KICK-STARTING THE RESILIENT CITY

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PRIORITY CITY-BUILDING RISKS & TIMEFRAMES

Years

Local Government

Infrastructure Developer

Utilities

Real Estate Finance

Developers

Owners/Managers

Tax base/market risk

Infrastructure aging/failure

Political risk

Cost estimation/control

License to operate

Procurement/legal risk

Permitting

Over capacity

Stability & cost of inputs

Market risk

Portfolio risk

Loan risk

Political/approvals risk

Over leverage

Market risk

Physical risk to asset

Marketability

Operating cost

Source: Ceres/The Next Practice/University of Cambridge Programme for Sustainability Leadership (2013)
Resilience is the ability of an urban area or system to provide predictable benefits to residents and users, and predictable returns to investors, under a widening range of circumstances.

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THE RESILIENCE ZONE CONCEPT
draws upon other North American traditions of local area management

Through collaboration, new market dynamics have been established to address other urban risk areas: brownfields redevelopment, downtown revitalization, and community safety.

- Business Improvement Areas
- Downtown Partnerships
- Empowerment Zones
- District Utilities
- TIF Districts

- Enterprise Zones
- Community Improvement Districts
- RESILIENCE ZONES
3. COMMUNICATIONS STRATEGY
- How do we communicate the zone's differentiated performance?
- How do we get the market to recognize that performance?

2. IMPROVEMENT PROGRAM
- What are the critical performance needs & opportunities of this location?
- What are the potential market returns?
- How do we deliver these benefits and returns & capture value?

1. LOCAL AREA RISK MANAGEMENT
- What risks can be reduced through better management at the asset scale?
- What risks can be more effectively reduced at the location scale?
- What risks remain to be transferred to the market?
1. LOCAL AREA RISK MANAGEMENT

Design the mechanisms and measures for local area risk management

The logic of Enterprise Risk Management can be applied to local areas. Local Area Risk Management is a collaborative effort to devise customized solutions to risks that are distinct to the Resilience Zone. This involves establishing redundancies and mechanisms for responsiveness, safe failure and rapid recovery to current and emerging risks.

- An area risk management strategy & institution
- Risk data collection & analysis
- Insurance innovation
- Associated planning amendments, investments, and redevelopment
- Risk management coordination and support
communicate clear value proposition
represent community/political interests
manage currency & interest rate fluctuations
manage in market downturns

manage input/supply costs
manage portfolio, balance sheet & credit risks
capacity to re-finance and self-finance
manage legal liabilities

manage legal liabilities

capacity to adapt area to new economic functions
capacity to respond to demographic change
capacity to re-purpose built assets

capacity to respond to demographic change

‘hardened ‘systems/utilities
system/utility redundancies
capacity to provide early warning
emergency preparedness
secured & alternatives for access/egress
local capacity for emergency response & coordination

track & maintain key points of differentiation
maintain assets & services
integrate new technologies
develop, attract & retain talent

risk appropriate codes & standards

MANAGE EMERGENCY

MANAGE DESIGN & OPERATIONS

MANAGE MARKET

MANAGE BUSINESS

MANAGE CHANGE

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2. RESILIENCE UPGRADING (‘2+2=5’ SOLUTIONS)

Invest in premium performance

While reducing risks, cost effective measures can also be identified to enhance the overall performance of the area for living and business:

- Long-term operating cost predictability
- More responsive planning, improved landscape and urban design
- Enhanced health, safety & emergency services
- Improved facilities, increased amenities

Source: Ceres/ClimateWise/The Next Practice (2013)
3. COMMUNICATION STRATEGY

Facilitate market recognition

Enhanced resilience—reduced exposure, increased performance—must be carefully and thoroughly communicated to deliver benefits to users and to secure market recognition. Performance benchmarking and place branding are key communications elements.

Source: Ceres/ClimateWise/The Next Practice (2013)
A Resilience Zone initiative establishes the market support for a new form of urban performance: resilience. Through collaboration, a mix of customized solutions can be designed to manage risks that still confront the local area after options have been exhausted at the individual property and enterprise scales. Solutions at the scale of the zone can also be purposefully designed to increase the area’s function, amenities, and economic performance.

Source: Ceres/ClimateWise/The Next Practice (2013)