

How Can Cities Use Developers to Revitalize Downtowns?

Downtown developments present many challenges that new developments do not. Downtown redevelopment is complicated by environmental contamination, obsolete platting, uncooperative landowners and, above all, politics. Many downtowns in Wisconsin have been revitalized through the joint efforts of private developers and municipalities.

There are multiple ways in which cities and developers can work together to revitalize downtowns. Here are three approaches that are often used.

- **Developers bring their own proposals forward for consideration.** The city then considers the proposal and, if appropriate, provides assistance such as grants, brownfield funds, lease revenue bonds and tax incremental financing.
- **The city, through its redevelopment authority, assembles the site, makes improvements (such as demolishing existing structures), invites requests for proposals, and selects a developer to take it from there.** This approach is appropriate when a city has targeted a particular site (often a problematic one already owned by the city) for development.
- **Partner with a developer.** Under this approach, the city hires the developer to plan the development, hire experts, assemble the properties that will constitute the development, and ultimately market and sell the development to end users. The city provides financial assistance as necessary. The developer may either be a financial partner with the city or a fee-based consultant. The advantage of this approach is that the developers are more experienced than municipalities in negotiating purchase agreements and in putting developments together. This approach is commonly used for municipally-owned industrial parks, but it works just as well for downtown redevelopments.

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