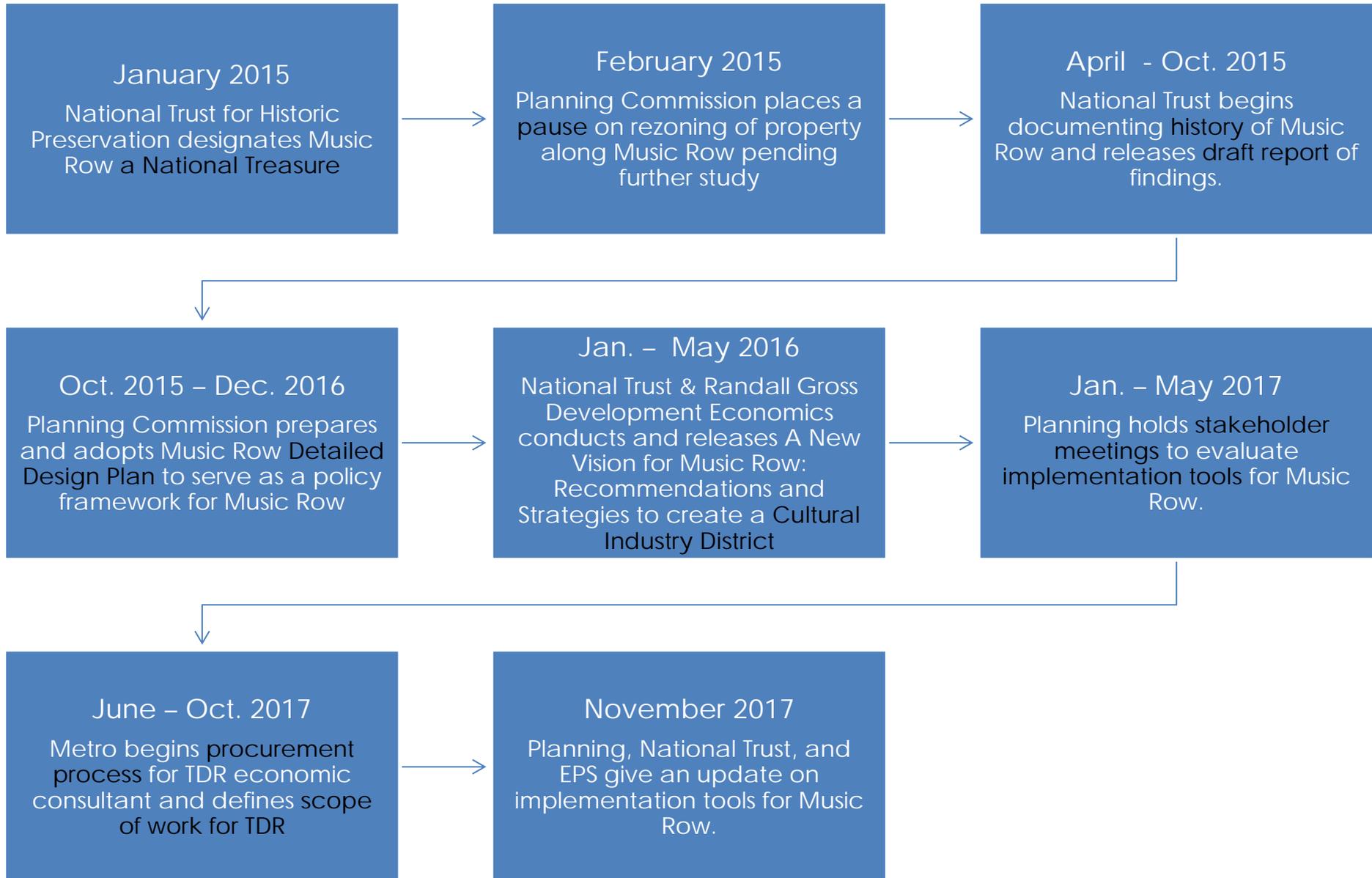


Meeting Agenda

- I. Brief History of the Project**
- II. Transferable Development Rights (TDR) –
David Schwartz and Dan Guimond,
Economic & Planning Systems**
- III. Business Improvement District (BID) –
Carolyn Brackett, National Trust for Historic
Preservation**
- IV. Masterplanning**
- V. Establishing a small working group or
advisory committee for implementation?**
- VI. Timeline for moving forward**

Project Timeline



***“A New Vision For Music Row:
Recommendations and Strategies to create a
Music Row Cultural Industry District”***

Four key points guide recommendations:

- 1. Music Row is a community.**
- 2. Music Row’s built environment is crucial to its culture.**
- 3. Music Row has over 200 music-related businesses.**
- 4. Music Row is unique in its history, built environment and culture.**

“A New Vision For Music Row”

Recommendations:

1. Incentives

- **Transferable Development Rights (TDR)**

2. Financing

- **Business Improvement District (BID)**

3. Physical Environment

- **Private Development (Music Row Code)**
- **Streetscape**
- **Alleys**
- **Open Space**

Music Row Transferable Development Rights Feasibility Study

November 28, 2017

Presented by:

Dan Guimond, Principal

David Schwartz, Executive Vice President

Economic & Planning Systems, Inc.



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

Economic & Planning Systems

- Full service economic consulting firm
- Denver, Oakland, Sacramento, Los Angeles
- Expertise
 - Real estate economics
 - Public finance
 - Infrastructure financing
 - Fiscal and economic impact analysis
 - Land use policy
- Public and private sector clients
 - Intersection of both interests



Applications of TDR Programs

What are TDRs?

- Creating a tradable commodity of development rights (DR)
- Supply = DRs available from “sending sites”
- Demand = DRs applied to “receiving sites”

Overview

- Approximately 200 programs throughout US
- Rural and urban applications
- Preservation of open space, agricultural land, historic places



TDR Market Basics

It works when...

- Demand for density is strong
- Available “supply” (i.e. base entitlements) is low
- Landowner is motivated to sell, not redevelop
- Buyer is motivated to acquire TDRs, not density via another process
- Price and quantity are optimized
- Not too many alternative means to obtaining DRs

It doesn't work when...

- Demand for additional density is weak
- Available “supply” of density is high
- The price is too low
- The price is too high
- The quantity is too low
- Too many alternative means to obtaining DRs

TDR Market Nuances

Enhanced transfer ratio

- Sending site has 10,000 sqft of available DRs
- Receiving site gets, e.g. 20,000 sqft
- Majority of TDR programs use this

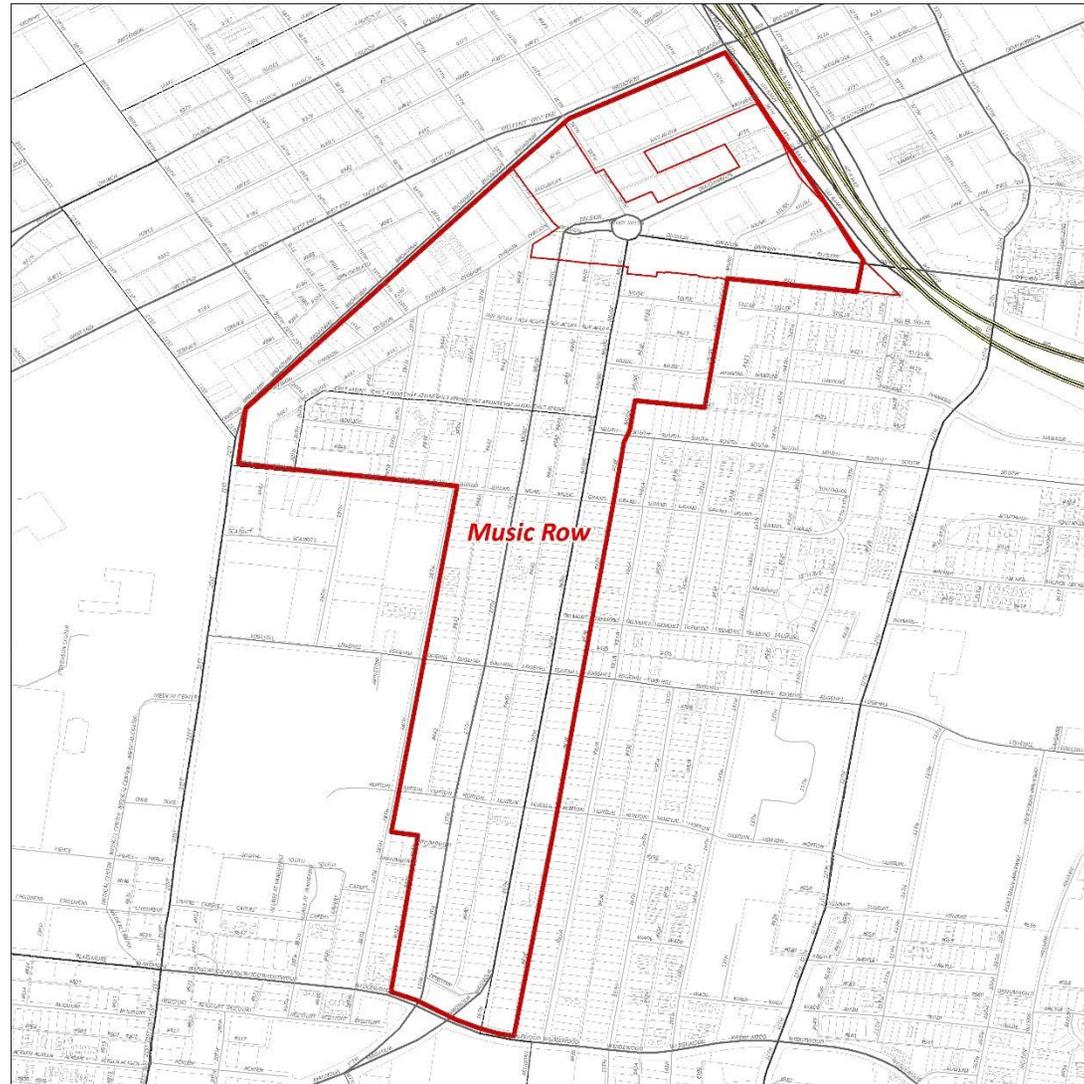
Controlled Pricing (TDR Bank)

- Bank administers, purchases DRs, and sets price

TDR feasibility study scope

Basic Questions

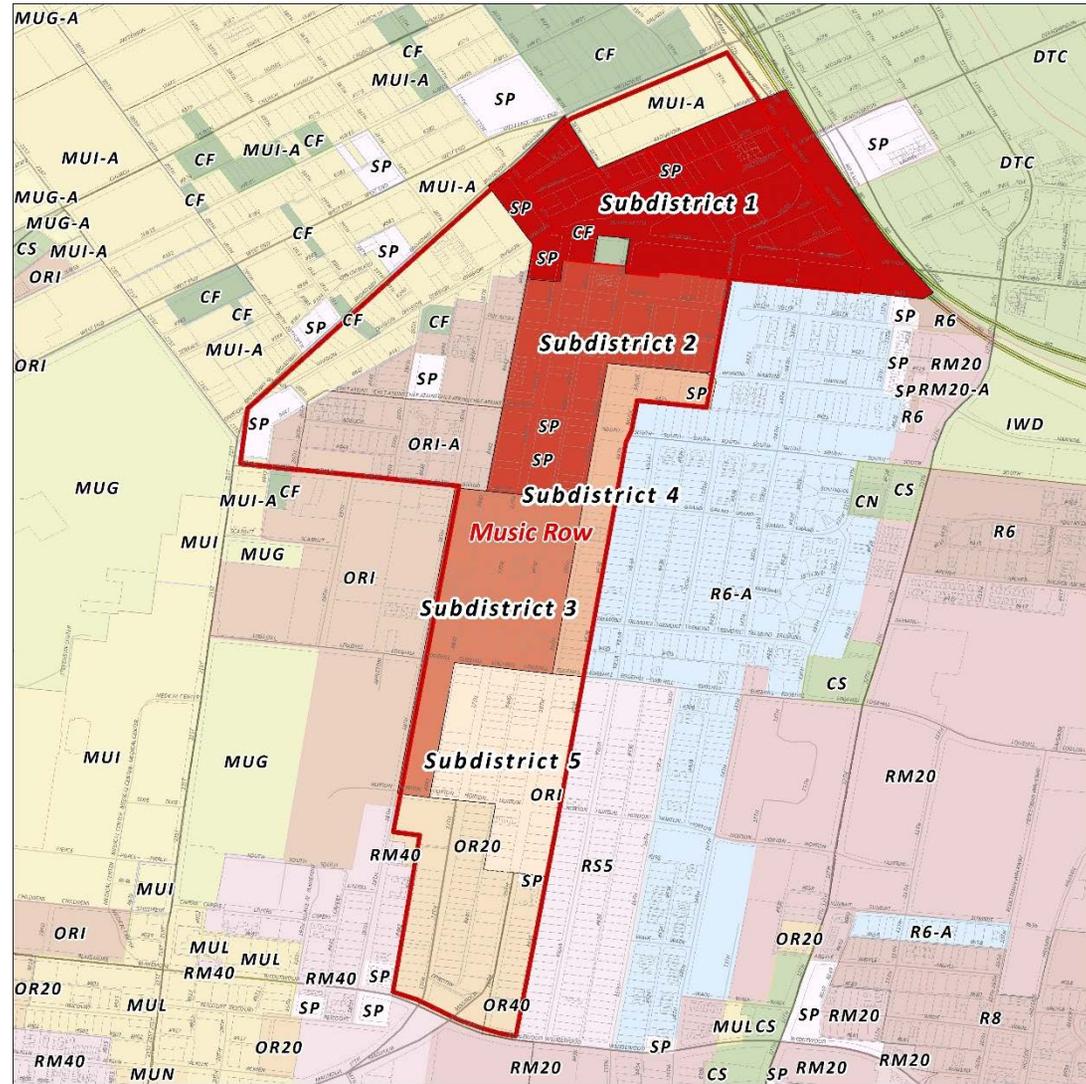
- Is there a market for them here?
- What optimal price will motivate both buyer and seller?
- What quantity is optimal for scale of demand?
- Where are they, and what sending sites can be reasonably leveraged?



Sending Sites

Quantity

- How many sites are applicable?
- What magnitude of DRs should be available? (micro and macro perspective)
- Within MR, how should supply of DRs differ?



Receiving Sites

- What is the magnitude of demand in different parts of the City?
- What areas are likely to utilize additional DRs?
- Can these DRs be “sent” somewhere else and not create unintended consequences (e.g. sending too much density to neighboring areas)?
- What areas consistently see development exceed base entitlement?
- Would there be competing mechanisms by which additional density can be obtained?
- How much does it cost?

Balancing Price & Quantity

Quantitative Analysis

- Analysis of building permits by location
 - Utilization of mechanisms to obtain add'l density/height
 - Identification of zoning “utilization” – i.e. base zoning versus built density
- Analysis of existing densities and entitlements
- Analysis of raw land sales by location
 - Separate ultimate land uses
- Pro forma modeling
 - Testing the feasibility of TDRs in context of receiving site
 - Analyzing the impact of TDRs on sending site property taxes

Tailoring the TDR Program

Qualitative Analysis

Interviews – Owners, Developers

- What form of “payment” for DRs would be appropriate, valuable? (tax credits, cash)
- How much would developers be willing to pay?
- How frequently are additional entitlements used?
- How much does it cost?

Research of Case Studies

- Best practices
- Interviews with program managers



National Trust *for*
Historic Preservation

Planning for Music Row: A Business Improvement District

Recognize Music Row's Unique Character

The Music Row Cultural Industry District is a unique music industry cluster that is the foundation of Nashville's internationally known Music City brand.

Within the District, stakeholders partner to design new plans that honor Music Row's historical legacy, elevate awareness of the industry's impact on Nashville's economy, and plan for a future that encourages preservation of the area's character and continues to nurture and support the music industry.

How would a BID address this vision?

BIDs seek to bring about improvements benefitting the district as well as the city, town or county as a whole. Improvements range from being simply cosmetic to significantly transformative.

Washington Post, July 21, 2017



Types of Services

- Brand identity
- Economic development
- Property acquisition
- Cultural enhancements
- Public improvements
- Design assistance
- Traffic and parking
- Housekeeping
- Public safety
- Professional management



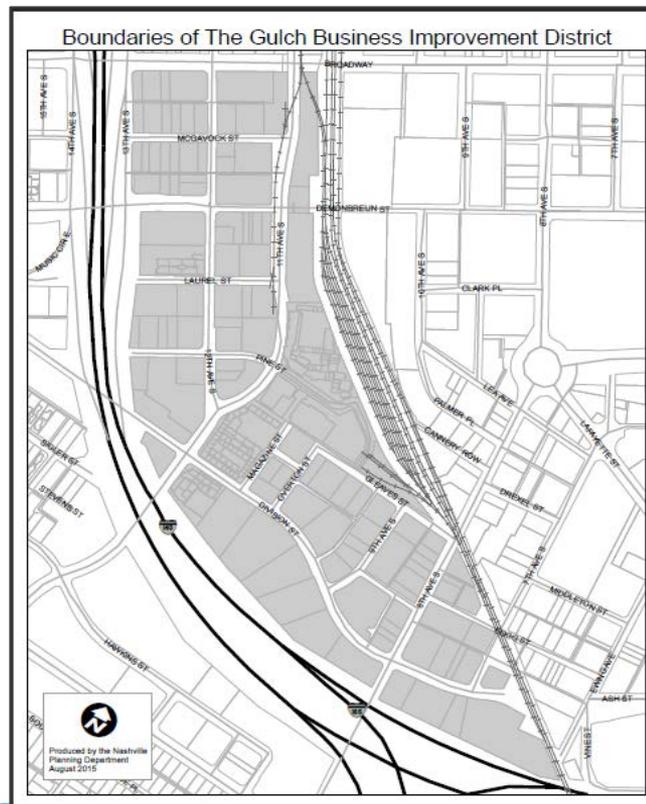
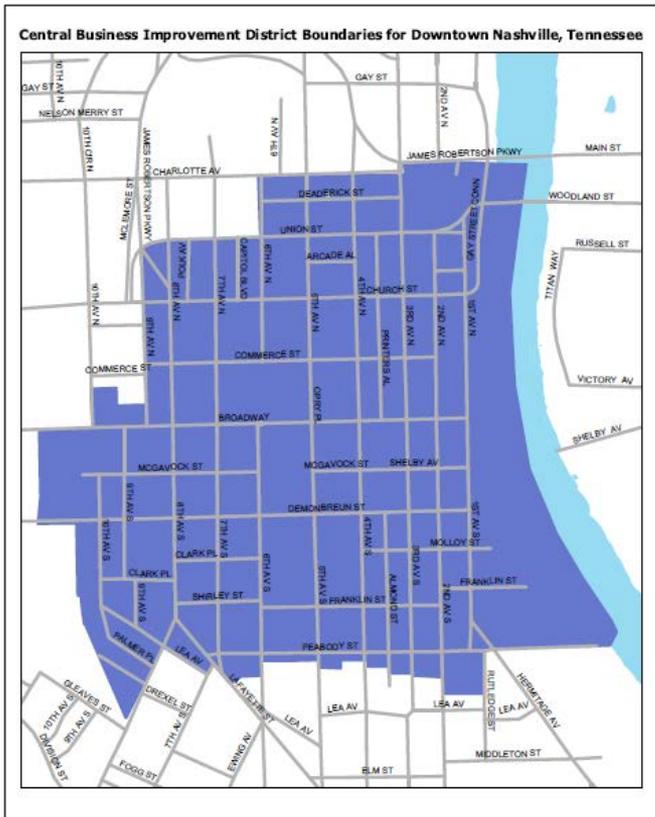
Two BIDs in Nashville: Downtown and the Gulch



**NASHVILLE
DOWNTOWN
PARTNERSHIP**

LIVE. WORK. PLAY. INVEST.

Celebrating 20 years of working on
behalf of a prosperous downtown.



Establishing a BID

- Property owners file a petition with Metro Clerk – signed by half of property owners; 2/3 assessed value
- Public hearing
- Council approves by ordinance



“A New Vision For Music Row”

Recommendations:

1. Incentives

- Transferable Development Rights (TDR)

2. Financing

- Business Improvement District (BID)

3. Physical Environment

- Private Development (**Music Row Code**)
- Streetscape
- Alleys
- Open Space

Music Row Code

January - May 2017 - Planning holds several stakeholder meetings to establish criteria for a Music Row form-based code.

- February 28 - “Envisioning a Music Row Code”
- April 4 - Purpose, character, incentives (TDR)
- May 2 - DRC and review process

TDR Study

June - September 2017 - Metro procurement process takes place, and scope is defined for economic consultant to undertake TDR study.

TDR Study...

- Will inform the Music Row Code.
- Could affect the boundaries for the code (code boundaries have not been finalized).
- May also inform financing tools such as BID.
- Will take about 4 months to complete.

During the TDR Study, Planning staff will:

- *Continue to work with Economic & Planning Systems to develop TDR as a tool for preservation.*
- *Continue to work with the National Trust on financing tools such as a BID to preserve and enhance the district.*
- *Develop a Draft Music Row Code.*
- *Could continue to work with stakeholders to further develop and refine plans that will help implement the vision for the neighborhood.*

Masterplanning is concerned with:

- **the integration and quality of buildings with the spaces created in between;**
- **the hard and soft landscape;**
- **the public spaces;**
- **the streets and parking;**
- **the utilities and infrastructure; and**
- **the lighting and street furniture**

The Main Elements of a Master Plan:

1. Strategic framework

- A "vision" that provides the foundation for the Master Plan

2. Spatial Master Plan

- A graphic representation of the "vision," depicting a scenario for the preservation and development of buildings, blocks, public spaces, streets and alleys, and landscape, but which *does not design buildings*

2. Implementation Plan

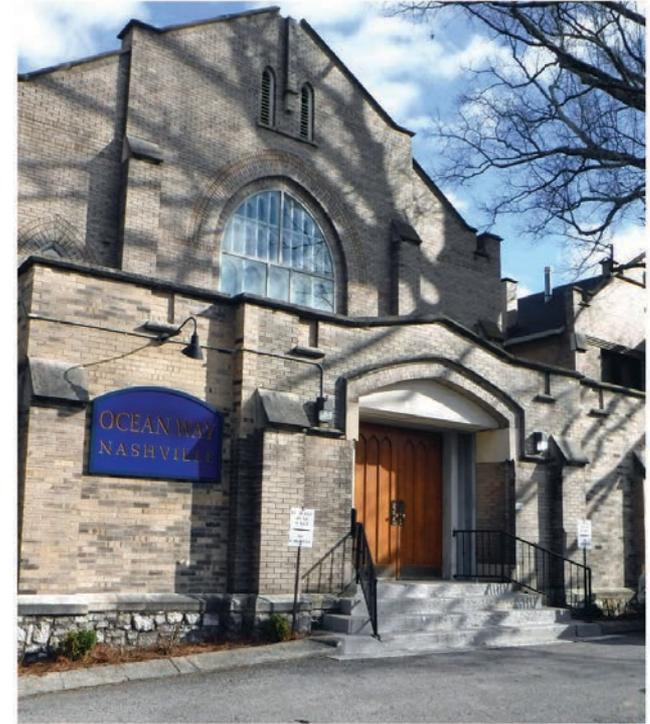
- A process and strategy for realizing the Master Plan

1. Strategic Framework

“Music Row Detailed Design Plan”

Guiding Principles:

- 1. Preserve Music Row’s character.**
- 2. Reuse existing buildings.**
- 3. Manage tourism.**
- 4. Encourage creativity and collaboration by providing performance spaces along Music Row.**
- 5. Preserve and enhance the streetscape.**



MUSIC ROW DETAILED DESIGN PLAN

Peoria, IL Washington Street



Peoria, IL Washington Street



Peoria, IL
Washington Street



Peoria, IL Washington Street



2. Spatial Master Plan

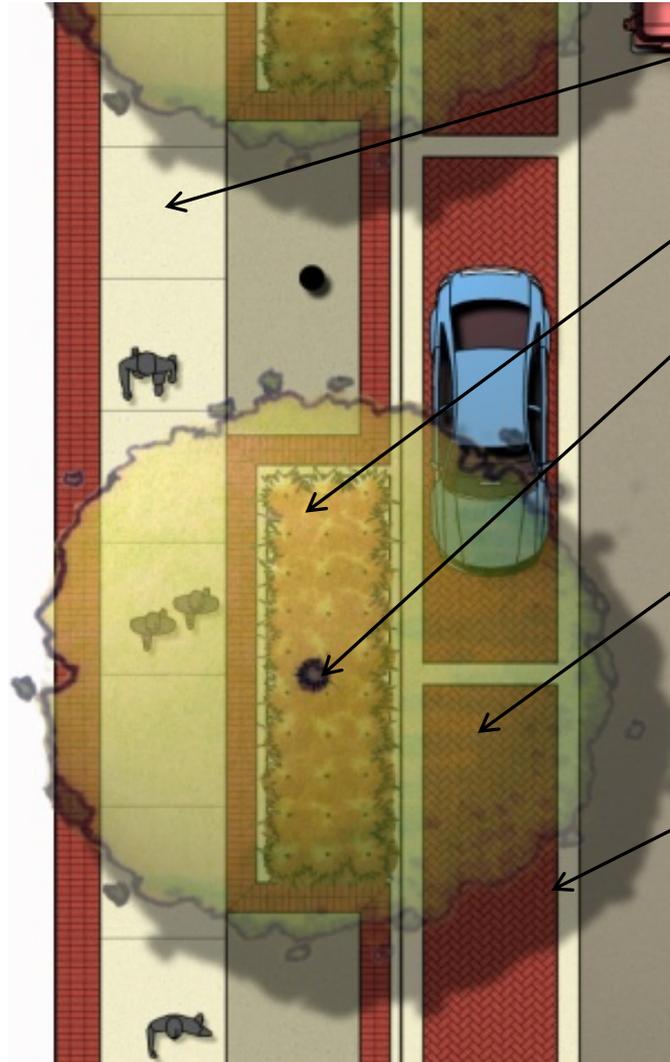
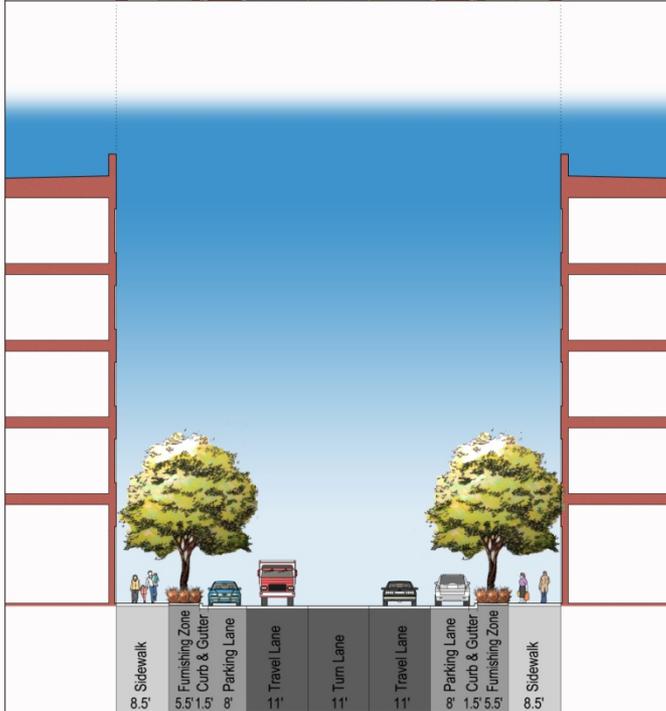
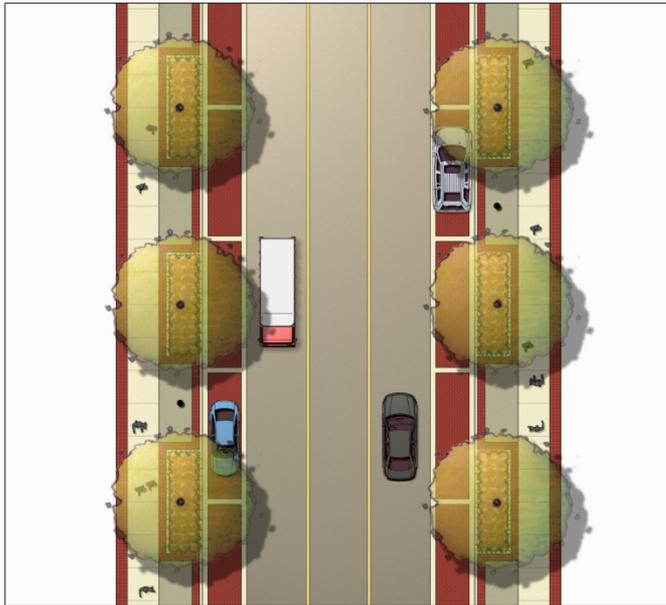
- 1. Integration of buildings**
- 2. Landscaping**
- 3. Open Space**
- 4. Streets, Alleys, and Parking**
- 5. Utilities and Infrastructure**
- 6. Lighting and street furniture**





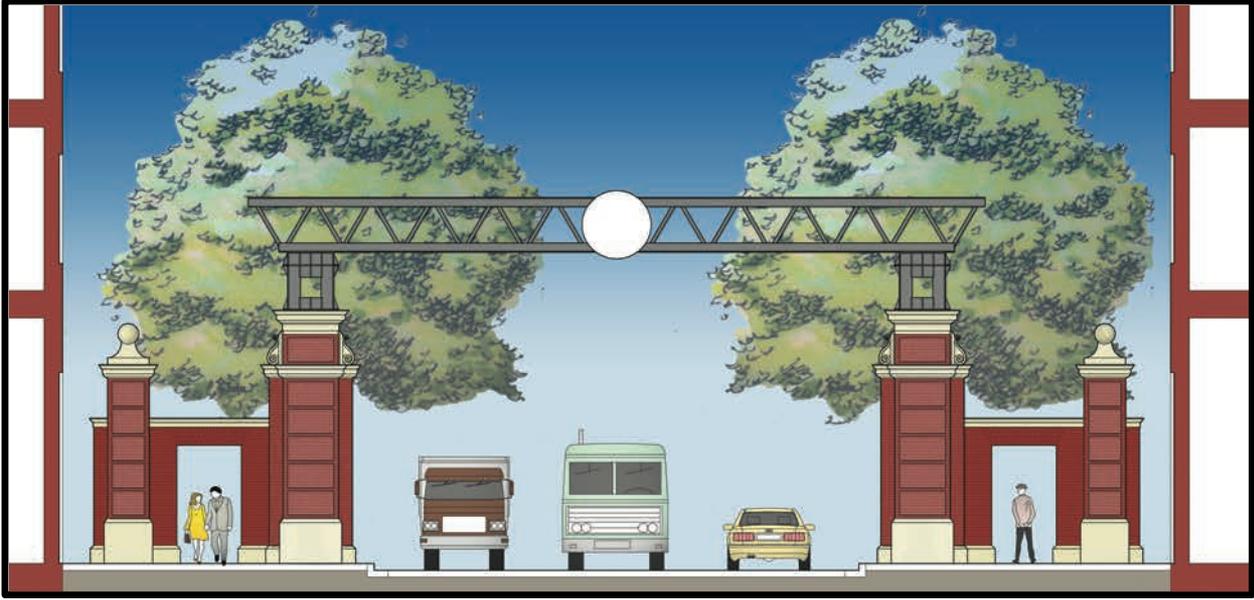


Persimmon to Harrison Final Cross-Section

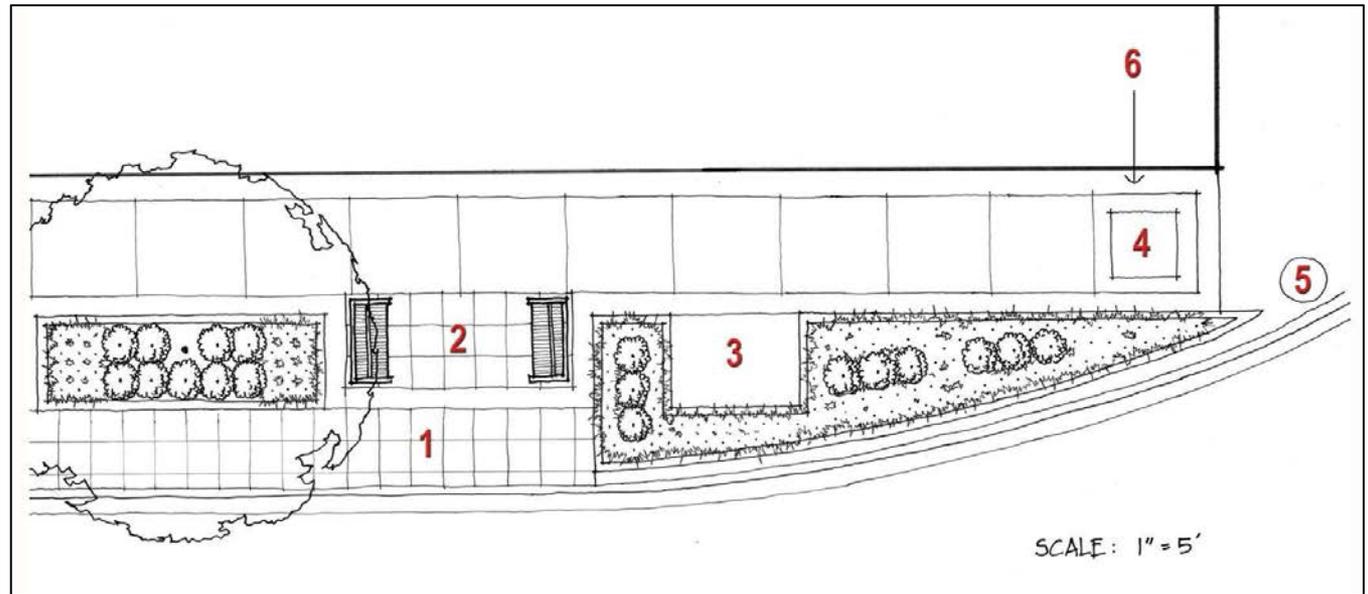
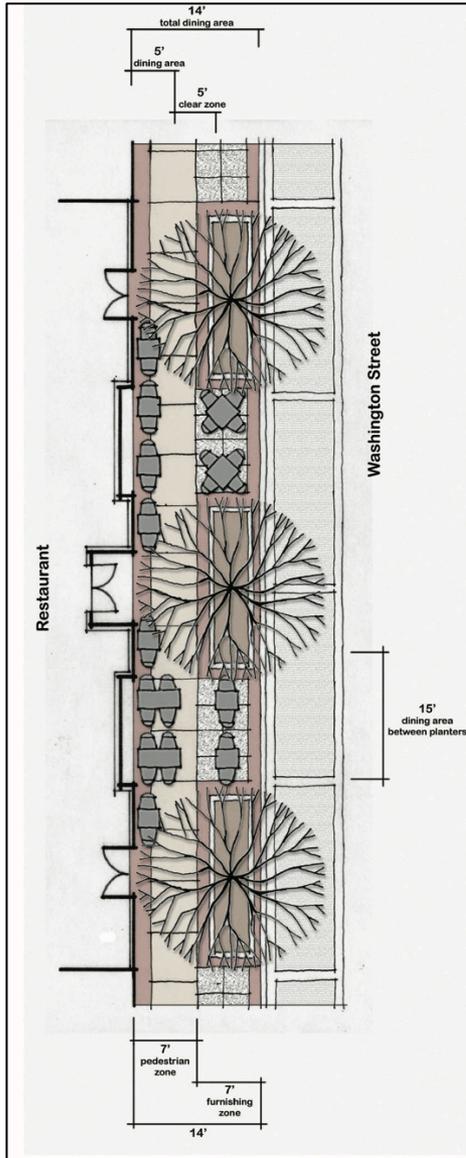


- Wider sidewalk makes walking safer and more comfortable
- Open planters reduce impervious surfaces
- Regularly spaced street trees provide protection and visually narrow the street
- On-street parking buffers pedestrians from traffic and creates up-front parking
- Banding and pavement

Warehouse District Gateways and Open Spaces



Outdoor Dining and Public Art Opportunities



Lighting and Directional Signage



3. Implementation Plan

1. Transferable
Development Rights
2. Business Improvement
District
- 3. Music Row Code**

Purpose of Music Row Code:

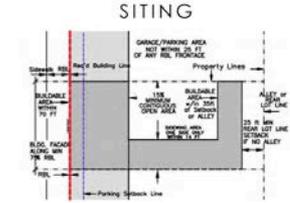
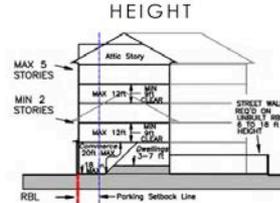
“A Music Row Code should aim to maintain and sustain the character and identity of Music Row and facilitate its function as a viable creative and mixed use business district, and would replace the existing zoning with a form-based zoning code and establish a review process for development, redevelopment, and expansions with a review committee.”

Implementation Tool #1: Form-based Code

6.5 WAREHOUSE DISTRICT



C. Warehouse District - Local



1. **Building Height**
 - a. The height of the principal building is measured in stories.
 - b. Each principal building shall be at least 2 stories in height, but no greater than 5 stories in height, except as otherwise provided on the regulating plan.
 - c. An attic story shall not count against the maximum story height.
2. **Parking Structure Height**

Where a parking structure is within 40 feet of any principal building (built after 2006) that portion of the structure shall not exceed the building eave or parapet height.
3. **Ground Story Height: Commercial/Industry Uses**
 - a. The ground story finished floor elevation shall be equal to, or greater than the exterior sidewalk elevation in front of the building to a maximum finished floor elevation of 18 inches above the sidewalk.
 - b. The ground story shall have at least 12 feet of clear interior height (floor to ceiling) contiguous to the required building line frontage to a depth of at least 25 feet.
 - c. The maximum story height for the ground story is 20 feet.
4. **Ground Story Height: Residential Units**
 - a. The finished floor elevation shall be no less than 3 feet and no more than 7 feet above the exterior sidewalk elevation at the required building line.
 - b. The first story shall have an interior clear height (floor to ceiling) of at least 9 feet and a maximum floor to floor story height of 17 feet.
5. **Upper Story Height**
 - a. The maximum floor-to-floor story height for stories other than the ground story is 12 feet.
 - b. At least eighty 80% of each upper story shall have an interior clear height (floor to ceiling) of at least 9 feet.
6. **Mezzanines**

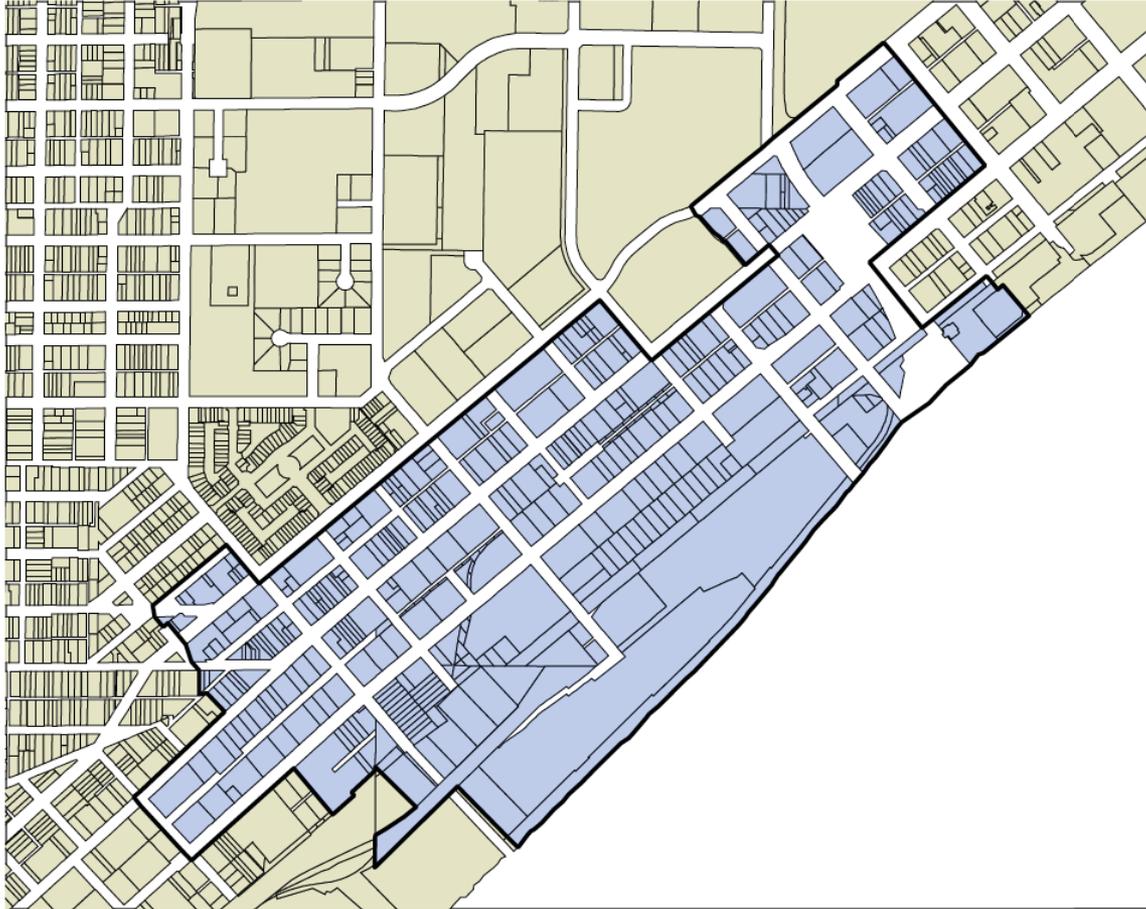
Mezzanines having a floor area greater than 1/3 of the floor area of the story in which the mezzanine is situated shall be counted as full stories.
7. **Street Wall Height**
 - a. A street wall not less than 6 feet in height or greater than 8 feet in height shall be required along any required building line frontage that is not otherwise occupied by the principal building on the lot.
 - b. The height of the street wall shall be measured from the adjacent public sidewalk or, when not adjacent to a sidewalk, from the ground elevation once construction is complete.
8. **Other**

Where a warehouse local site is located within 40 feet of an existing single-family residential zoning district, the maximum eave or parapet height for that portion of the warehouse local site shall be 32 feet. This requirement shall supersede the minimum story height requirement.
9. **Street Facade**
 - a. On each lot the building façade shall be built to the required building line for at least 75% of the required building line (RBL) length.
 - b. The building façade shall be built to the required building line within 30 feet of a block corner. (The ground floor façade, within 7 feet of the block corner may be chamfered to form a corner entry.)
 - c. These portions of the building façade (the required minimum build to) may include logs of not more than 18 inches in depth except as otherwise provided to allow bay windows, shopfronts, and balconies.
10. **Buildable Area**
 - a. Buildings may occupy the portion of the lot specified by these building envelope standards.
 - b. A contiguous open area equal to at least 15% of the total buildable area shall be preserved on every lot. Such contiguous open area may be located anywhere behind the parking setback, either at grade or at the second story.
 - c. No part of any building, except overhanging eaves, awnings, or balconies shall occupy the remaining lot area.
11. **Side Lot Setbacks**

There are no required side lot setbacks.
12. **Garage and Parking**
 - a. Garage entries or driveways shall be located at least 75 feet away from any block corner or another garage entry on the same block, unless otherwise designated on the regulating plan.
 - b. Garage entries shall have a clear height of no greater than 16 feet nor a clear width exceeding 24 feet.
 - c. Vehicle parking areas on private property shall be located behind the parking setback line, except where parking is provided below grade. At grade parking lots are exempt from this setback when applicable street walls are installed per Section 6.6.
 - d. These requirements are not applicable to on-street parking.
 - e. The parking setback line shall be 30 feet from the designated required building line.
13. **Alleys**
 - a. There is no required setback from alleys. On lots having no alley access, there shall be a minimum setback of 25 feet from the rear lot line.
14. **Corner Lots**
 - a. Corner lots shall satisfy the code requirements for the full required building line length – unless otherwise specified in this code.
15. **Frontage Widths**

The minimum lot width is 18 feet. Although there are no individual side lot setbacks, no building/set of townhouses may exceed 130 feet of continuous attached building frontage. A gap of 10 feet to 20 feet is required between each such attached structure.
16. **Unbuilt Required Building Line and Common Lot Line Treatment**
 - a. A street wall shall be required along any required building line frontage that is not otherwise occupied by a building. The street wall shall be located no more than 8 inches behind the required building line.
 - b. Privacy fences may be constructed along that portion of a common lot line not otherwise occupied by a building.

Implementation Tool #2: T.I.F. District



WAREHOUSE DISTRICT TIF
REDEVELOPMENT PLAN AND PROJECT

Implementation Tool #3: Federal Transportation Grants





Steering Committee

Role of the Steering Committee:

- **Sounding board for ideas, process, drafts, etc.**
- **Bring the thoughts and concerns of other stakeholders to the table**
- **Get the word out!**

Steering Committee

Proposed Makeup of Steering Committee:

- Three members of the music industry, representing a large business, a small business, and a not-for-profit business within the Music Row district;
- Three property owners or business owners that own property within the Music Row district;
- Two representatives of an institution (religious, educational, etc.)
- One representative with expertise in real estate development or planning; and
- One representative with expertise in architecture;

Proposed Timeline Moving Forward

- **Monthly Steering Committee Meetings**
- **Draft plan(s) presentation to broader stakeholder group in early spring**
- **Recommended plan(s) presentation to the broader community in late spring**
- **Approvals process in the summer**