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## Why Private Investment In Public Spaces Is The New Normal



*The planned \$6.5 million overhaul of Miami Beach's North Shore Open Space Park is being headed up by international design firm West 8, who is also working on Terra's Renzo Piano-designed Eighty Seven Park development next door.*

The trend toward urban living may be here to stay, but as residential towers rise higher and the amenities in buildings become more elaborate, people moving into cities are putting increased emphasis on connecting with the environment outside their doors. As developers, we understand how to integrate a building within nearby shops and restaurants. Now, we're asking ourselves: what else can we do to help people live balanced lives? How do we balance living with our residents' desires to integrate to integrate within their community? To what extent can development serve as a common denominator in a diverse community?

The answer lies in creating parks and great public spaces.

The world's most livable urban centers have long offered what residents crave – a seamless environment between home, neighborhood, and public space. But all cities are not created

equal, and the truth is that some metro areas haven't kept up with growth.

Fortunately, private developers are catching on and making meaningful investments in improving public parks, cultural amenities and outdoor gathering places in close proximity to their properties. This concentration on contextual living is real estate's new best practice.

Examples are everywhere — from New York's [High Line](#) and the [BeltLine](#) in Atlanta, to Houston's [Discovery Green](#).

One of the best case studies for this public-private model is [Millennium Park](#). The project was spearheaded by the City of Chicago but relied heavily on funding from major corporations with a vested interest in improving quality of life in downtown. Opened in 2004, the 24.5 acre park cost \$490 million, with \$270 million coming from the City and the rest from sourced from the corporations such as BP and Chase. By 2011, a study by Texas A&M and DePaul Universities showed nearly \$2.45 billion in new condominium, office and hotel construction had come to life since the park's debut.

Now Miami and Miami Beach, home to one of the country's most active real estate markets, is enjoying the benefits of private investment in public spaces. Projects like the proposed 10-mile linear park [The Underline](#), the planned overhaul of Miami Beach's [North Shore Open Space Park](#), and the recent completion of [Regatta Park](#) in Coconut Grove have all been made possible through funding from private sources.



*Rendering of Miami Beach's North Shore Open Space Park by West 8*

There are smaller-scale examples as well. In Miami's Coconut Grove neighborhood, funds generated through development impact fees made possible the creation of Regatta Park along Biscayne Bay. This park opened as new high-rise towers were underway nearby, serving as a key selling point for people looking to move into the neighborhood.

Residents and users of developments adjacent to these public spaces aren't the only ones experiencing benefits. Proximity to public amenities creates increased property values, yielding additional tax revenue that can fund infrastructure improvements throughout a community.

We have seen this along the High Line, which transformed one of New York's most undervalued neighborhoods into one of the city's hottest districts. And we're seeing it in Miami, with new investment pouring into North Beach in anticipation of a fully re-imagined 35-acre oceanfront park to be designed by West 8 over the coming years.

Beyond creating immediate lifestyle benefits, investments in parks can also promote future sustainability, as evidenced by [The Big U](#) project in lower Manhattan. Designed by Bjarke Ingels' BIG studio and funded in part by the City of New York and the federal government, The Big U will create new waterfront green space while simultaneously increasing the height of the city's shoreline to protect against rising seas.

The creation of new urban spaces can bring communities together, promote health and wellness, strengthen property values and even improve a neighborhood's resiliency, resulting in money well spent for the public and private sector.

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