

Preparing An Urban Redevelopment Plan Step by Step

Who can Use the Urban Redevelopment Act?

- Cities
- County
- City and county jointly (through intergovernmental agreement)

Issue Identification

- ◆ What problems are you trying to address using the act?
- ◆ What resources are you trying to access?

Things to Consider in Creating Opportunity Zone

- ◆ May enhance CDBG applications for non-entitlement communities.
- ◆ Check the economic development section of our web site for the interactive map of qualifying census block groups.

Some Possible Goals

- ◆ Revitalizing deteriorating neighborhoods
- ◆ Supporting nuisance ordinances to reduce litter and crime
- ◆ Expanding access to job tax credits or CDBG funding

Deteriorating intown neighborhoods

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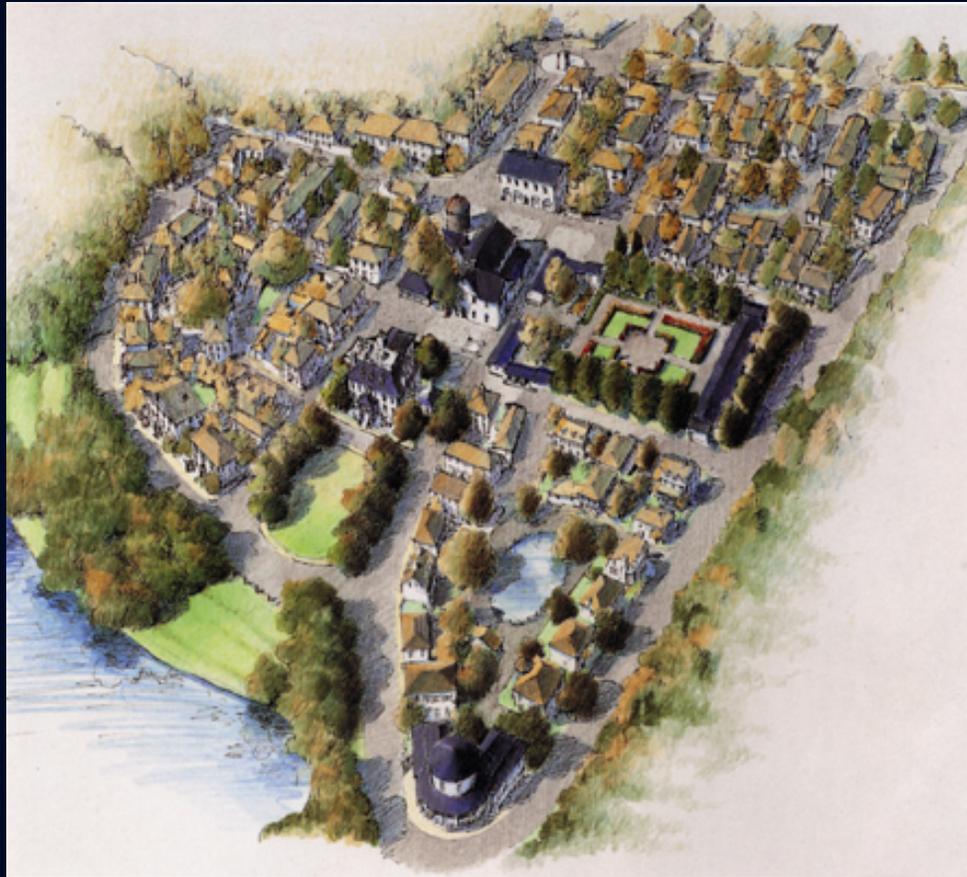
Cleaning up nuisance properties



Compatible infill development and affordable housing



New town communities and planned unit development



Defining architectural character







Sidewalks and safer streets



Humanized, accessible public spaces



Public green spaces



More Possible Goals

- ◆ Enabling downtown projects beyond the normal powers or district boundaries of a DDA
- ◆ Attracting experienced developers and investors
- ◆ Partnering on brownfield projects
- ◆ Creatively financing public facilities and infrastructure

Deteriorated or vacant downtown properties



Cleaning up environmental hazards



Reusing obsolete facilities



More Possible Goals

- ◆ Reinvigorating declining commercial strips
- ◆ Creating a mixed use, entertainment or other special character area
- ◆ Dealing with abandoned “big box” sites



Special Use Districts



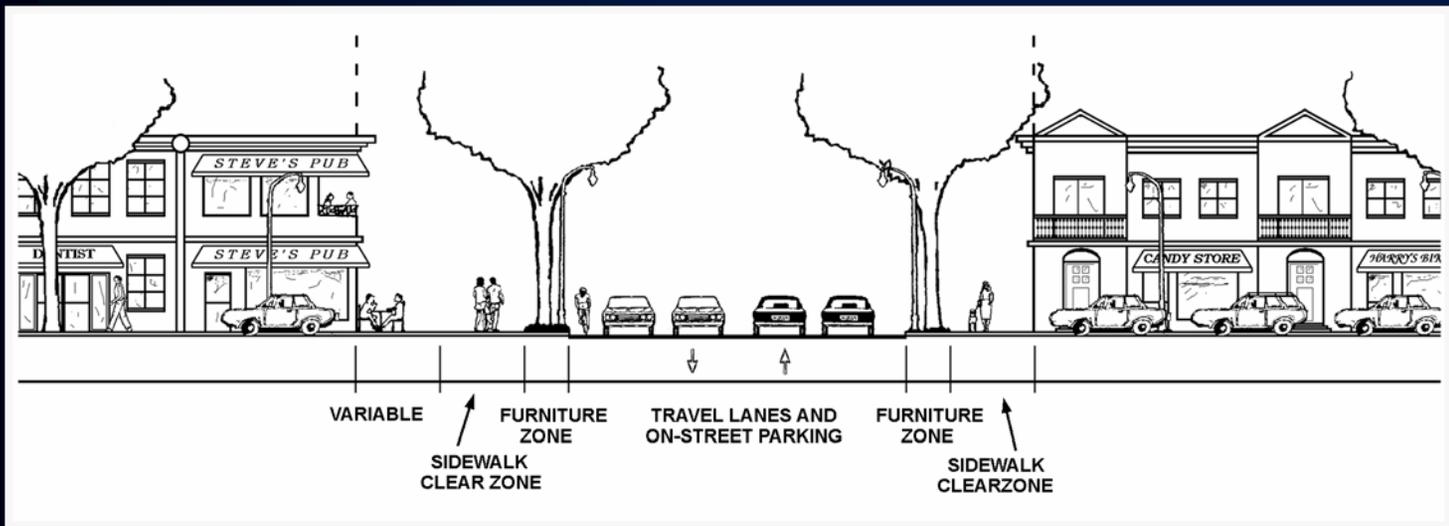
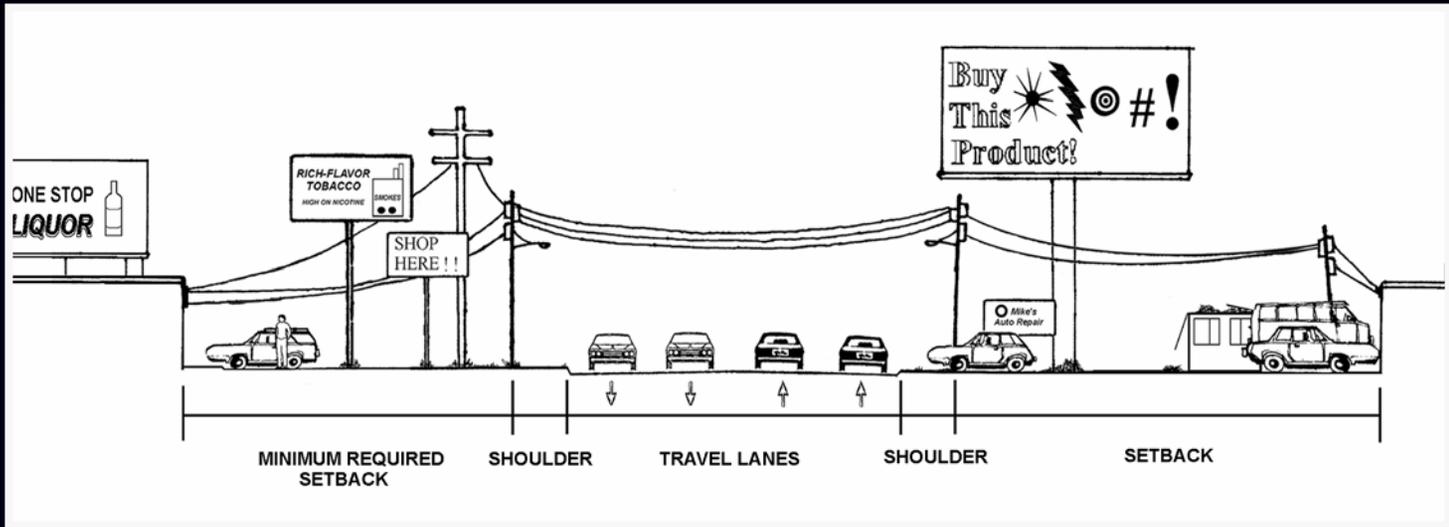
Arts and Entertainment Districts





Reinvigorating declining strip commercial





Infilling grayfields and former big box sites



Enabling mixed use development



The Brainstorming Phase

- ◆ List all possible local applications for the Act
- ◆ Highlight potential redevelopment areas containing these potential projects on a map
- ◆ Eliminate any area that might not be appropriate for political or other reasons
- ◆ Superimpose block group boundaries meeting 20% poverty criteria

Definition of a “Slum Area”

Any area where there are a predominance of buildings or improvements that are conducive to:

- ◆ ill health,
- ◆ transmission of disease,
- ◆ infant mortality,
- ◆ juvenile delinquency,
- ◆ crime, or

Caused by the such buildings or improvements being;

- ◆ dilapidated,
- ◆ deteriorated,
- ◆ old,
- ◆ obsolescent,
- ◆ inadequately designed for ventilation, air, light, sanitation, or open spaces,
- ◆ over populated.

Review Existing Plans and Documents

- ◆ Your Comprehensive Plan
- ◆ Small Area Plans
- ◆ Downtown Master Plans
- ◆ LCI Plans (ARC region)
- ◆ Housing Plans
- ◆ Tourism and Marketing Studies
- ◆ Environmental and Historic Preservation documents
- ◆ Local Development Regulations

Timing and Scope

- ◆ A single phased plan
- ◆ New URA plans adopted over time

Questions to Consider Up Front

- ◆ What are our top priorities?
- ◆ How much should we bite off at once?
- ◆ What are the risks or impediments?
- ◆ Do we have political support from elected officials?
- ◆ Does the local government want to delegate its redevelopment powers under the Act?

Assembling a Preliminary Working Group

- ◆ City/county manager
- ◆ Elected officials
- ◆ Planning staff
- ◆ Fiscal officers
- ◆ Representatives from relevant authorities
- ◆ Public works/infrastructure staff
- ◆ Local government attorney
- ◆ Tax commissioner
- ◆ Downtown manager
- ◆ Public safety personnel

People to Involve After the Initial Data Gathering Stage

- ◆ Neighborhood representatives
- ◆ Downtown merchant representatives
- ◆ Real estate professionals
- ◆ Banking community
- ◆ Major employers
- ◆ Property owners in the proposed areas
- ◆ Friendly press
- ◆ Relevant non-profits
- ◆ Neighboring governments

Choosing the Appropriate Implementing Entity

- ◆ City or County
- ◆ Downtown Development Authority
- ◆ Housing Authority
- ◆ New Urban Redelopment Authority

Evaluate Your Local Organizational Capacity

- ◆ Do you have a DDA? If so, are they competent, well-regarded and interested?
- ◆ Do you have a housing authority? (same questions)
- ◆ Do the most promising redevelopment areas and proposed projects fall under their areas of operation?

City or County

- ✦ Single purpose projects
- ✦ Intergovernmental contracts will not be critical
- ✦ Other competent organizations do not exist
- ✦ Local government wants tight staff control of the project

Downtown Development Authority

- ◆ The target area fall primarily within the existing DDA boundary
- ◆ The existing DDA is competent and interested in taking on the project
- ◆ The projects are consistent with the DDAs statutory or constitutional powers of the DDA

Housing Authority

- ◆ The project goals primarily focus on neighborhood revitalization, infill or housing rehabilitation
- ◆ The Housing Authority has the experience and skill set to take on the project

Urban Redevelopment Agency

- ◆ Political clout, credibility or a special skill set will be needed
- ◆ Project is primarily outside DDA boundaries
- ◆ Intergovernmental contracts will be important
- ◆ Project will involve issuing revenue bonds
- ◆ Project is multidimensional
- ◆ Local government wants more control over specific powers being delegated
- ◆ City/county project (example: corridor revitalization)

Other Advantages of Creating an Urban Redevelopment Agency

- No political history or baggage
- Opportunity to customize skill mix and include interest groups
- Local government can determine number of members, set term limits, sunset provisions
- Members need not live in or own property in URA district
- URA has no other responsibilities

Delegation of “Redevelopment Powers”

- ◆ Local government can pick and choose which powers to delegate
- ◆ Once delegated the local government gives away these powers
- ◆ Local government may wish to take these powers back through an intergovernmental agreement executed upon delegation of the powers

To Use the URA a Community Must Declare “Slum and Blight”

- “Slum and blight” designation is a matter of **local legislative determination**
- Data backing this designation is not specified in the Act
- It is important to draw rational boundaries!

Tips on Drawing Rational Boundaries

- ◆ Consider existing organizational boundaries
- ◆ Look at zoning districts carefully
- ◆ Some greenfield can be included, but don't ignore real blight
- ◆ Look at block group poverty criteria
- ◆ Don't draw a line down the middle of a major arterial
- ◆ Make sure neighborhoods actually want to be included
- ◆ Try not to split parcels

Data Supporting the Slum Designation

- ↖ Lower than average growth in assessed tax value
- ↖ Fewer new building permits than elsewhere
- ↖ Deteriorated housing and building conditions
- ↖ Visual Blight and litter
- ↖ High crime statistics
- ↖ Unemployment
- ↖ Vacancy rates
- ↖ Bankruptcies and business closings
- ↖ Substandard public infrastructure
- ↖ Bad street or lot layout
- ↖ Fractured or unclear property ownership (clouded titles)
- ↖ Delinquent property taxes

The First Legal Step

Adoption of a resolution by the city or county finding that:

- ◆ one or more slum areas exist, and
- ◆ the rehabilitation, conservation, or redevelopment of such area is in the interest of the public health, safety, morals, or welfare of the residents of the city or county.

What's next?

- Hold a public hearing
- Adopt a plan, providing for:
 - ◆ Designate an entity to implement the URA Plan

Proper Notice

- ✦ Advertise two weeks before the public hearing in a local circulation newspaper
- ✦ Suggested: Put the URA Plan on display at a public building or the public library

Consistency with the Comprehensive Plan is Required

- ✦ Urban Redevelopment Plan must be consistent with the community's "general plan"
- ✦ Be sure to describe relevant Comp. Plan goals and policies in the URP text
- ✦ Update/revise the comprehensive plan if necessary

Avoid Drawing Out the Process

- ✦ Avoid a lot of publicity in the brainstorming phase
- ✦ Have most of your data gathering and planning done before passing the “resolution of necessity”
- ✦ Hold some educational meetings with effected stakeholders to assess and minimize political opposition
- ✦ Public hearing should not be held until the plan is finished and you are ready to adopt

Fitting the Plan to the Situation

- ◆ How complex is the project?
- ◆ Does the outcome involve physical design standards or elements?
- ◆ Would market analysis be helpful?
- ◆ What can be drawn from previous plans and studies?
- ◆ Will the plan be used to sell the proposed projects recruit developers?

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- ✦ Raising property values and tax revenues
- ✦ Reclaiming underutilized land with existing infrastructure investments
- ✦ Providing more intown housing
- ✦ Promoting innovative development
- ✦ Humanizing blighted areas

Getting the Most Bang for Your Consultant Buck

- ◆ Use a qualifications based selection process (not competitive bidding) so that you can negotiate the work scope.
- ◆ Make consultants compete for the work.
- ◆ Break the plan into work items and determine costs for each?
- ◆ Assess the feasibility of doing some data collection or mapping in house?

Qualifications-based Selection Basics

- ◆ Advertise and issue a Request for Proposals (RFP)
- ◆ Check references and ask for similar work products
- ◆ Schedule meetings between top ranked firms and a review panel
- ◆ Try to negotiate a work scope and price with your first choice
- ◆ If agreement cannot be reached, move down your list
- ◆ Clearly specify deliverables and time deadlines in your contract
- ◆ Designate a primary local contact

Plan Checklist

- A Statement that the URP is consistent with the city's comprehensive plan
- Clearly defined boundaries of the redevelopment area(s) (which need not be contiguous)
- Explanation of negative conditions in the area necessitating redevelopment and an explication of how the area meets the act's definition of slum and blight
- The city's land use objectives for the area (types of uses, building requirements, zoning changes, and development densities)

Plan Checklist

- Possible exceptions to development regulations (recommended)
- Description of land parcels to be acquired
- Structures to be demolished or rehabilitated
- Strategy for leveraging private resources to redevelop the area
- Strategy for relocating any displaced residents

Plan Checklist

- Any covenants or restrictions to be placed on properties in the redevelopment area in order to implement the plan
- Public infrastructure to be provided (transportation, water, sewer, sidewalks, lighting, streetscapes, public recreational space, parking, etc., to support redevelopment of the area)
- A workable strategy for implementing the plan.

Housing Displacement



“ . . . provide reasonable assistance for the relocation of families displaced from an urban redevelopment area, to the extent essential for acquiring possession of and clearing such area or parts thereof to permit the carrying out of the urban redevelopment project”

URA Plan Must Encourage Private Sector Participation

“A municipality or county shall, to the greatest extent . . . afford maximum opportunity, consistent with the sound needs of the municipality or county as a whole, to the rehabilitation or redevelopment of the urban redevelopment area by private enterprise.”

Maximum Opportunity for Rehabilitation by Private Enterprise

- ✦ Give property owners plenty of notice
- ✦ Encourage owners to rehab or redevelop their own property before considering eminent domain
- ✦ Actively advertise available parcels to quality private developers
- ✦ Do not disrupt functional businesses prematurely or unnecessarily (If they must move, help them find better locations in the new scheme.)

Restrictive Covenants and Special Conditions

- A URA Plan allows the imposition of conditions more specific than existing land use regulations.
- Conditions in the URA plan run with the property and control development above and beyond other land use regulations:

“the provisions of the plan with respect to the future use and building requirements applicable to the property covered by the plan shall be controlling with respect thereto.”

Raising Money With Tax Exempt Revenue Bonds

- Redevelopment entity may issue tax exempt bonds to be repaid with profits from the urban redevelopment project. May be secured by mortgages on property within the district.
- Bonds issued under this Code section shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction
- Bonds can be retired from sources such as grants, loans and other revenues.

Intergovernmental Contracts

- ◆ Can bind local governments for specific periods of time, even if elected officials or political climate changes
- ◆ Allow things that a local government cannot do directly

Ability to Waive Local Development Regulations

“ . . . to plan or replan, zone, or rezone any part of the municipality or county or **make exceptions from building regulations**”

Examples: Cottage development, narrower streets, mother in law suites

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Property Purchase and Disposition under the Act

- Sale of property acquired under the act need not be to the highest bidder
- Competitive RFP's may be solicited and evaluated
- Bidder's qualifications and the desirability of their concept plans may be considered
- Conditions related to URP must be attached to deeds and will run with the land

Taxes and Fees

- Property owned by the URA is not taxable unless/until sold to a private party
- Local government has the power to levy special taxes and assessments within the urban redevelopment area





For information on the URA
or to schedule a Team Georgia visit:

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