URBAN AGRICULTURE – LAND USE AND POLICY STUDY

Delaware Valley Regional Planning Commission
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Econsult Corporation
PRESENTATION OVERVIEW

- Characteristics of RDA holdings
- Land valuation
- Competing uses
- Policy implications
- Organizational challenges
CHARACTERISTICS OF RDA HOLDINGS

- 2,500 parcels spanning 130 acres
- 89% <1/20 acre (i.e. 2200 SF lot size)
- 12 total >1 acre
- 75% in North and West Philadelphia
CHARACTERISTICS OF RDA HOLDINGS

- 77% in Census tracts with median HH income of $25K
- 91% within 1/5 mile of a park
- 47% within 1/2 mile of a grocery store
- 27% within 1 mile of one of the 12 major urban farms located within the City (excluding community gardens)
LAND VALUATION

• Methodology – hedonic regression of 1,540 land sales from Q1 2008 to Q1 2010

• Estimated aggregate value of 2,500 RDA holdings - $116M (=0.5% of City parcels and 0.2% of City value)

• Top 20 holdings by value represent 50% of aggregate value (suggests concentration of value in a few of its holdings)

• 59% <$12.50/SF (suggests little current development pressure on the vast majority of its holdings)

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COMPETING USES

- Development vs. urban agriculture vs. other public purpose vs. do nothing
- Hold out for higher sale price, hold out for development vs. minimize costs associated with doing nothing (blight, maintenance)
- RDA/City pursuing other aims besides revenue maximization, so urban agriculture or other public purpose may win out even if it is not the most financially optimal use
- Portfolio of parcels – coordinating with holdings of other agencies, coordinating with other urban agriculture sites
POLICY IMPLICATIONS

- Coordinate with other City agencies and efforts
- Make parcels available in temporary arrangements if no immediate development potential exists
  - Let private operators bid among all parcels vs. pre-select parcels deemed more appropriate
  - Set terms of use but not based on agricultural productivity
  - Gradients of availability can be created via different prices or lease lengths
  - Be clear about exit strategy and establish a mechanism for private operators sharing in any increase in value
- Work with USDA to aggregate system-wide lessons learned
ORGANIZATIONAL CHALLENGES

No free lunch! Even interim uses impose costs on the City:
• Administrative, staffing, legal review
• Insurance, liability
• Environmental assessments/reviews and concerns
• Utilities
• Zoning and community issues
QUESTIONS?