



From Numbers to Neighborhoods

Making the Fiscal Case for Infill and Reinvestment in Downtown and Older Neighborhoods

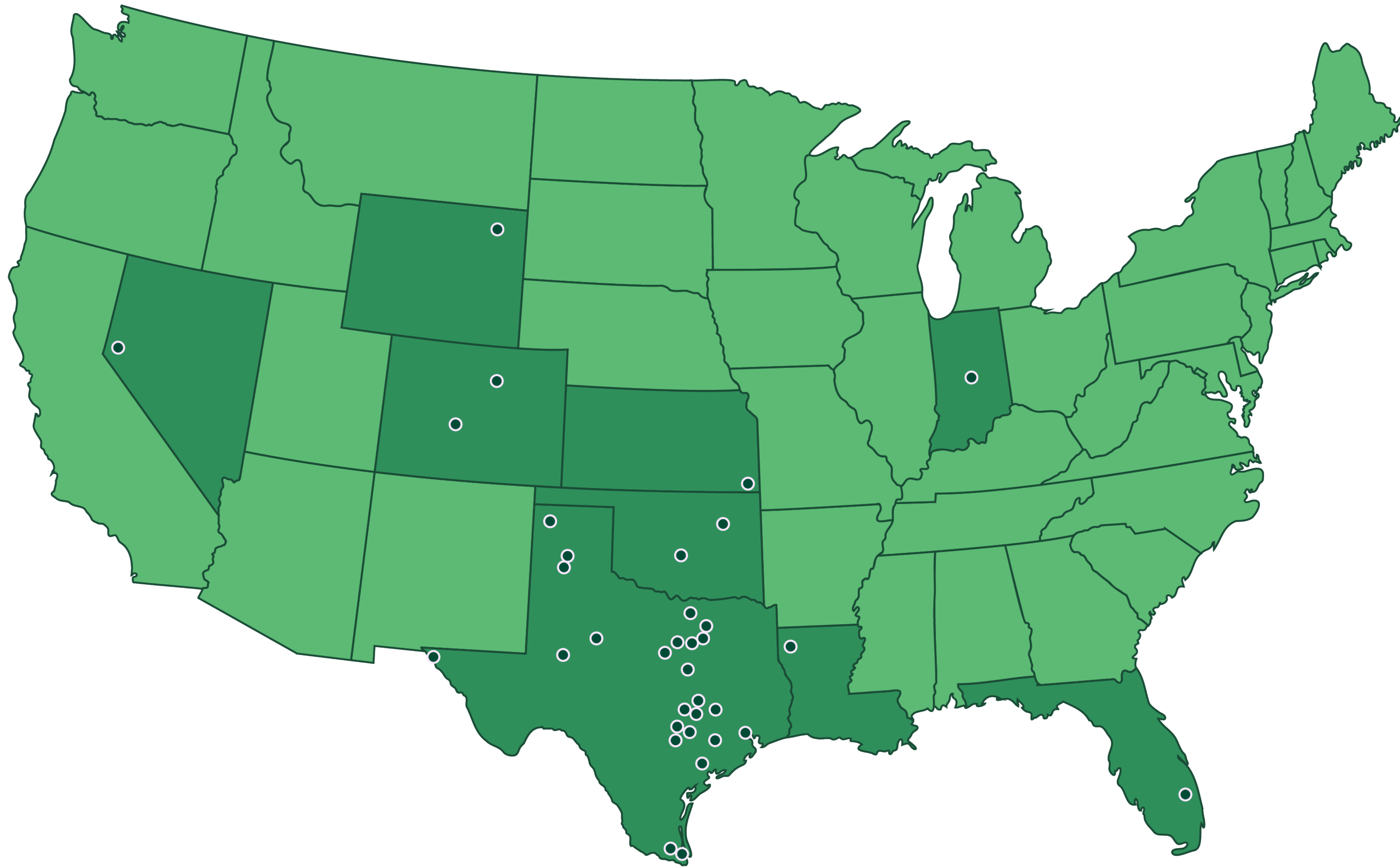
HGAC Webinar| July 28, 2026

Cultivating Lasting, Equitable Cities

Lasting, inclusive prosperity does not come from rapid, new growth. It's *cultivated* incrementally by locals.

At Verdunity, we help city leaders align vision, policy, and investments with what residents are able to pay so that you can:

- ✓ Create a culture of trust and collaboration;
- ✓ Make meaningful progress right now;
- ✓ Close your city's resource and affordability gaps; and
- ✓ Make your community relevant, equitable, and lasting.



The Changing Development Landscape in the U.S. ... and Texas

America's Post WW2 Development Pattern



What About Maintenance *After* Growth?



Needs, Wants, and (Not Enough) Resources



Infrastructure is a Liability, not an Asset

The City's Infrastructure Backlog Has Climbed to \$1.86B

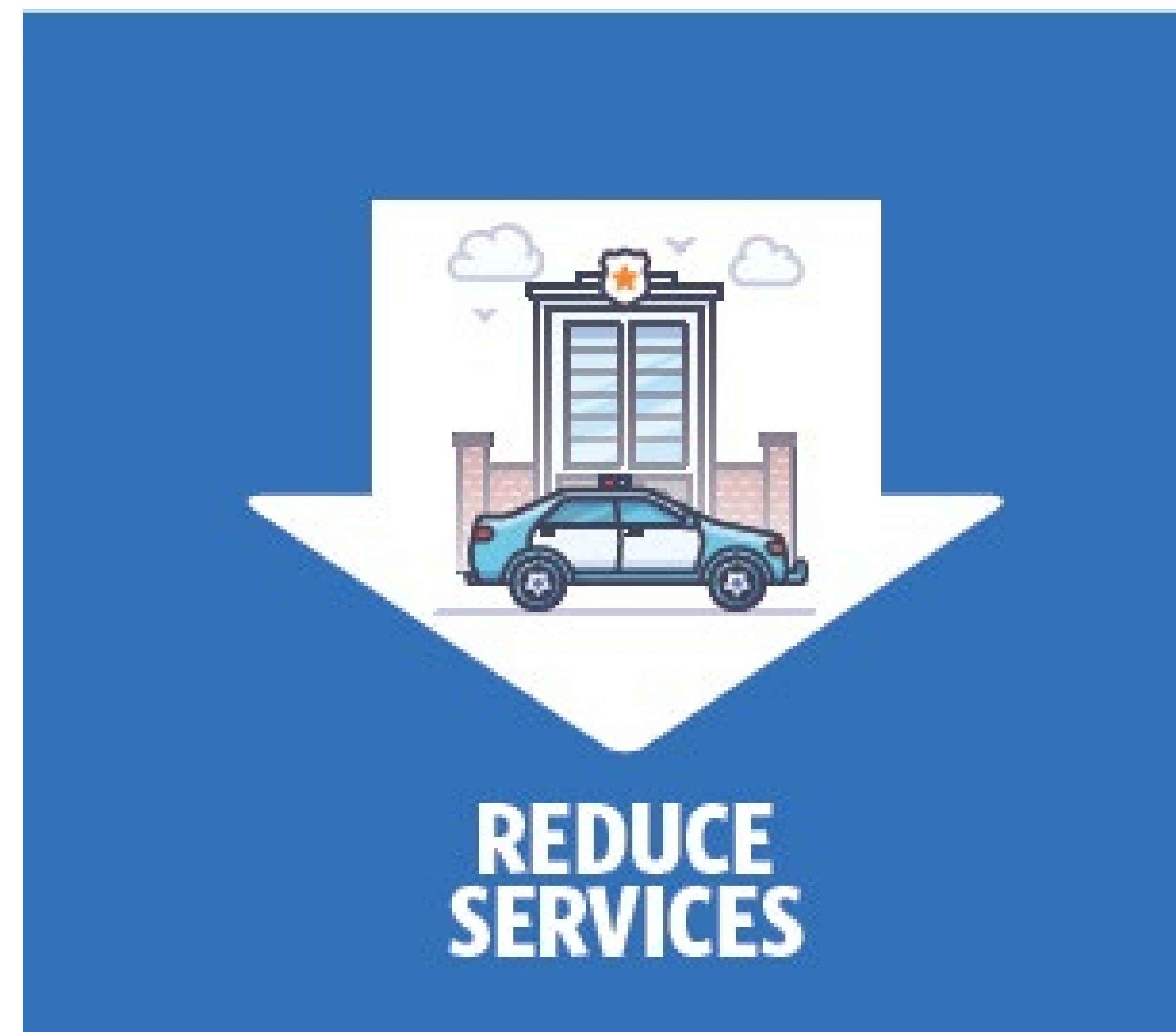
The mayor has touted record investments in infrastructure and a 2016 measure sends more money to pay for projects, yet the city's five-year shortfall to fund projects is \$286 million higher than the previous year.

We're building cities we can't afford to live or maintain.

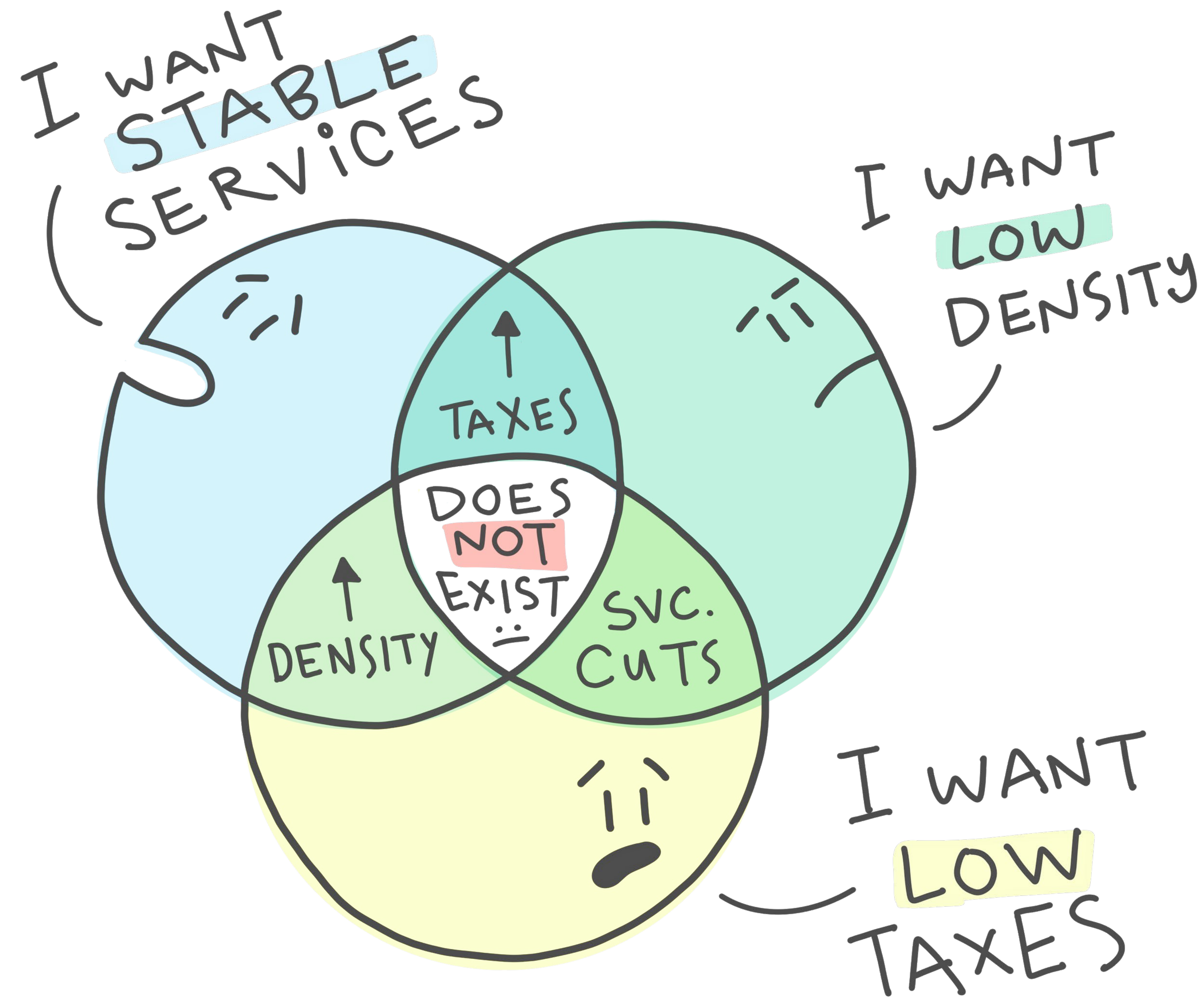


VERDUNITY

Options to Close Resource Gaps



Alignment Requires Tradeoffs



State Intervention in Texas' Development

- **SB 15:** Prohibits certain large cities from setting minimum lot sizes above 3,000 square feet on unplatted tracts over five acres, while restricting local mandates on setbacks, parking, and building heights.
- **SB 840:** Permits mixed-use and multifamily residential development in areas previously restricted to commercial, retail, office, or warehouse.
- **SB 2835:** Allows developers to construct midrise apartment buildings up to six stories tall with a single staircase.

Cultivating Fiscal Health and Local Wealth Through Incremental Development

Two Parts to Cultivating More Affordable Neighborhoods and Cities

Cities need to update growth management policies and development codes and set culture to allow infill and small development to happen *by right*.

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Cities need to update growth management policies and development codes and set culture to allow infill and small development to happen *by right*.

A local ecosystem of community investors, entrepreneurs and “small developers” must work together to revitalize neighborhoods one building and property at a time.

Tools to Help Cities Develop Productively

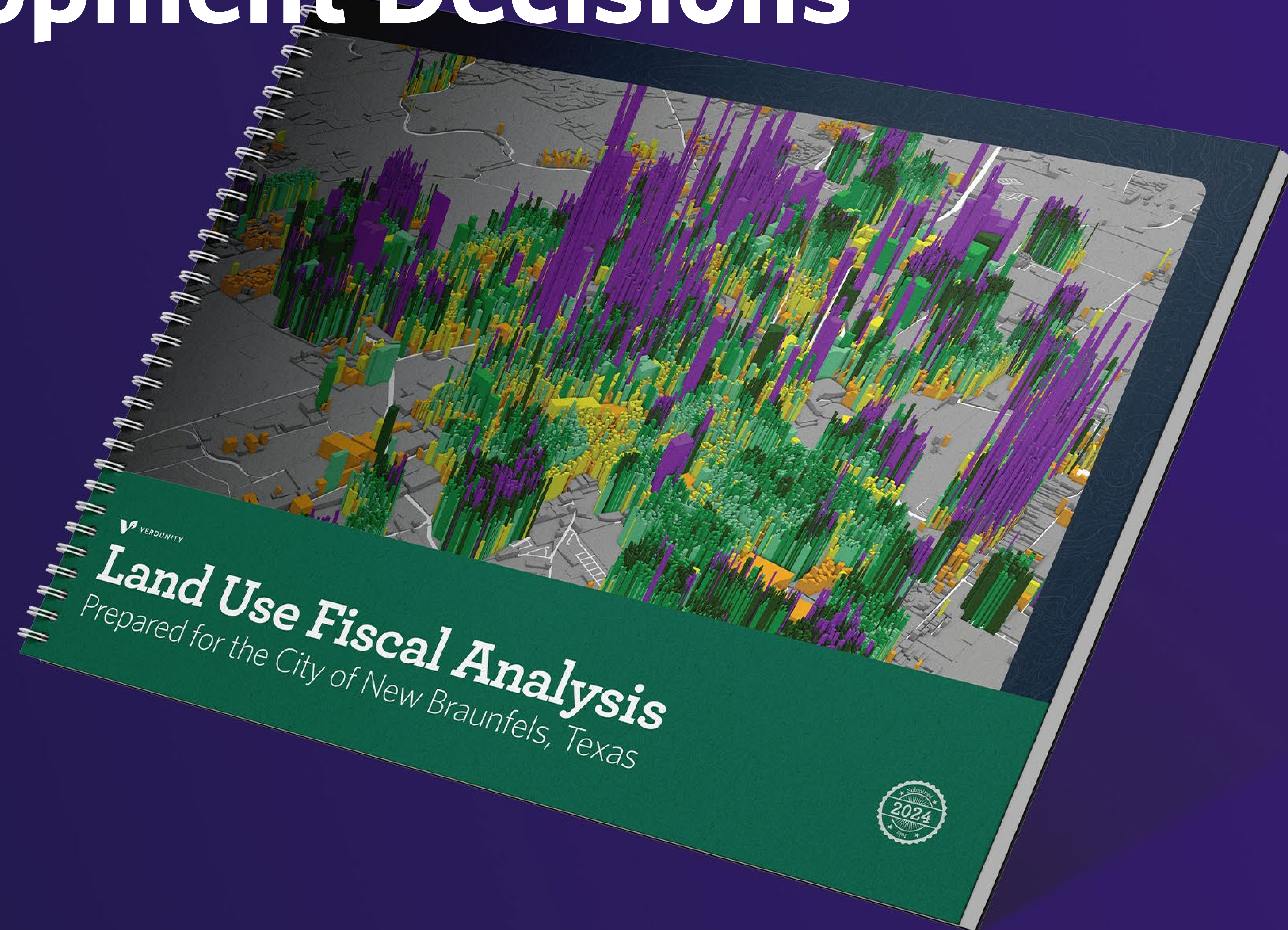
Land Use Fiscal Analysis

Development Fiscal Impact
Analysis

Fiscally Informed Comp Plans
and Development Codes

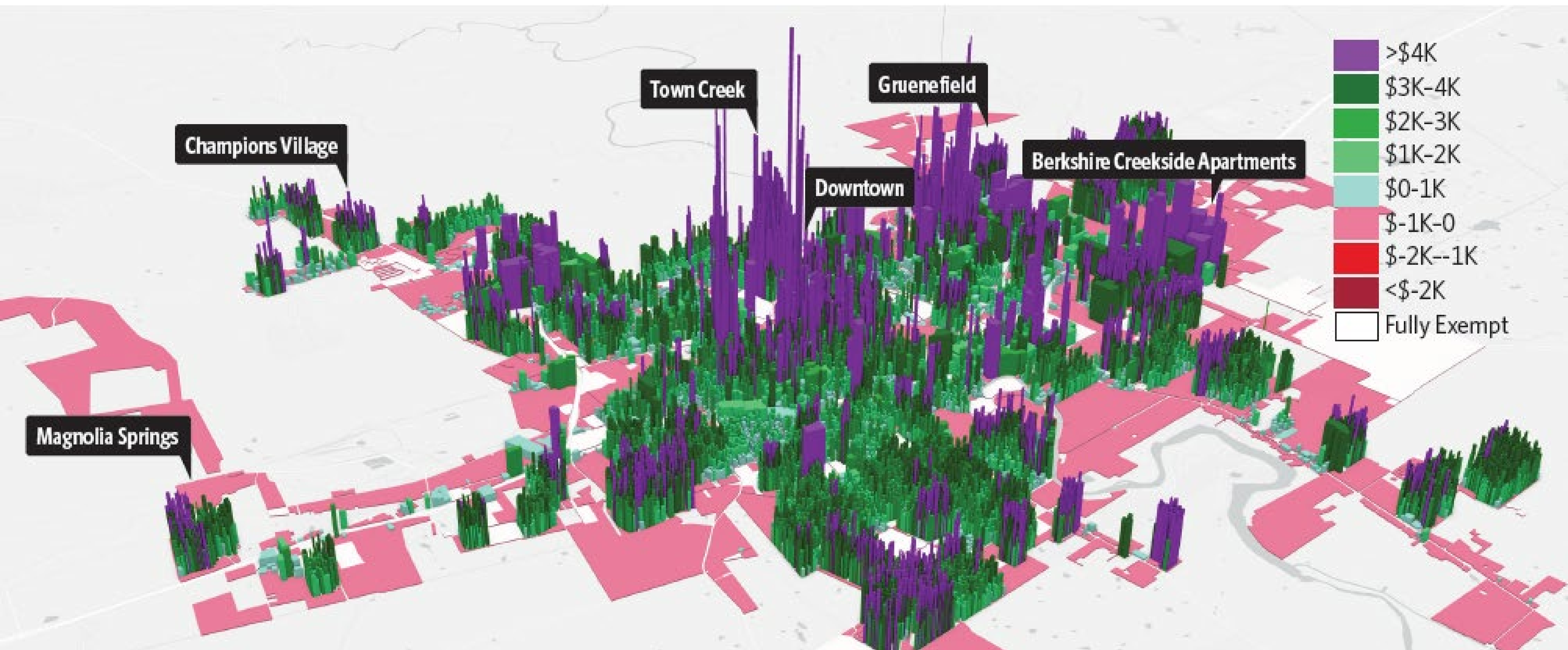


Understanding the Fiscal Impacts of Development Decisions



Net Revenue Per Acre: Current Budget

What You Have Today



Net Revenue Per Acre: Budget + Deferred Liabilities

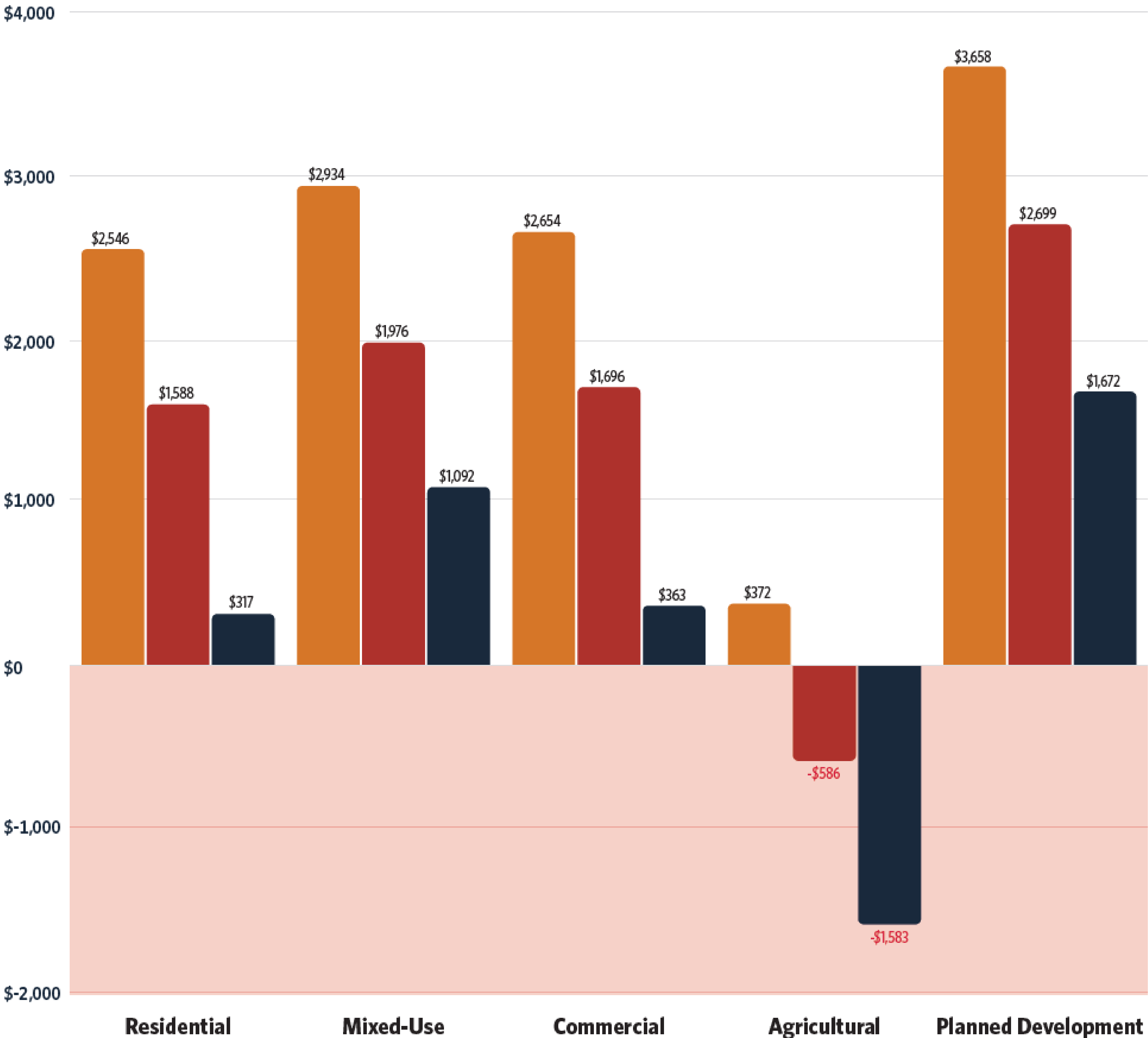
What You Really Need



Analysis by Land Use and Zoning Districts

ZONING ANALYSIS

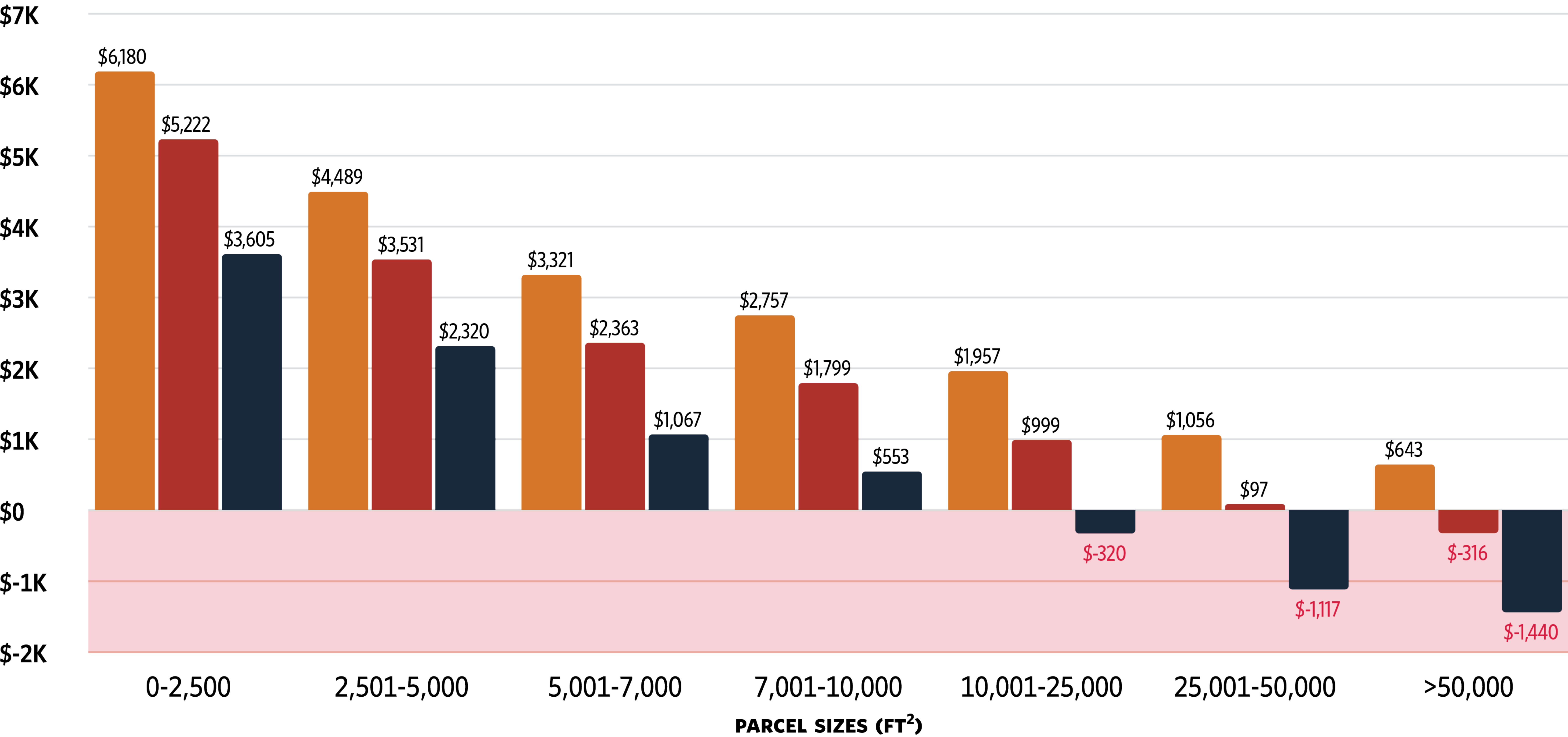
Revenue/Acre Net Revenue/Acre Covering Budget Costs
Net Revenue/Acre Covering Budget & Unfunded Streets



Small Residential Lots Perform The Best

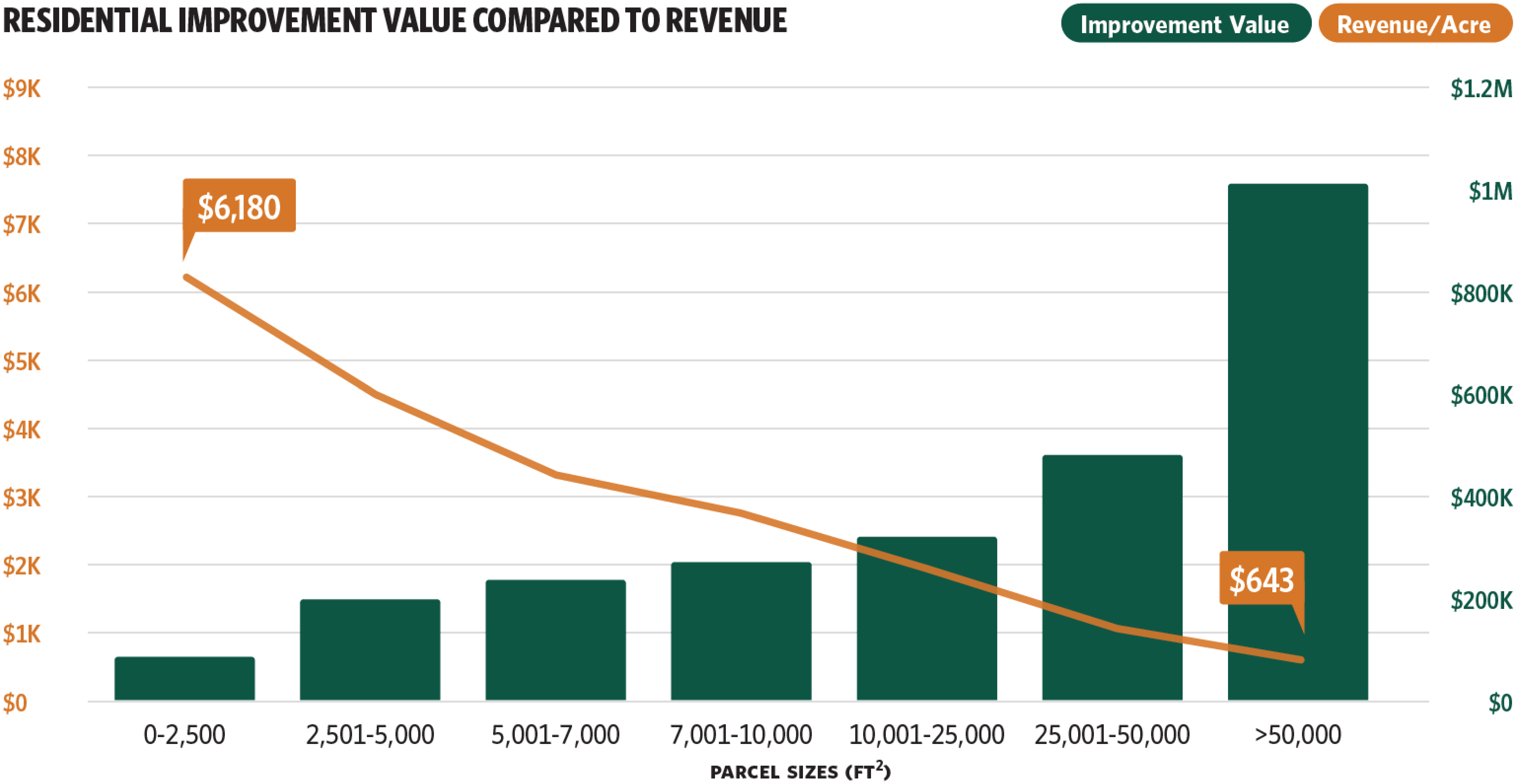
RESIDENTIAL REVENUE PER ACRE

Revenue/Acre Net Revenue/Acre Covering Budget Costs
Net Revenue/Acre Covering Budget & Unfunded Streets



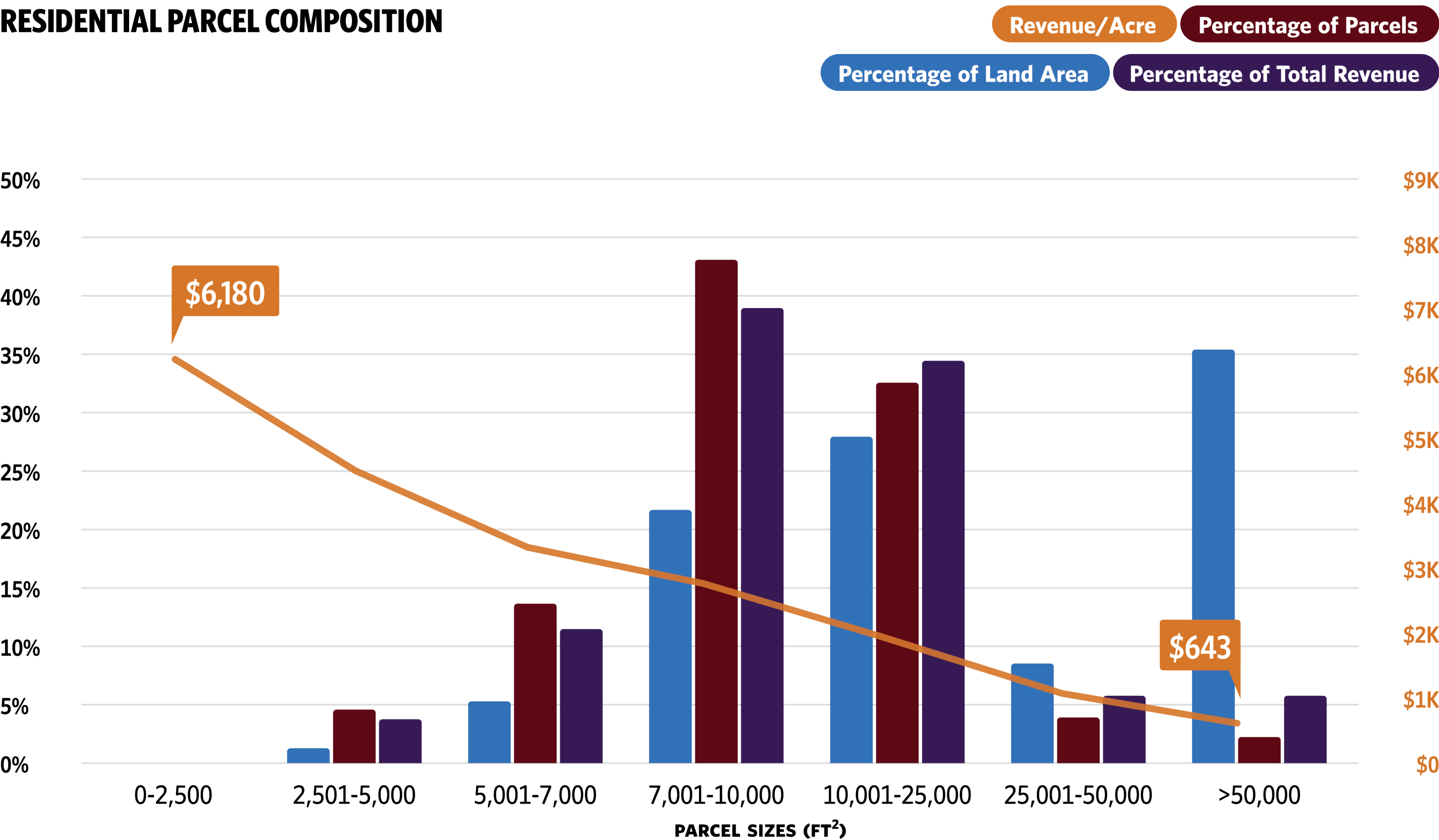
Small Lots are The Most Affordable

RESIDENTIAL IMPROVEMENT VALUE COMPARED TO REVENUE

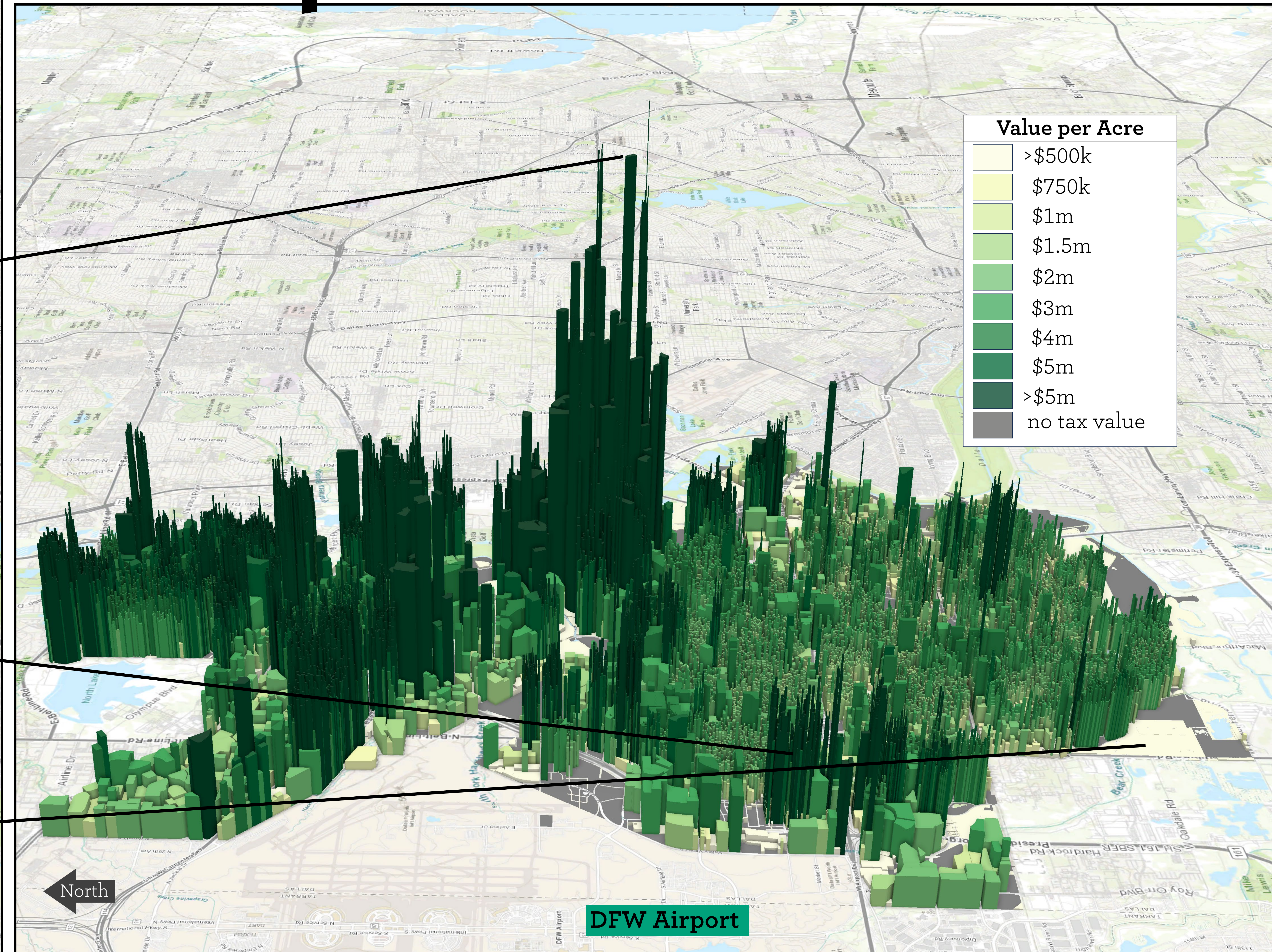
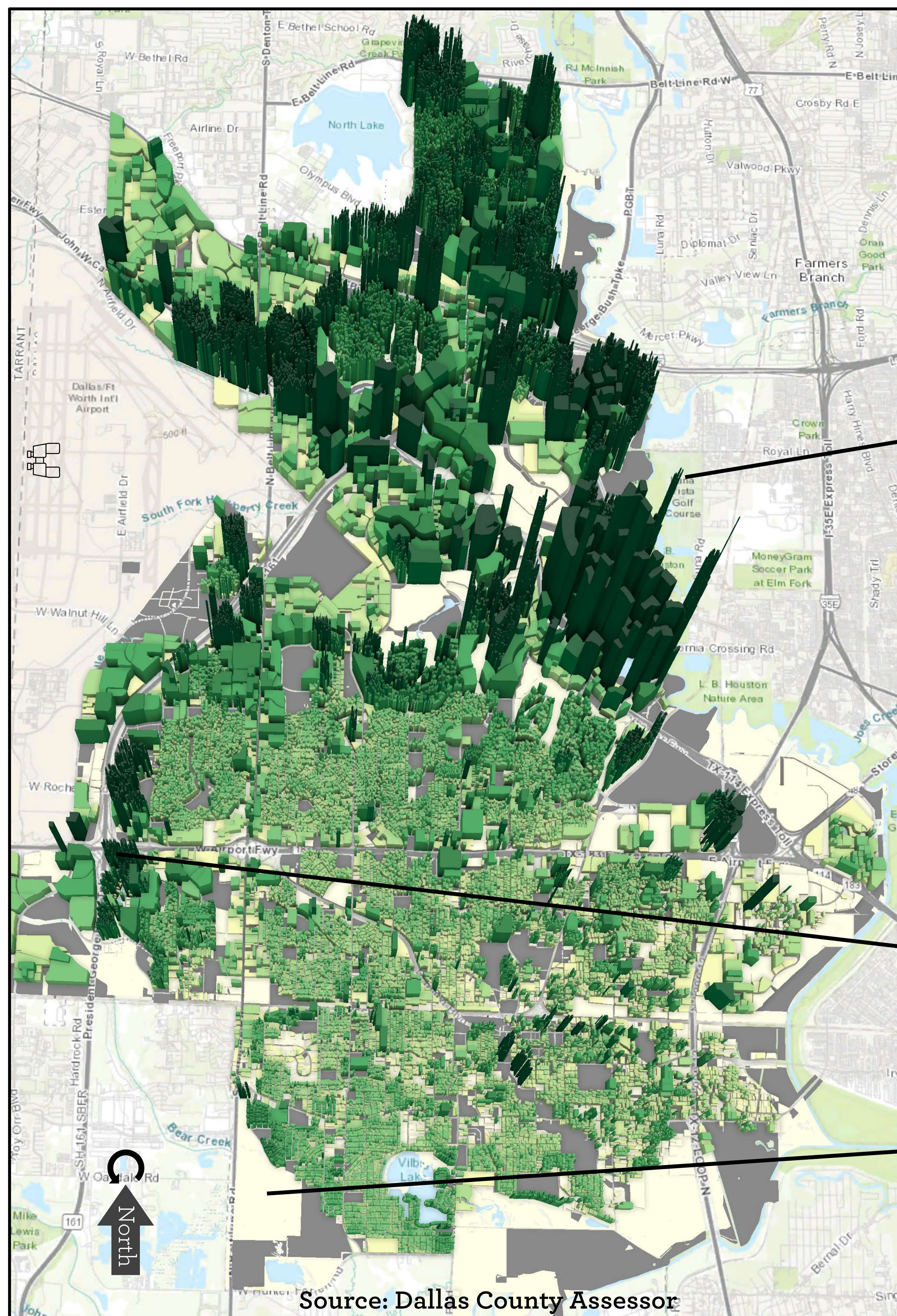


More Small Development is Needed

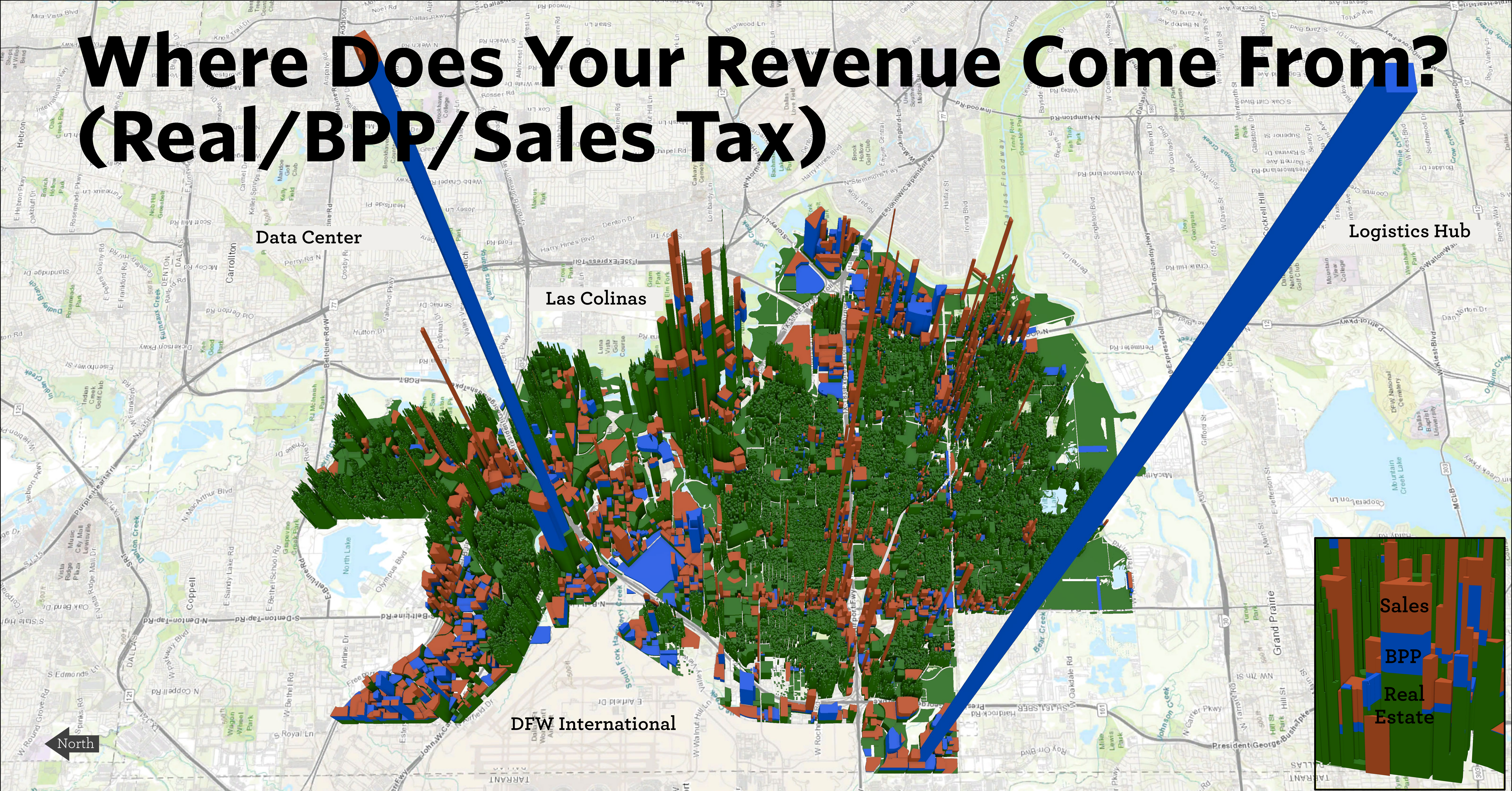
RESIDENTIAL PARCEL COMPOSITION



Value per Acre



Where Does Your Revenue Come From? (Real/BPP/Sales Tax)



Value per Acre: Land Use

Data Center

Logistics Hub

Las Colinas

Historic
Downtown

Irving Mall

DFW International

Land Use

Residential

- Single Family
- Townhouse
- Duplex
- Multifamily
- Mobile Homes

Commercial

- Office
- Retail
- Automotive Retail
- Lodging
- Medical
- Recreation

Other

- Industrial
- Institutional
- Parking Deck
- Utility
- Vacant

Value per Acre: Year Built

Year Built

Oldest	1920's	30's	40's	50's	60's	70's	80's	90's	00's	10's	20's
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older

newer

Las Colinas

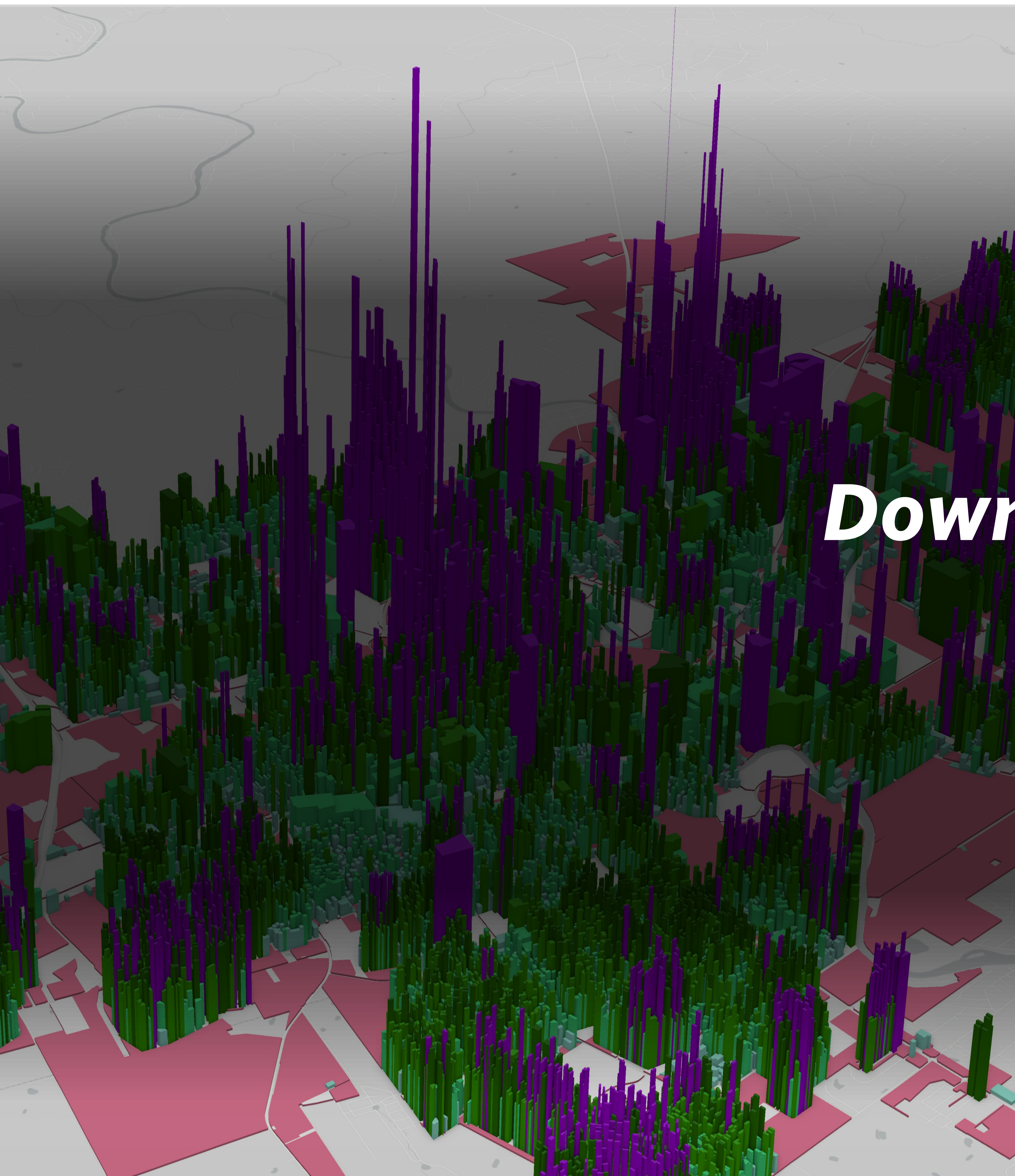
DFW Airport

North

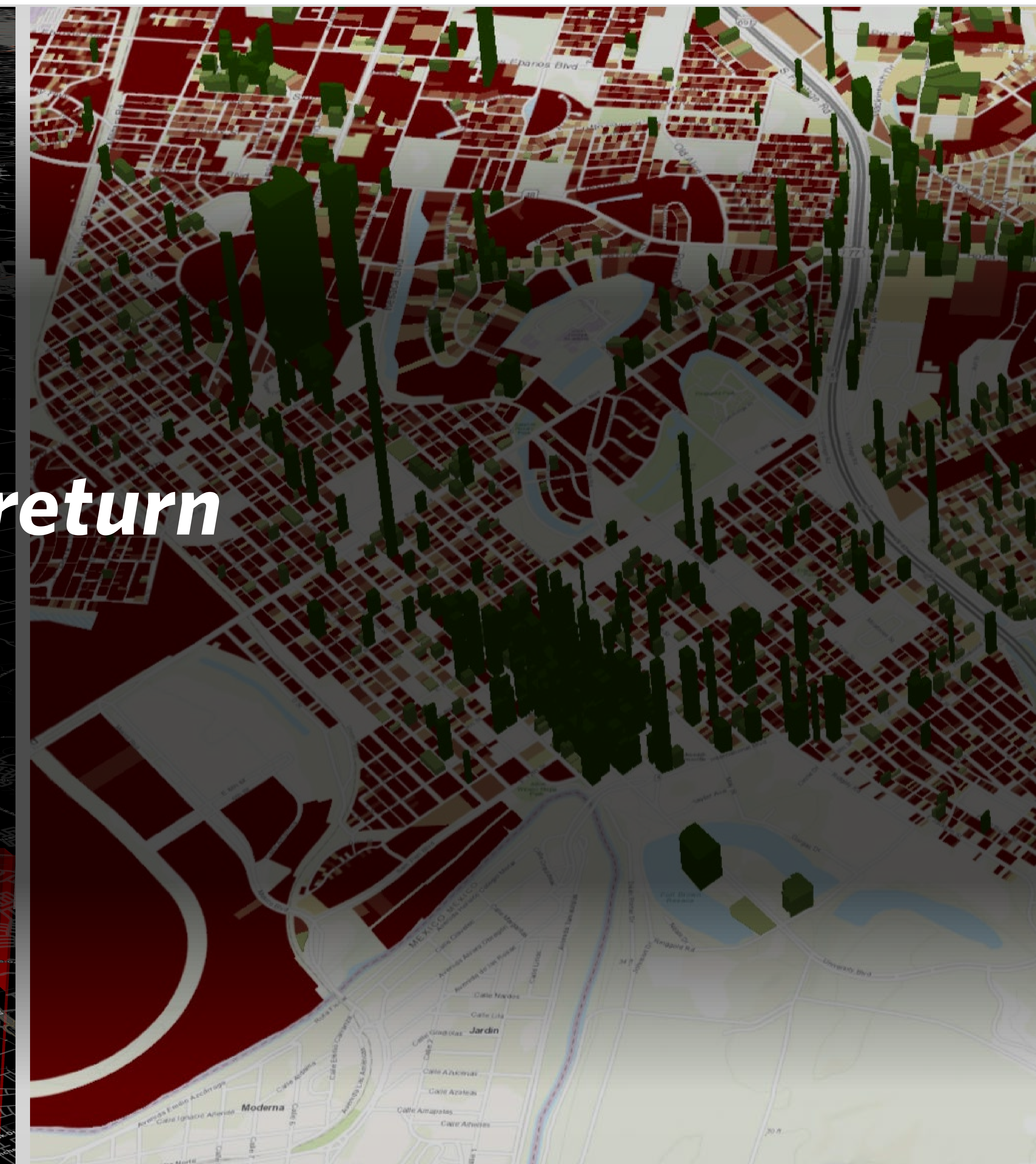
Source: Dallas County Assessor

Why Focus on Downtown and Adjacent Neighborhoods?

The Value Proposition of Downtown



*Downtown delivers the highest return
on every public dollar.*



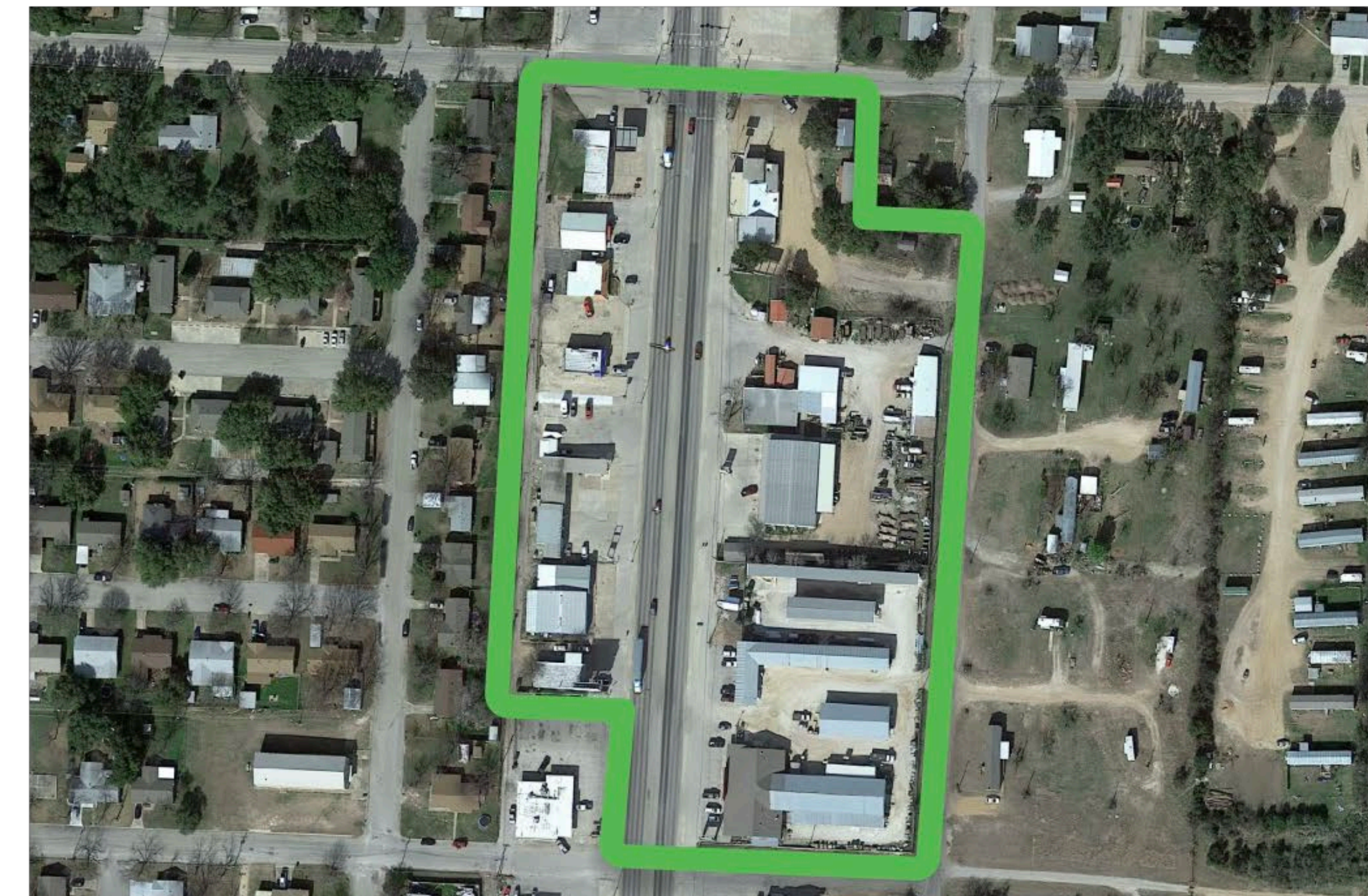
But Why?

It's the built form.

- **Small lots**
- High ratio of building footprint to lot area
- Multi-story buildings
- Small blocks

SUBURBAN COMMERCIAL

Mac's BBQ, Higginbotham Brothers – Brady

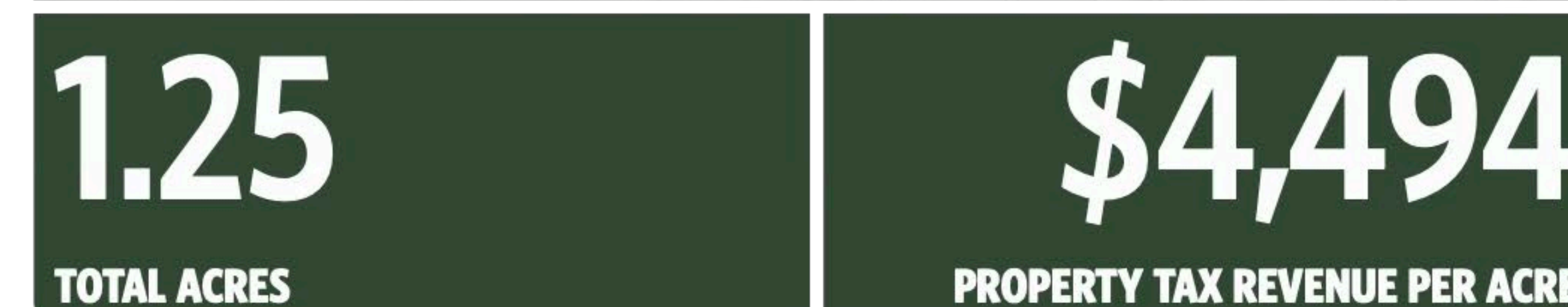


LOW-DENSITY SUBURBAN

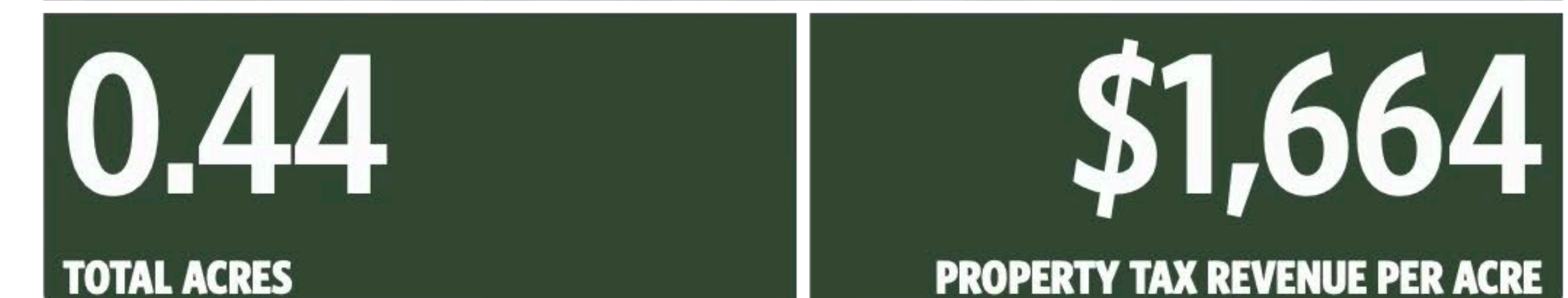
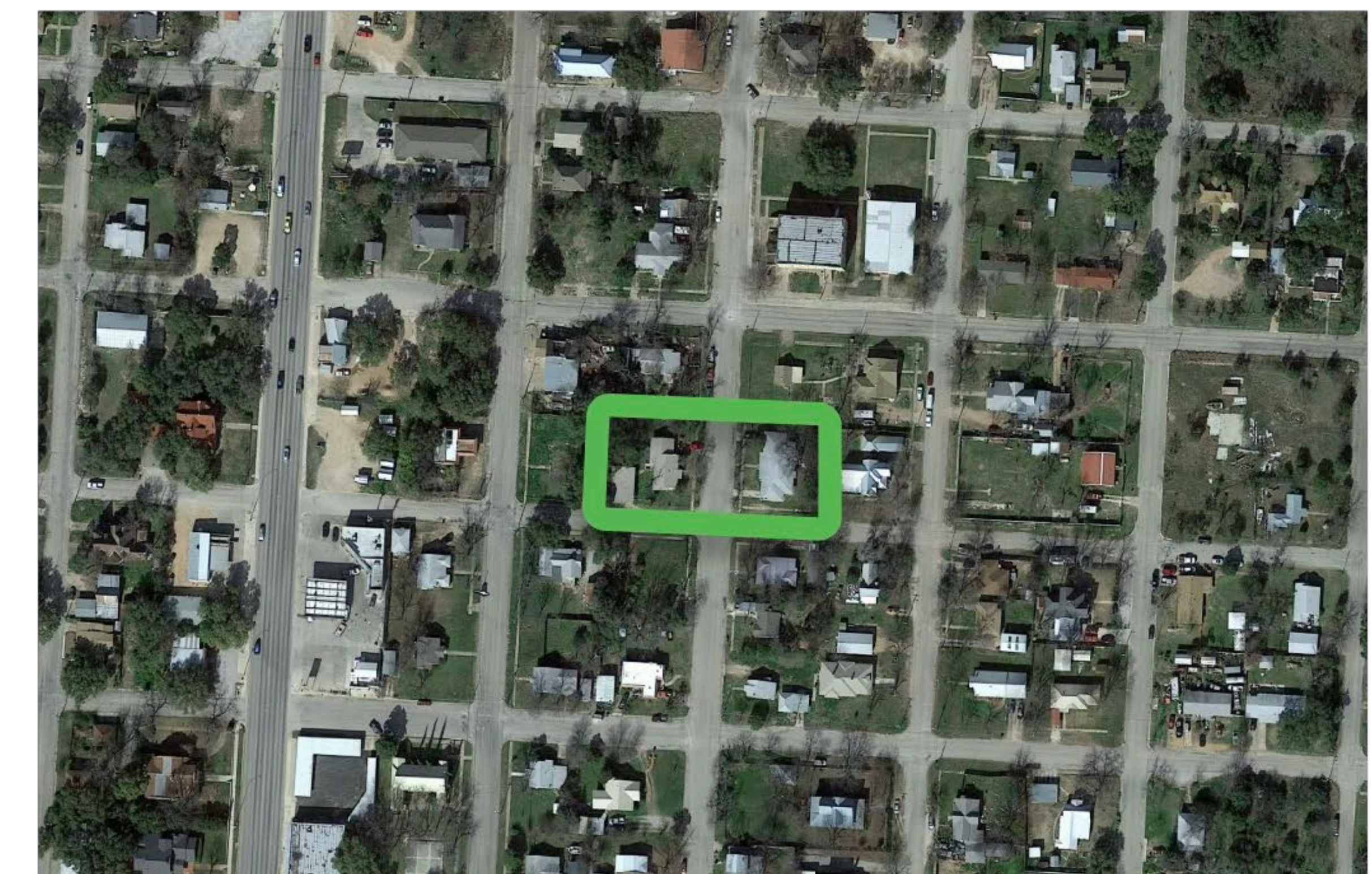


MAIN STREET MIXED USE

Brady Square



DOWNTOWN DUPLEXES

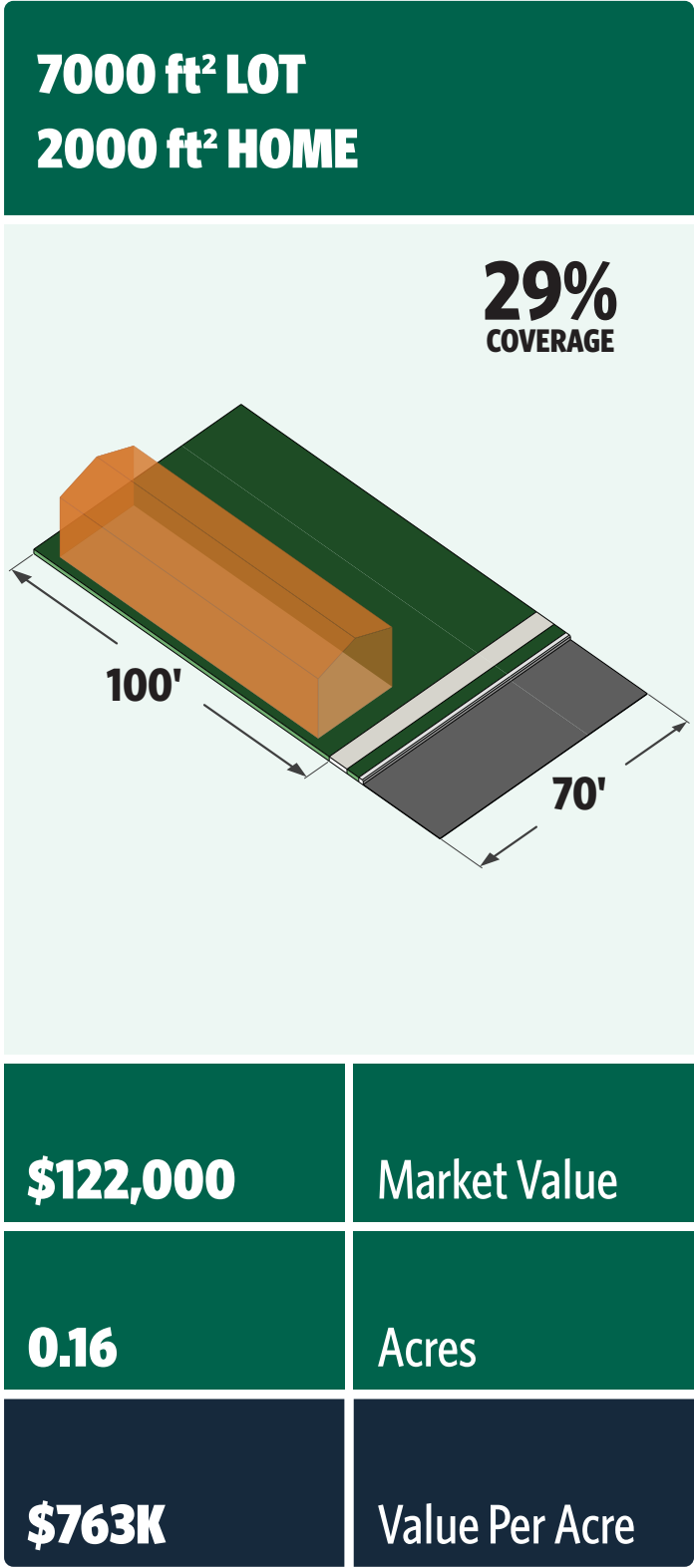


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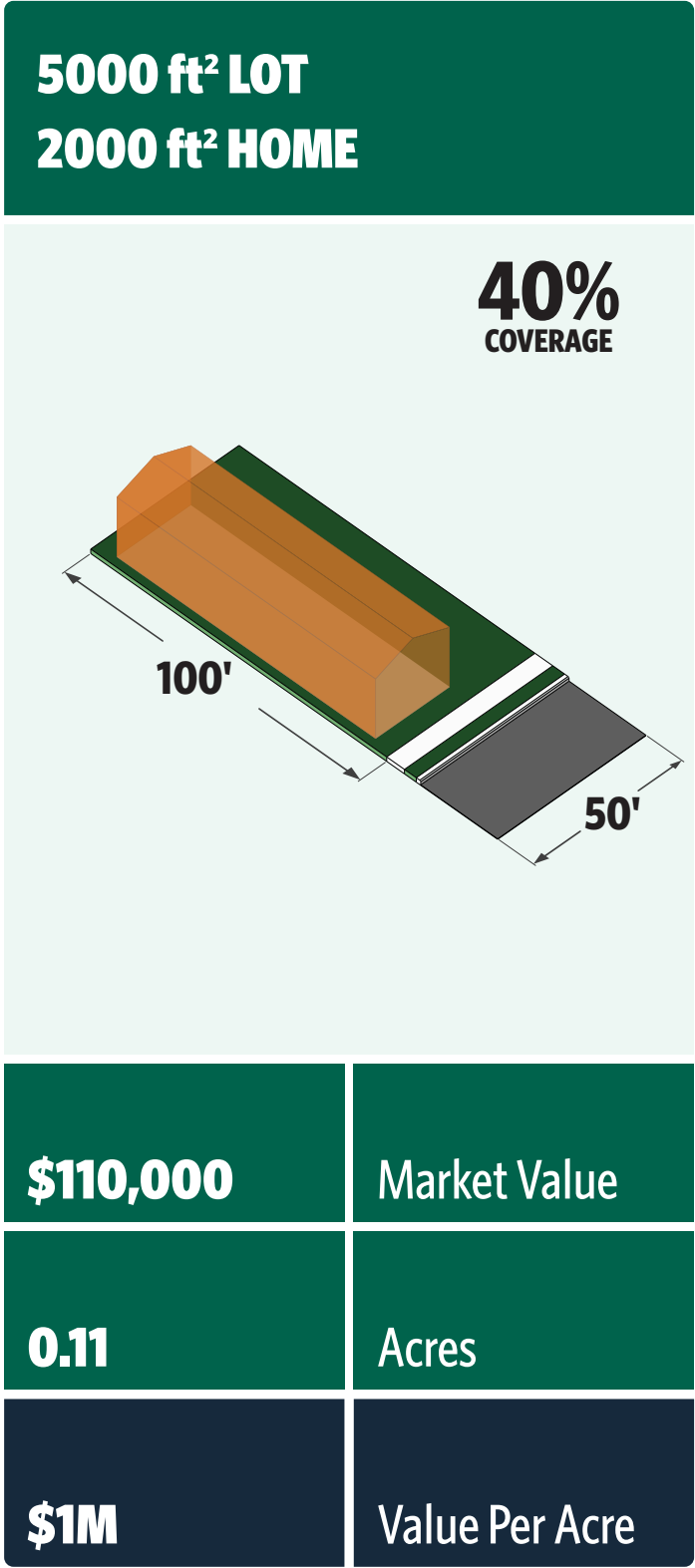
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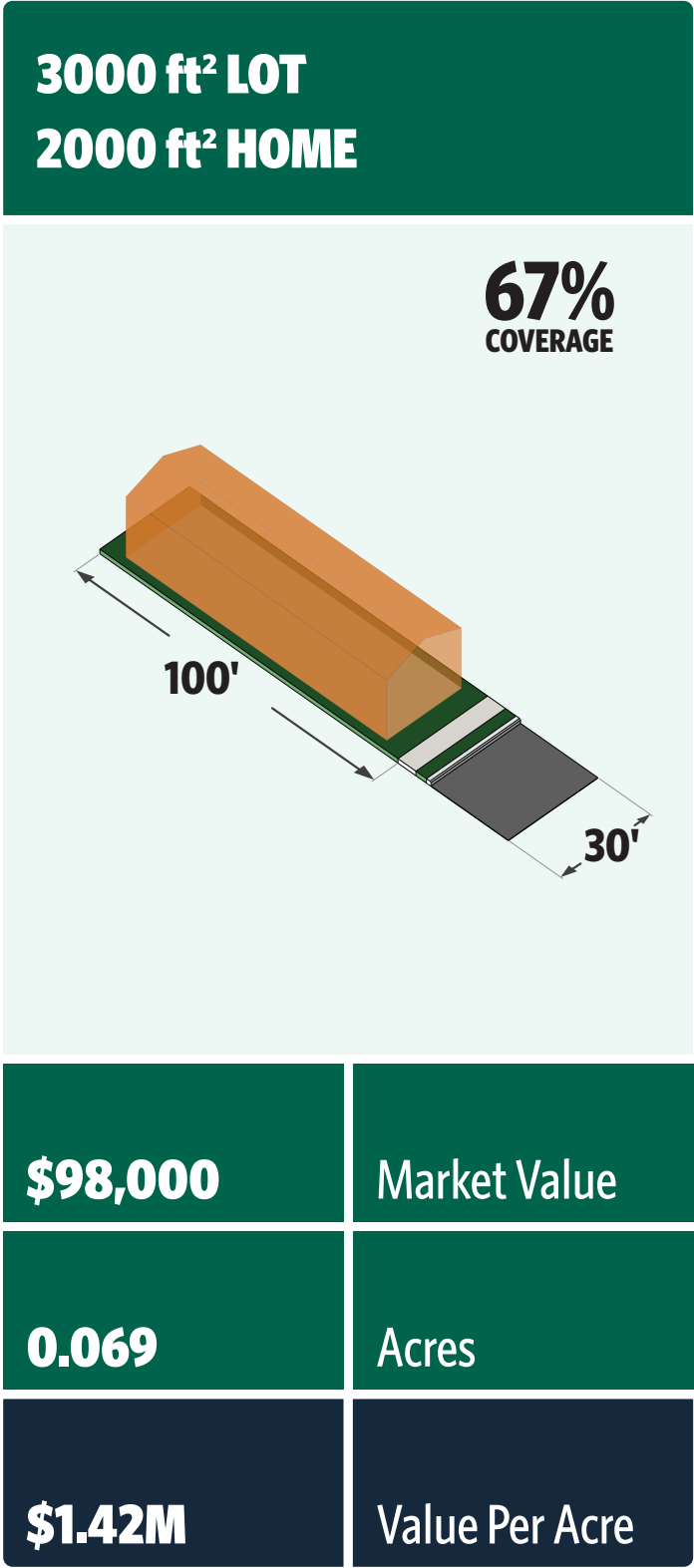
LOW LOT COVERAGE



MID-LEVEL LOT COVERAGE



HIGH LOT COVERAGE

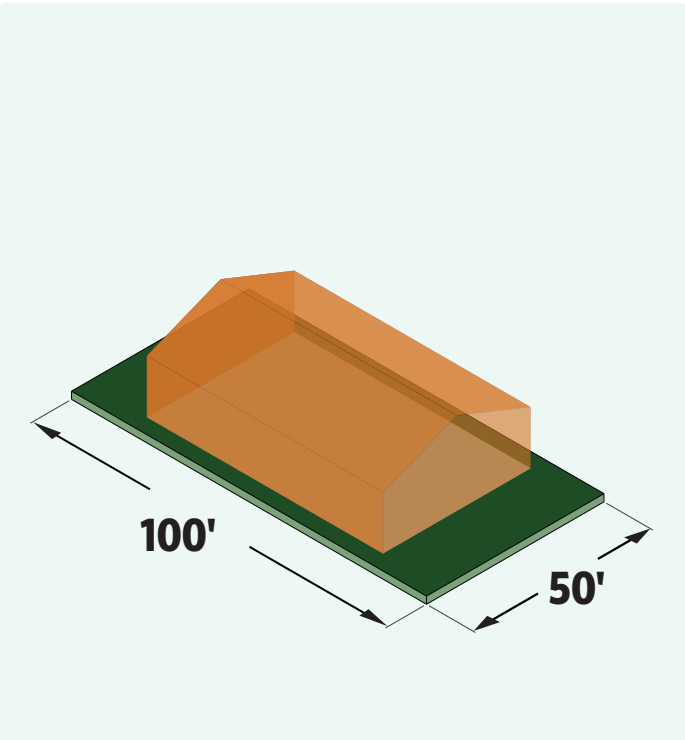


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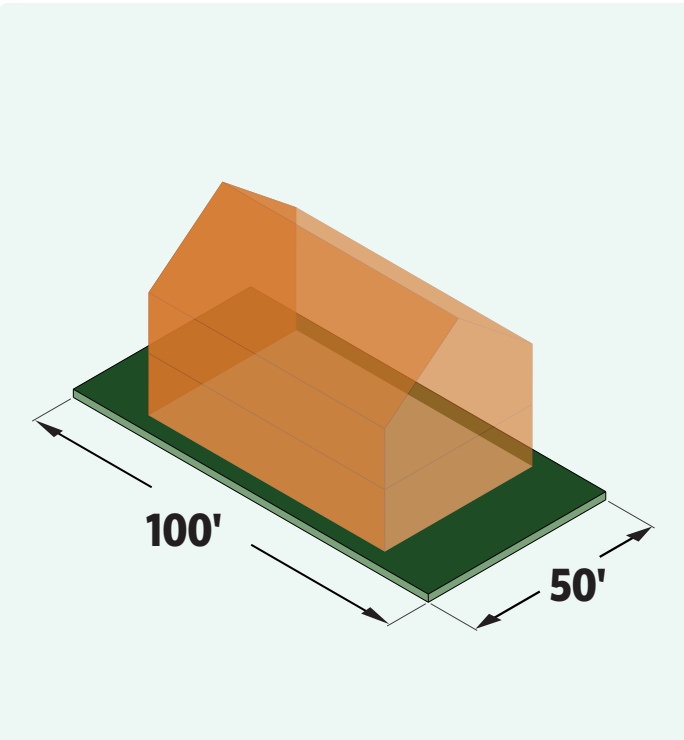
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SINGLE STORY



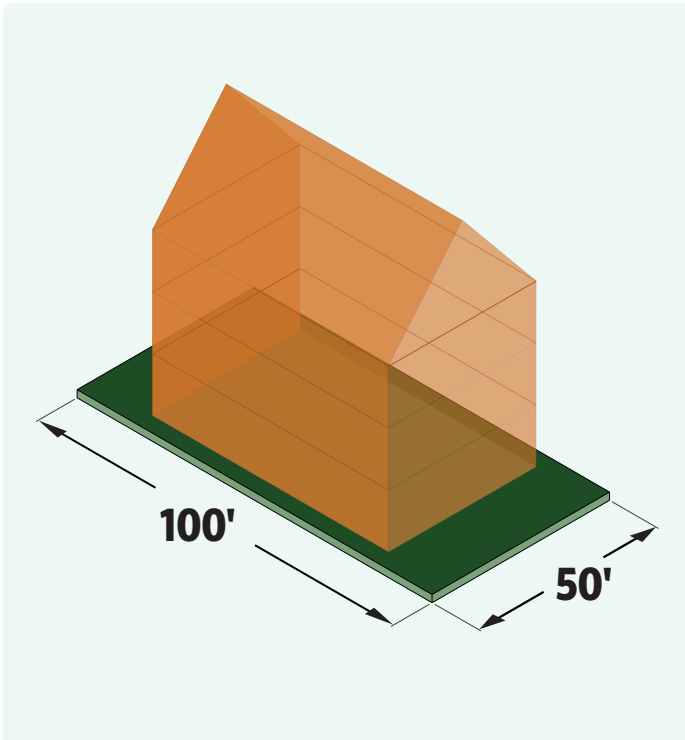
5,000	Square Foot Lot
48%	Lot Coverage
\$95K	Market Value
\$1.97M	Value Per Acre

TWO STORY



5,000	Square Foot Lot
48%	Lot Coverage
\$207K	Market Value
\$3.68M	Value Per Acre

THREE STORY

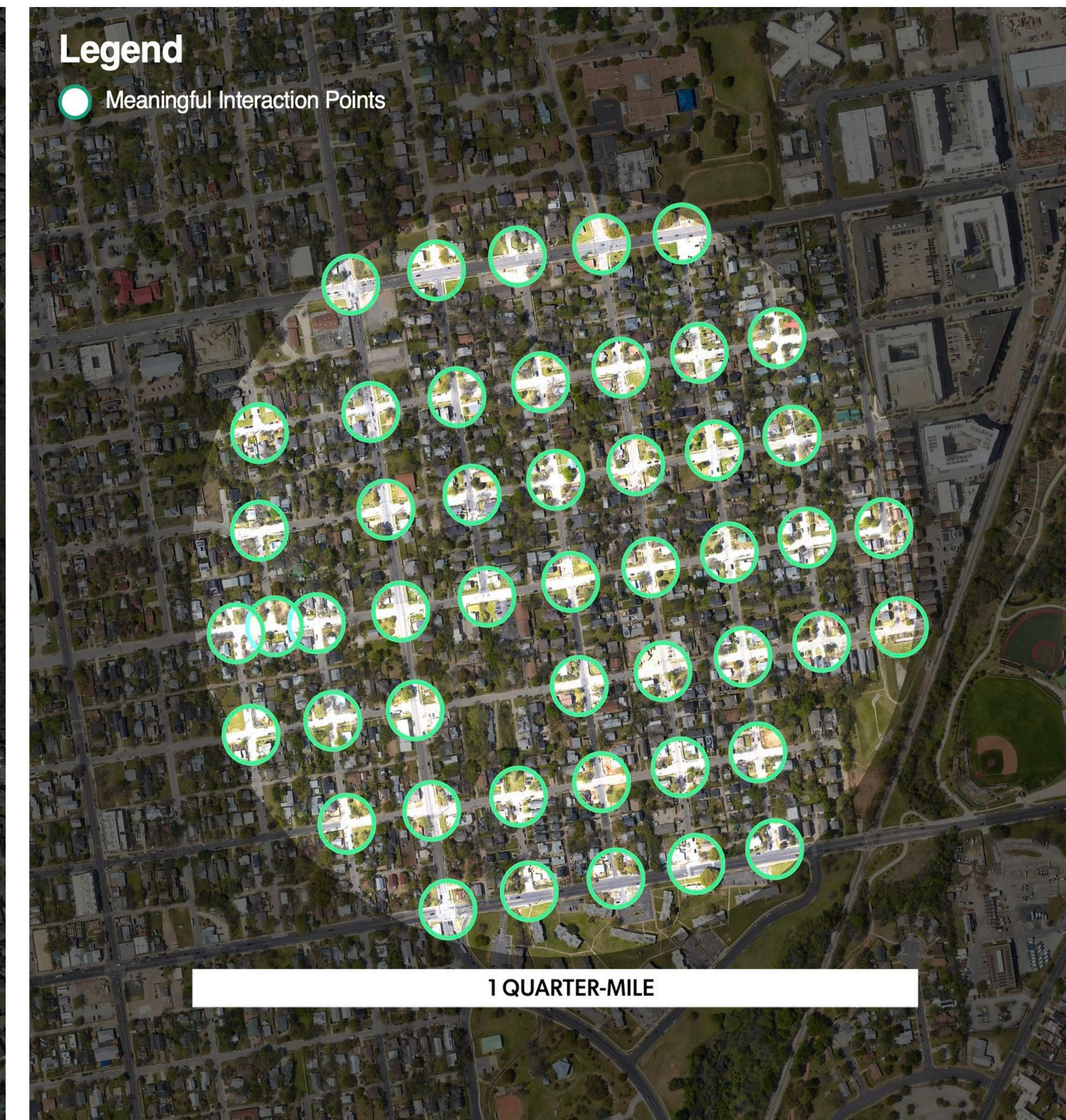
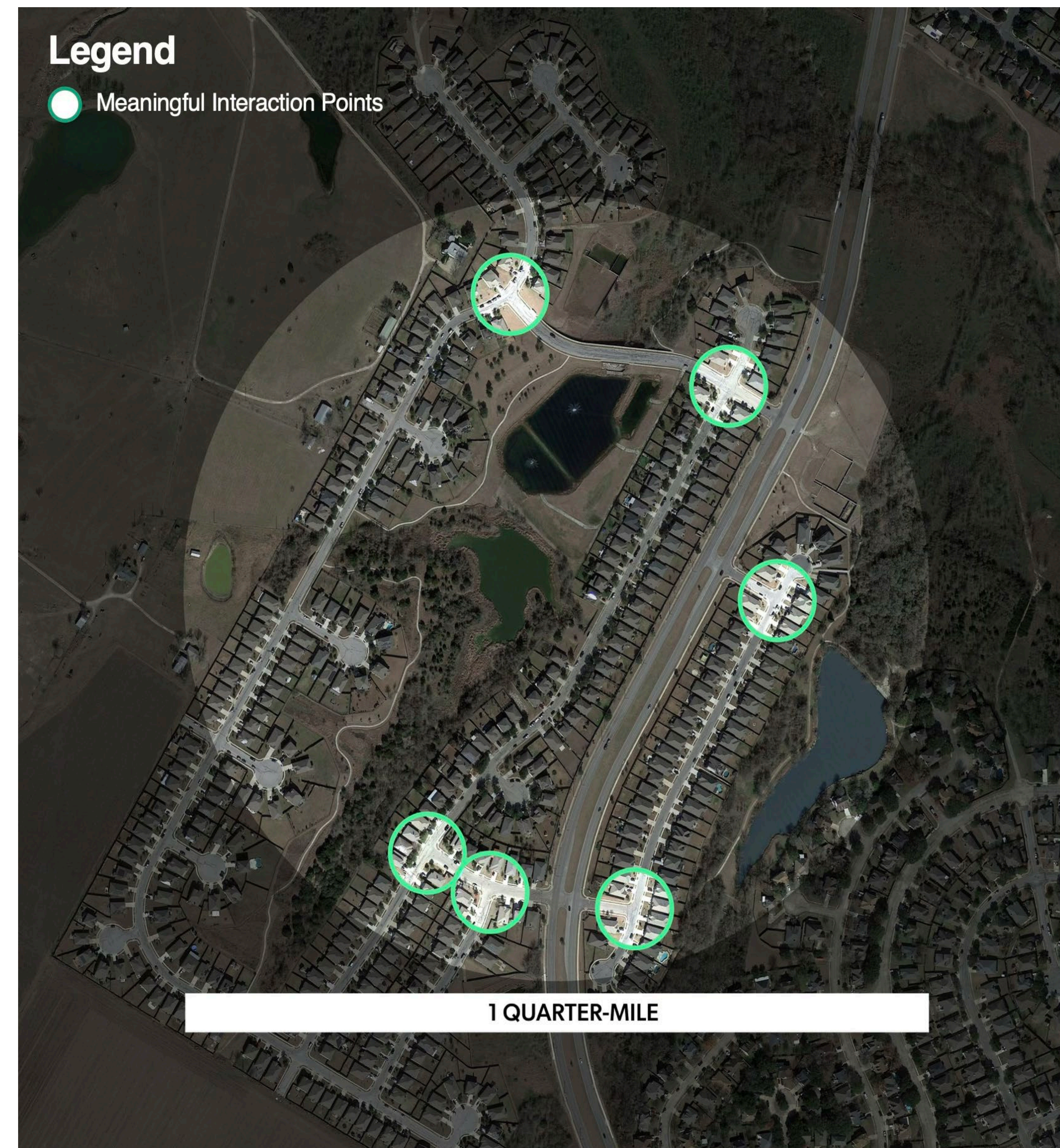


5,000	Square Foot Lot
48%	Lot Coverage
\$303K	Market Value
\$5.38M	Value Per Acre

But Why?

It's the built form.

- Small lots
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**We Used
to Live in
Smaller
Homes...**

**and We
Need to
Again**

CHANGING DEMOGRAPHICS: HOUSEHOLD SIZE



**NUMBER OF PEOPLE
PER HOUSEHOLD**

1950

3.8

2017

2.5

**AVERAGE SF OF NEW
SINGLE-FAMILY HOME**

983

2,571

**SF OF LIVING SPACE
PER PERSON**

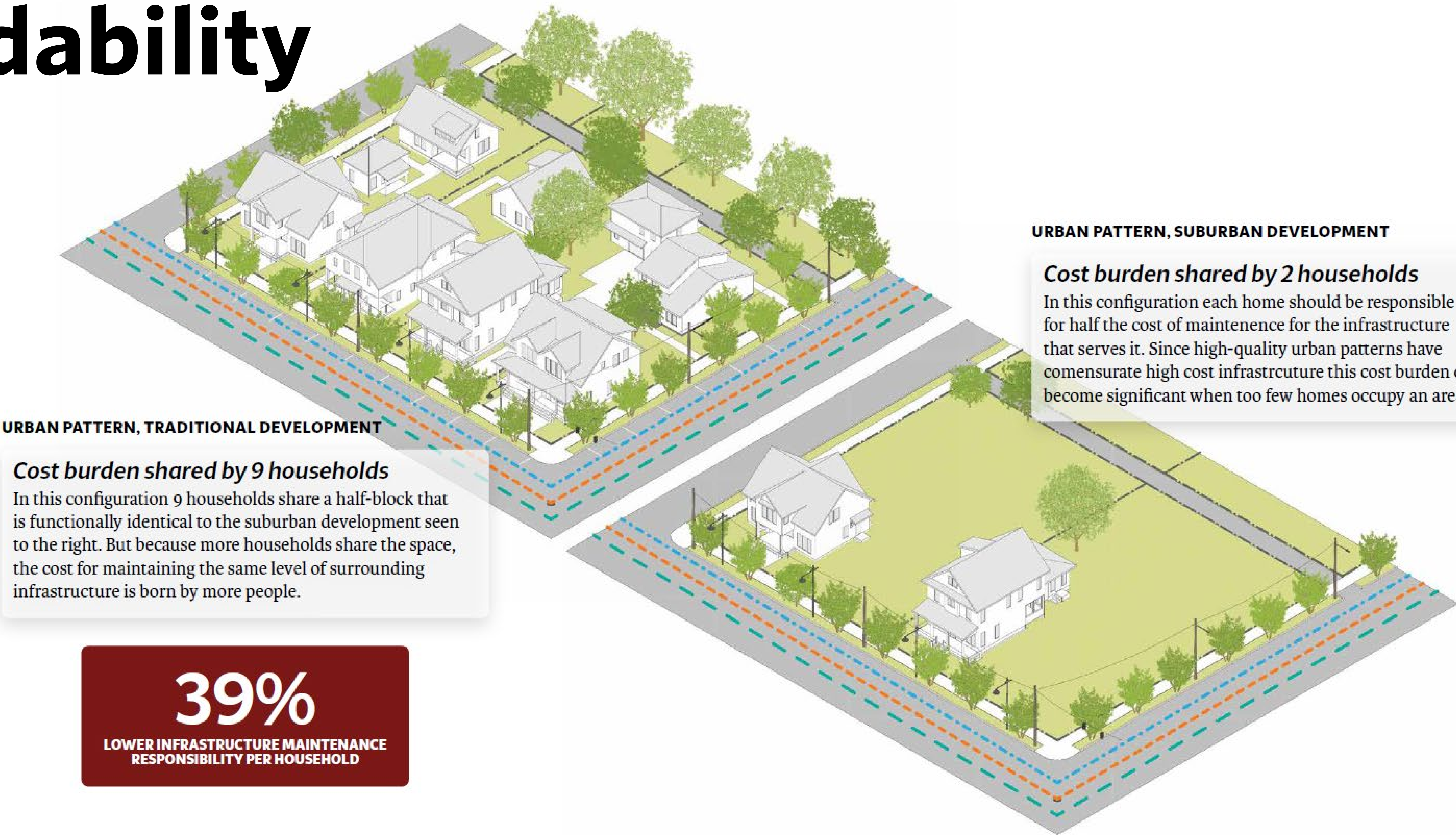
292

1,012

x3.5

DATA SOURCE: AARP Publication: The ABCs of ADUs

Development Impacts on Costs and Affordability



Development Comparisons

Modern Suburban Single Family



Development Comparisons

Traditional Mixed-Use Neighborhood



Tools to Encourage Investment in Downtown

The City's Role

- Don't be an impediment
- Leverage City investments with private investments
- Reduce the risk for developers
- Make downtown a high-priority economic development strategy

Don't Be an Impediment

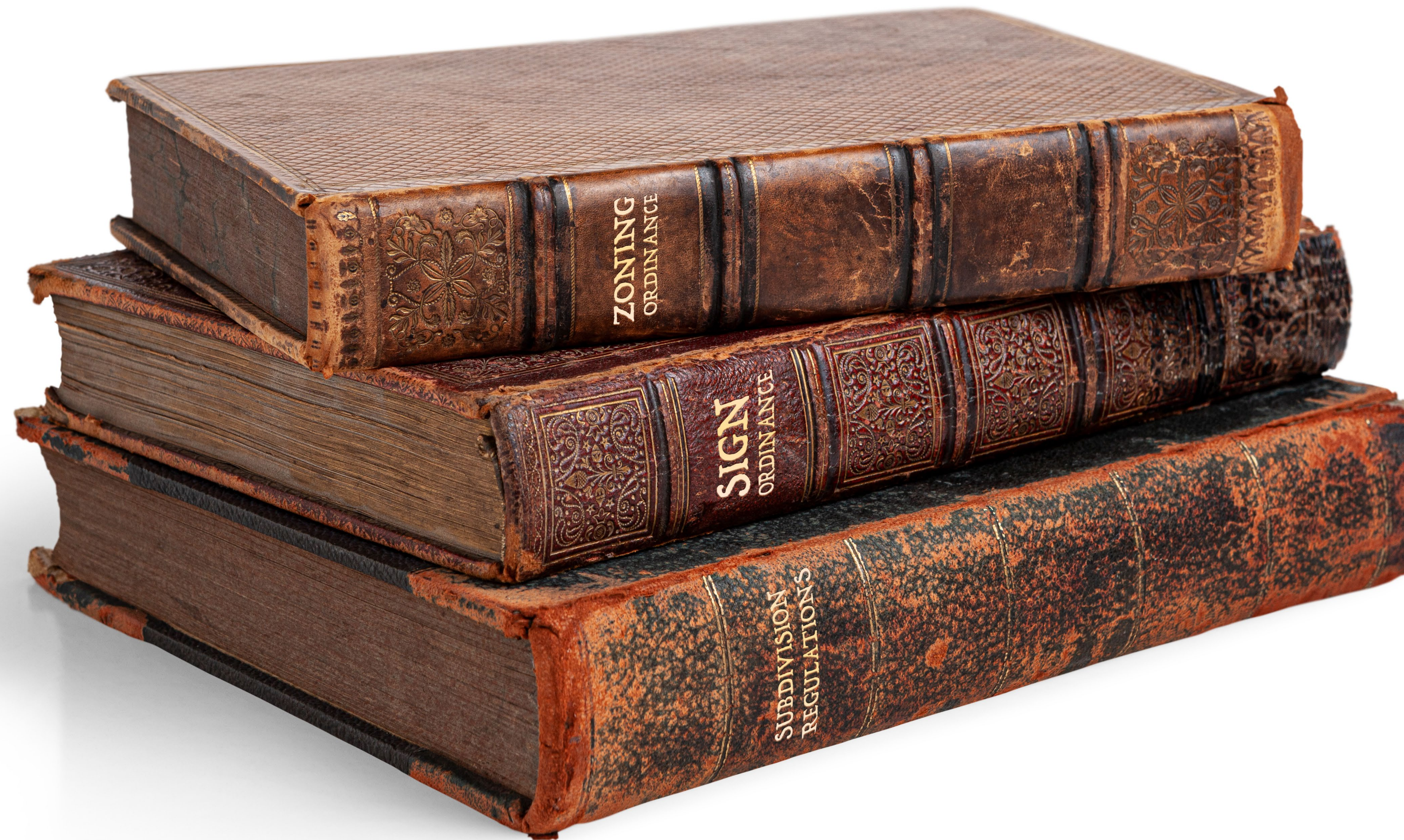
First Understand, Then Eliminate Barriers to Private Investment

- **Development regulations**

- Unrealistic building codes for old buildings
- Suburban zoning standards (parking, setbacks, etc.)
- Stormwater management

- **Processes that take too long and increase risk**

- Variances
- Rezoning
- Infrastructure upgrades



Amplify City Investment with Private

- Synchronize utility/street improvements with areas where private investment is occurring

Reduce Risk for Developers

- Partner on infrastructure that will benefit the whole area
- Reduce or eliminate fees (impact, building permit, etc.)
- Expedite downtown projects



Downtown as EcoDev

- Without a healthy downtown, other “bigger” projects won’t be won
- Ensure EDC includes downtown in their strategic plan and allocates funding

Three Takeaways

Downtown is High ROI

Don't squander it.



The City Should Be a Partner, Not a Barrier

Clear the path, then walk it together.

A group of people are gathered in a room with wooden floors and large windows. The image is overlaid with a dark semi-transparent layer to make the text stand out. The text is in a large, white, sans-serif font.

Local, Small-Scale Developers Are the Right Fit

Grow from within.

Growing a Community of Change Agents



Join our **Community Cultivators email list** to receive helpful news and resources in your inbox



Subscribe to our podcast and browse episodes at verdunity.com/go-cultivate



The Alameda bike bus has more than doubled in size in just four months

via BIKE PORTLAND

HELPING CULTIVATE PROSPERITY

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