

## **REDEVELOPMENT TOWARD BUILD-OUT**

Redevelopment decisions will become increasingly important as Chandler approaches build-out, and the City articulates the necessity of a sustainable land use mixture with adequate employment, recreation and shopping opportunities.

Previously focused on the downtown area, redevelopment-related improvements are now pertinent in other commercial and residential areas of the City. This Element replaces the Conservation, Rehabilitation and Redevelopment Element from the 2001 General Plan broadening revitalization options throughout the community using a strategic and flexible approach that will direct City resources to areas of greatest need. The Redevelopment Area Plan, adopted in 1995 and amended in 2008 to merge with the South Arizona Avenue Entry Corridor Study, remains in place as a specific area plan called the "Downtown-South Arizona Avenue Corridor Area Plan" (Downtown Area Plan), but is no longer a separate Element within the City's adopted General Plan.

More current Goals, Objectives, Policies and Action Steps will be found in this Updated Redevelopment Element and the accompanying Implementation Plan. Further, this Element addresses Arizona statutory general planning requirements for community redevelopment including: 1) housing, business, industrial and public building sites; and 2) the elimination of slums and blighted areas.

Neighborhood preservation and revitalization are addressed in greater detail in the Neighborhood Planning Element. Overlapping and integrated Elements of the General Plan include Neighborhood Planning, Housing, Land Use, Public Services and Facilities, Public Buildings and Safety.

### **GOAL: PROMOTE PRESERVATION, MAINTENANCE AND IMPROVEMENT OF PROPERTY.**

*Objective:* Enhance downtown vitality by supporting live-work, shopping and recreational opportunities in the downtown area.

*Objective:* Develop community awareness of the historical and cultural identity of Chandler.

*Objective:* Explore alternatives for preservation of historic and cultural assets.

*Objective:* Establish preservation and maintenance program eligibility criteria.

*Objective:* Improve obsolete, faulty or absent infrastructure.

### **GOAL: IMPLEMENT COMPREHENSIVE COMMUNITY REVITALIZATION AND REDEVELOPMENT EFFORTS.**

*Objective:* Coordinate private and public downtown redevelopment programs and projects.

*Objective:* Facilitate public/private and City/property owner partnerships to access programs and solve redevelopment problems.

*Objective:* Expand sustainable revitalization and redevelopment programs for commercial and industrial properties.

*Objective:* Coordinate City resources and programs to comprehensively and effectively address the redevelopment and revitalization needs of the City.

### **GOAL: ENCOURAGE RE-USE OF OBSOLETE DEVELOPMENT.**

*Objective:* Provide strategic technical assistance and training for commercial, industrial and retail rehabilitation.

*Objective:* Establish programs and incentives to encourage the compatible, adaptive re-use and modernization of vacant or deteriorating properties.

*Objective:* Prioritize revitalization and redevelopment projects in consideration of General Plan Goals and Recommendations related to economic development and neighborhood planning.

**GOAL: REMEDIATE DETERIORATED AND BLIGHTED CONDITIONS.**

*Objective:* Facilitate acquisition of underutilized and blighted properties for redevelopment compatible with adjacent neighborhood character.

*Objective:* Promote the development of new housing in concert with redevelopment efforts in the downtown area.

*Objective:* Secure unsafe property conditions.

**Existing Conditions**

Chandler has grown incredibly over the past four decades. Today, some structures built in the 1960's, 70's, and some newer, are deteriorating. Some are beyond economic feasibility to repair. Neighborhoods that may be in fair condition now are showing signs of deterioration and blight such as vacant buildings and lots, declining population, deferred property maintenance and reduced private investment. If not acted upon, these conditions can intensify and spread to surrounding areas.

Some sectors have declined to a point of transition that is manifested by poor maintenance and substandard housing. Attention to these declining areas is important to determine appropriate policies that either further ongoing transitions to new uses, or intervene to remove blight and non-conforming uses through redevelopment and revitalization.

**Current Programs and Practices.** Until now, Chandler's redevelopment planning included the designation of a traditional redevelopment area as is done in other Arizona cities. Approaching build-out signals an era of de-emphasis on geographic designation and increased focus on redevelopment policy and eligibility criteria for specific projects, whether downtown or elsewhere.

The Redevelopment Area Plan as adopted in 1995 contains Chandler's strategies, policies and action steps as they pertain to five specific areas within the Redevelopment Area. Two of these five specific areas were replaced by the findings and recommendations of the South Arizona Avenue Entry Corridor Study, as amended and re-adopted in 2008 to form the Downtown Area Plan. Now as the General Plan Update refreshes Citywide goals and objectives, the specific strategies and action steps within the Downtown Area Plan, where consistent with the General Plan, provide an effective guide for public and private planning decisions.

Chandler has a number of programs supported by several City Departments and Divisions including: Housing, Community Development, Economic Development, Long Range Planning, and Neighborhood Resources. Many of these programs promote or enhance conservation, rehabilitation and redevelopment. The City Manager's Economic Development and Neighborhood Resources programs function to support agreed-upon revitalization and redevelopment goals. For example, City planning initiatives including South Arizona Avenue, promote improvements in the downtown and surrounding areas.

## Summary of Chandler Redevelopment, Conservation and Rehabilitation Programs

### **Redevelopment**

- *Enterprise Zone* provides tax benefits to non-retail businesses to support job creation in low-income/high unemployment areas.
- *Redevelopment Area Benefits* include Government Property Lease Excise Tax (GPLET), a program that provides tax incentives for improvements to leased properties.
- *Residential In-Fill Program* encourages infill development with City assistance for each new housing unit constructed and for each substandard dwelling removed.

### **Conservation**

- *CDBG Program* provides benefits to low and moderate-income residents and can be used to alleviate blighted conditions.
- *Façade Conservation Program* issues grants for façade improvements on buildings in the downtown area.
- *Homeowners Association Grant Program* provides grants to HOA's to promote participation and improve neighborhood living quality.
- *Traditional Neighborhood Grant Program* issues grants to registered neighborhoods to support neighborhood leadership and promote participation.
- *Section 8 and Public Housing Assistance* provides rental subsidy for very low income, elderly and people with disabilities.
- *Home Ownership Program* assists Section 8 and Public Housing residents in purchasing a home.

### **Rehabilitation**

- *Commercial Reinvestment Program* offers matching grants for rehabilitation of aging and/or vacant commercial centers.
- *Downtown Improvement Fund* issues grants for interior improvements to buildings in the downtown area.
- *Housing Rehabilitation Loan Program* provides no interest, partially forgivable home rehabilitation loans to low- and moderate-income homeowners.

**Assets.** In preparation for residential build-out, Chandler is ready to address the complex issues of community redevelopment and revitalization. Organization and progressive leadership will continue to be hallmarks of the City's redevelopment planning efforts. Anchored by a strong economic and employment base, and enhanced by citizen-based, grassroots neighborhood efforts, Chandler is well-positioned to address the challenges of renewing deteriorating areas of the City.

**Challenges/Issues.** After forty years of rapid growth, some buildings and neighborhoods in Chandler are deteriorating. A significant challenge to Chandler is to revitalize and improve these areas while protecting stable neighborhoods. As documented during General Plan community meetings, assuring compatibility among existing neighborhoods and adjoining redevelopment projects is an ongoing concern.

Regulatory changes in Arizona have created a new challenge for Chandler and other cities. Traditional municipal land use controls, including historic preservation tools, are

now severely restricted under Arizona law. Employing alternative measures, including voluntary design and improvement guides and standards, poses significant implementation challenges.

Chandler takes pride in being a well-maintained City. This underscores the importance of taking action steps to improve deteriorated or declining properties or areas.

**Opportunities.** As build-out approaches, strategic use of a dwindling land supply becomes paramount for a maturing Chandler. Revitalization, re-use and redevelopment are increasingly important opportunities in planning and development decisions.

Demand for new residential development creates a positive market for downtown housing. Private investment, bolstered by municipal economic development and revitalization programs, will be the engine that drives the resurgence of declining and under-utilized central Chandler neighborhoods.

Implementation of well-timed and sustainable marketplace/regulatory incentives represents a significant opportunity to accomplish needed improvements that add to the stability of nearby neighborhoods. Chandler's business and development community represent a critical partnering resource in maximizing improvement efforts. Local non-profit organizations can provide support and benefit from redevelopment projects.

Redevelopment and revitalization needs of different areas can be addressed through the creation of Neighborhood Plans. Neighborhood Plans are more specific area plans that rely heavily upon citizen input while addressing the long term requirements of individual neighborhoods (See Neighborhood Planning Element).

### **Build-Out Policies**

Chandler's redevelopment policies should be consistent with strategic preparation for anticipated residential, commercial and industrial build-out. Proposed programs and policies consider: 1) emphasis on property preservation and maintenance; 2) a comprehensive approach coupled with project implementation; 3) promoting re-use of under-utilized or vacant properties; and 4) remediation and redevelopment of deteriorated properties.

According to citizen input gathered during the General Plan Update process, revitalization is a significant challenge for the City. Public comment translates to updated redevelopment-related policies:

- ◆ Integrate residential, retail and office uses into redevelopment plans and projects.
- ◆ Target aging retail centers for mixed-use redevelopment projects.
- ◆ Include transit infrastructure in redevelopment planning and design.
- ◆ Secure or remove dilapidated and blighted buildings that pose health and safety hazards.
- ◆ Support programs for revitalization/redevelopment in concert with the Neighborhood Planning Element.
- ◆ Reduce crime and improve public safety in declining or transitional areas.
- ◆ Encourage affordable, urban housing, including higher density housing in redevelopment projects.

- ◆ In concert with neighborhoods and property owners, develop policies to address treatment and /or elimination of alleys.
- ◆ Identify redevelopment candidate sites.

### **Implementation Recommendations**

Framed by community-driven goals, objectives and policies, the following recommendations are intended to further the City's redevelopment efforts.

**Preservation and Maintenance.** As Chandler evolves, alternatives exist to protect the character of the community and to maintain desirable health and safety levels. Aging buildings represent both a challenge and an opportunity. Chandler's preferred option is preservation and maintenance of aging structures to prevent irreversible deterioration that necessitates more intense 'clearance' techniques. Property maintenance and preservation is best supported by grassroots efforts including public education to strengthen pride in property ownership.

**Recommendation:** Provide educational and training programs, such as a neighborhood academy, that focuses on private property maintenance and available assistance. An array of tools should be made available to property owners including grants or loans, technical assistance, even a tool bank for self-help property maintenance.

With no adopted historic preservation regulations, Chandler is particularly challenged in protecting the City's architectural and cultural character. Unlike other large Arizona municipalities, Chandler lacks adopted regulatory guidelines for preserving historic sectors and buildings. Recent statutory restrictions on the scope of local land use regulations further complicate preservation alternatives. However, by demonstrating that unified architectural and character controls contribute to higher property values (as demonstrated in cities such as Phoenix and Tucson), voluntary programs to protect entire neighborhoods or City blocks that share important design or cultural characteristics may be adopted into citizen-directed neighborhood plans.

**Recommendation:** Evaluate preservation alternatives, including public and private standards, for historic and cultural resources. Property owner willingness to participate in voluntary preservation efforts is essential in developing realistic options under current conditions.

An expanded "Neighborhood and Redevelopment Primer" should be published for use by property owners, the development community and neighborhood groups. Publish information on financial and other assistance programs together with property eligibility criteria.

**Comprehensive Approach.** As required by Arizona Statutes, redevelopment programs and policies need to extend to all type of land uses: housing, businesses, industrial and public building sites. Redevelopment of commercial (business) and industrial properties is the specific focus of this General Plan Element and its recommendations -- many of which relate to actions called for in the Neighborhood Planning and Public Buildings Elements.

A key role for the City of Chandler is recognizing potential partnerships that marry the necessary parties and expertise from conception to implementation of complex redevelopment projects. Recurring citizen comment during the General Plan Update process addressed compatibility concerns related to redevelopment efforts. Significant additional building height, residential density and non-residential uses, while recognized as appropriate in certain locations, must be thoughtfully designed and responsive to congestion, noise and visual impacts.

**Recommendation:** Assess land use and neighborhood compatibility in planning and supporting redevelopment proposals. Early and effective communication with adjacent property owners and neighborhood groups during the development process, including the project conception phase, is essential.

Enhance existing programs and/or create new ones targeted at declining or deteriorating commercial and industrial properties. Identify and facilitate partnerships with members of the development, financial and business communities.

A number of programs exist to assist deteriorating residential properties and neighborhoods. Programs and policies predominantly aimed at non-residential buildings and properties enhance the spectrum of the City's redevelopment leadership role.

**Re-Use.** Particularly applicable in Chandler is the need to improve aging commercial properties. Several shopping center sites are underutilized or vacant. These strategically located properties offer excellent opportunities to knit neighborhood-serving businesses, employment uses or additional housing into the fabric of existing neighborhoods.

**Recommendation:** Provide planning leadership, technical assistance and staff resources in support of commercial retail revitalization and redevelopment projects. Create incentives to accelerate commercial and industrial redevelopment projects. Incentives should be tied to direct neighborhood benefits and furtherance of General Plan Goals and Objectives.

Regulatory and marketplace incentives can be a powerful impetus to achieving revitalization and redevelopment goals. Additionally, the City is well positioned to recruit desired uses for specific projects.

**Remediation and Redevelopment.** The City has a vested interest in remediating deteriorated building and property conditions. When unabated, these conditions tend to spread to adjoining properties and neighborhoods. Deteriorated and blighted conditions are a threat to public safety and are an attraction for crime and other undesirable activities. In conjunction with removal of blighted conditions, leadership is needed to facilitate the construction of new urban housing. As build-out proceeds, increased housing demands will fuel the construction of new housing units to replace substandard dwellings, especially in the older, central area.

**Recommendation:** Lead efforts to secure deteriorated and unsafe buildings and properties.

The City may consider acquisition using eminent domain, as empowered by ARS Title 36 and modified by Proposition 207, for remediation and redevelopment projects when clear public benefits are demonstrated.

Involve private sector in creating redevelopment incentives. Establish outreach program to obtain suggestions from development industry.

Additionally, attention should be given to the infrastructure systems that serve areas showing signs of deterioration. Strategic improvements to supporting facilities will enhance redevelopment projects and overall efforts.

**Recommendation:** Assess infrastructure needs in older parts of the City containing infill or potential redevelopment properties and create a program to make necessary infrastructure improvements that will facilitate the development or redevelopment of those properties.

**Eligibility Criteria for Redevelopment Projects.** As the City continues to approach various stages of build-out, redevelopment needs will not be limited to any particular area of the City.

The City has a wide array of assistance programs related to revitalization, redevelopment and property maintenance. Allocation of available resources should be prioritized based on defined, qualifying criteria and a proposed project's contribution to neighborhood redevelopment and preservation objectives.

**Recommendation:** For specific redevelopment projects where an applicant seeks the City's assistance or direct authority as enabled by State Statutes, the City should consider eligibility (and determine conformance with this Element) based upon, but not necessarily limited to the following criteria as may be appropriate for the given circumstances, and compared with Citywide averages:

- Age of the subject property, based upon the date of recordation.
- Income levels of occupants, whether existing or prospective.
- Vacancy rates.
- Absentee ownership rates.
- Public safety concerns based on history of City code violations and calls for service.