



# E-PARCC

COLLABORATIVE GOVERNANCE INITIATIVE

Syracuse University

Maxwell School of Citizenship and Public Affairs

Program for the Advancement of Research on Conflict and Collaboration

## **Cross-sector Collaboration and Urban Revitalization in Buffalo, NY**

### **TEACHING NOTE**

#### **Case Synopsis**

This case study uses Buffalo, New York as an example of a prototypical mid-size city attempting to recover from economic downturn. After losing industry to larger cities and much of its population to the suburbs, Buffalo has recently experienced significant renewal, with policymakers, urban planners, businesses, and non-profits undertaking large-scale efforts to revitalize the urban core. This case study focuses on two key areas undergoing redevelopment: downtown and the waterfront. By focusing on these two sites, this case study traces the actors involved in redevelopment as well as the financing mechanisms and funding sources that have made redevelopment initiatives possible. This case pushes students to understand how a complex array of actors from the public and private sectors have collaborated in the Buffalo context, as well as the challenges and benefits that have come along with such partnerships. By telling the story of redevelopment in Buffalo, this case study also raises a number of important questions about best practices for urban revitalization projects.

#### **Teaching this Case**

This case study is intended primarily for use by students in Public Policy or Public Administration programs. It will be particularly relevant for courses in urban policy, public finance, and public or non-profit management. This case is intended to provide students with a nuanced appreciation for the complexity of urban revitalization initiatives and to provoke critical thought about how redevelopment projects are managed. To that end, the following discussion questions are intended to shape students' reading of this detailed case study.

This case was written by Madeleine R. Hamlin and Jesse Lecy of the Syracuse University Maxwell School and was awarded Honorable Mention in E-PARCC's 216-2017 Competition for Collaborative Public Management, Governance, and Problem-Solving Teaching Materials. The case is intended for classroom discussion and not to suggest either effective or ineffective responses to the situation depicted. It may be copied as many times as needed, provided that the authors and E-PARCC are given full credit. E-PARCC is a project of the Collaborative Governance Initiative, Program for the Advancement of Research on Conflict and Collaboration- a research, teaching and practice center within Syracuse University's Maxwell School of Citizenship and Public Affairs.

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Though hardly exhaustive, this case covers a wealth of detailed information about Buffalo's recent revitalization efforts. Students need not engage with all parts of the case. For example, in an urban policy course, students may be more interested in specific reform options or financing tools, while in a public management course, student discussion may be more geared towards questions of cross-sector collaboration, stakeholder engagement, or urban governance. Nevertheless, students should be encouraged to draw upon as many examples and details from the case as possible in discussion.

## **Learning Objectives**

Through reading and discussing this case, students should:

- Gain an appreciation for the complexity of urban revitalization initiatives.
- Identify some of the public finance mechanisms available for urban redevelopment, in New York State and elsewhere in the US.
- Consider how a mix of public and private funding sources are necessary for redevelopment, and how best to facilitate this mixture.
- Learn about the ongoing challenges of managing public projects and governing public spaces.
- Critically evaluate Buffalo's redevelopment initiatives and consider whom they may benefit.

## **Questions for Discussion**

1. Who are the primary actors behind Buffalo's redevelopment? At what scale are they working? (State, County, City, etc)
  - *State: Governor of New York State*
  - *City: Mayor of Buffalo, City Planning Office*
  - *Downtown: Buffalo Urban Development Corporation, Buffalo Place (business improvement district), private developers (mostly local, family-owned)*
  - *Waterfront: Erie Canal Harbor Development Corporation, third-party management companies, private investors (Terrence Pegula)*
2. What funding sources were most important for redeveloping Buffalo's downtown and waterfront districts? What financing tools and mechanisms?

*Buffalo Billion funds, historic tax credits, brownfield tax credits, TIGER grants, 485A tax incentive program, private investments.*

3. What were some of the key challenges that arose in the downtown and waterfront redevelopment projects? Do you feel that the coordinating organizations have sufficiently overcome these obstacles, or do they present ongoing challenges?

*Key challenges:*

- *Need for gap loan financing for developers, particularly for adaptive reuse projects downtown*
- *Lack of parking downtown due to closure of Main Street to cars*
- *Need to build relationships between different organizations and stakeholders*
- *Added administrative burden on already overworked city officials, as well as financial burden to provide services in newly redeveloped public spaces*
- *Long, harsh winters make for short construction cycles and challenge developers to plan year-round activities in outdoor spaces like the waterfront*
- *Bureaucratic delay due to complex regulatory processes for each project and need for developers to provide opportunities for public input*
- *Difficult to satisfy expectations of all community members*
- *Lack of coordination between projects, since much development happened organically or was led by private-sector actors*

*Students could argue that Buffalo’s increasingly vibrant downtown and waterfront—replete with new jobs, housing, and events—demonstrate that planners there have successfully overcome these challenges. However, many of the obstacles listed here, such as community engagement, lack of coordination, and administrative burden on city officials, will remain as persistent challenges in Buffalo, as in many other cities undergoing similar revitalization processes.*

4. *Who do you think is benefitting from Buffalo’s redevelopment initiatives? Can you imagine that anyone might be disadvantaged by these programs and if so, who?*

*This question is open for interpretation. Buffalo’s city officials would maintain that the developments that are taking place benefit all residents by growing the tax base of the city and creating more vibrant, attractive streetscapes and urban spaces. Though not discussed directly in the case, one city official mentioned that some of the development projects include community benefit agreements (she did not provide detail about this, but these agreements typically include local hiring quotas or other guaranteed local benefits). However, based on the information presented in the case, who specifically are planners and developers trying to attract to Buffalo, and who might be excluded in development planning? Though it is often difficult to judge who is absent from a conversation, this is crucial for students to consider. What voices may be left out? Examples include: Buffalo’s low-income communities, the homeless, residents of neighborhoods directly bordering downtown (whose rents may rise if downtown gentrifies), etc. Do students think that Buffalo’s place-based developments will have “trickle down” effects for the rest of the city, or are their benefits likely to remain localized?*

5. Are Buffalo's redevelopment strategies transferable to other contexts? Why or why not?

*Again, this question is open to interpretation. Students should be prompted to think about Buffalo's specific historic and geographic context: for example, its status as a former trading post, its proximity to Niagara Falls (a major tourist attraction), its specific demographic makeup, its climate, its political position within New York State, its wealth of academic institutions, its cultural and architectural legacy, etc. Based upon specific evidence from the case, students should be able to make an argument for why they do or do not think Buffalo's strategies may be transferable, and to what other contexts.*

## **Activities**

Each of the following activities considers a different urban policy or collaborative governance problem. Students should work in small groups to discuss the questions, drawing on examples from the case study. In answering the questions, students should envision that they live in a small to medium-size city that, like Buffalo, has recently undergone some significant revitalization after years of economic downturn and population loss to the suburbs. Instructors can choose the activity they feel is most suited to the themes of their course, or run through several of the scenarios within one class period. After discussing the scenario in small groups, each group can present what they discussed before opening up a larger conversation to identify points of intersection and divergence between the groups.

### **Activity 1: Furthering Downtown Development**

You work in the city planning office. You want to sustain the momentum garnered from new place-based initiatives in your downtown core. Consider the following:

- Why is downtown development important?
- Without another investment from the state to spur revitalization projects, how do you convince local developers to continue investing in downtown?
- To what degree should the city coordinate renewal efforts downtown, versus letting developers take the lead with projects?
- What incentives might you provide to attract new businesses and real estate development? What financing tools might be of use?
- What amenities might be necessary to attract more residents downtown?
- In undertaking these initiatives, what audience do you have in mind? That is, who specifically are you trying to attract, and why?

## **Activity 2: Stakeholder Inclusion and Collaboration**

You work in the Mayor's office. Now that some major revitalization projects have taken place, the Mayor wants to draft a new ten-year master plan for the city. You know that a number of actors have come together to make redevelopment projects possible so far and that you will continue to need their input and support going forward. With so many projects already under way and so many local actors working on disparate projects, the Mayor has expressed concern about who should be included in master planning and has asked for your advice about how to engage stakeholders in the forthcoming master plan.

What actors or organizations do you look to for guidance? Are they from the public sector, the private sector, or a mixture of the two? If you neglect one organization, others may feel left out, but the Mayor worries about how to balance the diverse—and occasionally competing—visions of the various local development organizations, the business community, private citizens, etc. Whose voices do you prioritize?

You also recognize that collaboration has been crucial for the revitalization that has already taken place. How do you continue to foster this collaboration? What factors help or hinder cross-sector and inter-agency collaboration in your city? What processes might you use to not only foster but sustain community engagement? How important is public input, and should public participation be a one-time or ongoing process?

## **Activity 3: Accountability**

You work for the Governor's Office. The Governor is pleased with how his investment in the city has been used thus far, but disappointed that the investment has been marred by a recent corruption scandal. The city has recently requested a second grant to sustain the momentum of its current revitalization efforts. The Governor is considering the request, but wants to ensure that a second grant would be administered with transparency and accountability. He has asked for your advice on how to ensure that a second grant is managed properly, both to ensure the investment's success and protect his own reputation.

What procedures or strategies would you recommend implementing to ensure transparency and accountability going forward? Who should be involved in administering the grant—for example, deciding how to direct the funds—and what reporting procedures would you require of them? Given that public funding is tight (and not everyone will agree on how to spend the money), how much information do you provide to the public about how the grant money is being distributed? How do you disseminate this information to the public? Considering that city officials are already overburdened, and private developers already complain of the state's cumbersome regulatory procedures, how do you convince stakeholders to meaningfully comply with additional accountability mechanisms?