



Community and Economic Development in North Carolina and Beyond Blog: One Neighborhood at a Time: The Incremental Development Alliance

By CED Program Interns & Students

Article: <https://ced.sog.unc.edu/one-neighborhood-at-a-time-the-incremental-development-alliance/>

This entry was posted on August 03, 2017 and is filed under Built Assets & Housing, Community Development, Social & Civic Assets



In the Town of Riverdale, Betty Cooper is taking a walk through her neighborhood.

She notices the dilapidated structures and blight that plague the area, and thinks to herself, “someone should do something about this.” Is Betty just a disgruntled citizen...or a developer in the making?

The Incremental Development Alliance (IDA) is a not-for-profit alliance of real estate development practitioners, private sector partners, and grassroots groups who train citizens like Betty to become small developers, helping to support neighborhood revitalization and assist city champions with coordinating development across the country. IDA began in 2015 as a collaboration between small developers John Anderson and Monte Anderson (no relation), who believe that small-scale, incremental development is a key approach to economic development.

Incremental development is a strategy that IDA sees as part of the urban redevelopment toolkit composed of real estate investors with small capacity investing in micro projects. The theory behind incremental development is that as disinvested neighborhoods across the United States continue to struggle with blight, vacancy and dilapidated housing, current community development strategies, while helpful, tend to rely largely on tax subsidies, grants, and government resources. This can be a time-consuming process. It is the view of IDA that small-scale development is faster, less expensive, and better suited to creating opportunities for merchants and entrepreneurs to build wealth in their own communities as small developers.

Founders John Anderson and Monte Anderson envision a network of small developers who would “build flexible buildings that enhance their neighborhood context and a small business culture.” Their philosophy is that the kinds of places people want to live in are built and maintained by the people who love them. Small-scale developers have limited financial and social capital, but incremental development allows them to transform neighborhoods through smaller sites in concentrated areas. This is due to the fact that they don’t need to absorb large infrastructure costs. Small-scale developers will typically build duplexes, accessory dwelling units, triplexes, live-work buildings, etc., which are buildings that are too small for a typical developer whose profits depend on a larger scale.

The concept that these small buildings are necessary to construct is based off of the Missing Middle, a range of multi-unit or clustered housing types that are compatible in scale to single-family homes, and would help meet the demand for walkable urban living environments. IDA operates from the belief that Missing Middle buildings strengthen local economies and are good tools to adapt neighborhoods, lot-by-lot. The buildings are suited to the types of infill lots available in most urban areas, and would help add housing units without significantly altering scale of character, effectively keeping the charm of a neighborhood while simultaneously growing their market.

One of the core functions of IDA is their small developer training in the form of community workshops. Since their inception in 2015, IDA has held workshops in various areas, including Greensboro, NC in March 2017. The purpose of these full-day workshops are to assist potential small-scale developers to formulate ideas and strategies that will help neighborhoods build local wealth through real estate development. At these workshops, IDA targets individuals interested in development,



community members who would like to champion incremental development in their communities, public sector professionals, nonprofit professionals, and private investors. Personal skills assessments are conducted to identify gaps in community expertise and presentations on finance, zoning, and strategy are conducted by IDA affiliates. The workshop provides a big picture view of small scale real estate development and the value it can add to communities, in addition to teaching participants how to get started in development with limited resources.

One of the other core functions of IDA is their developer boot camps. These boot camps build on the training provided from the workshops. Participants are given the opportunity to bring their planned development projects to a group of IDA affiliates who assist participants with functions such as building a pro forma, creating an investor proposal package, and drawing out zoning parameters. This practicum session is intended to help participants understand how to make their proposal compelling to investors and understand the importance of making strategic design decisions.

IDA also engages in other services, including targeted pilot projects in select communities such as Chattanooga, TN, speaking engagements, assisting municipalities like Tigard, OR with stress testing their rules and processes to better integrate small-scale development, and implementation clinics focused on providing local groups with an opportunity to discuss issues in their area and receive feedback on next steps.

IDA's work is focused on incorporating real estate development as a means of neighborhood revitalization and community engagement throughout the process. Using small-scale development as a means of bringing vitality and investment to neighborhoods, one incremental step at a time, is an approach that IDA is currently replicating in communities across the country, and may present a case for the rise of the small-scale developer as a community advocate and agent in the redevelopment process.

Ashley Tucker is a dual-degree student in the Master of Public Administration and Master of City & Regional Planning programs at UNC-Chapel Hill and a Fellow with the Development Finance Initiative.