

# Downtown Phoenix Redevelopment Area Study

City of Phoenix

## Table of Contents

1. Acknowledgements
2. Executive Summary
3. How to Use Story Map
4. Redevelopment Area Recertification
5. Redevelopment Area Designation Purpose
6. What This Document Does
7. Proposed Redevelopment Area Boundary
8. History of Redevelopment in Downtown Phoenix
9. History and Context
10. Survey Methodology
11. Indicators of Slum or Blight
12. Area Conditions
13. Analysis and Conclusion
14. References
15. Appendix

[Print the Story Map](#)

## Acknowledgements

### CITY MANAGEMENT

*Ed Zuercher, City Manager*  
*Milton Dohoney, Jr., Assistant City Manager*  
*Deanna Jonovich, Assistant City Manager*  
*Karen Peters, Deputy City Manager*  
*Mario Paniagua, Deputy City Manager*  
*Toni Maccarone, Acting Deputy City Manager*  
*Jeff Barton, Deputy City Manager*

### CITY COUNCIL

*Kate Gallego, Mayor*  
*Betty Guardado, Vice Mayor, District 5*  
*Thelda Williams, District 1*  
*Jim Waring, District 2*  
*Debra Stark, District 3*  
*Laura Pastor, District 4*  
*Sal DiCiccio, District 6*  
*Michael Nowakowski, District 7*  
*Carlos Garcia, District 8*

### PLANNING COMMISSION

*Marcia Busching*  
*Emilio Gaynor*  
*Pete Gorraiz*  
*Nico Howard*  
*Justin Johnson*  
*Lachele Mangum*  
*Joel McCabe*  
*John Montalvo II*  
*Roberta Shank*  
*Alan Stephenson, ex officio*

### PROJECT TEAM

*Christine Mackay, CED Director*  
*Alan Stephenson, PDD Director*  
*Spencer Self, NSD Director*  
*Xandon Keating, CED Deputy Director*  
*Nathan Wright, CED Deputy Director*  
*Eric Johnson, CED Deputy Director*  
*Joshua Bednarek, PDD Deputy Director*  
*Kimberly Dickerson, NSD Deputy Director*  
*Thomas Stack, Assistant City Attorney*  
*Jesse Garcia, NSD Housing Dev Manager*  
*Joseph MacEwan, CED Project Manager*

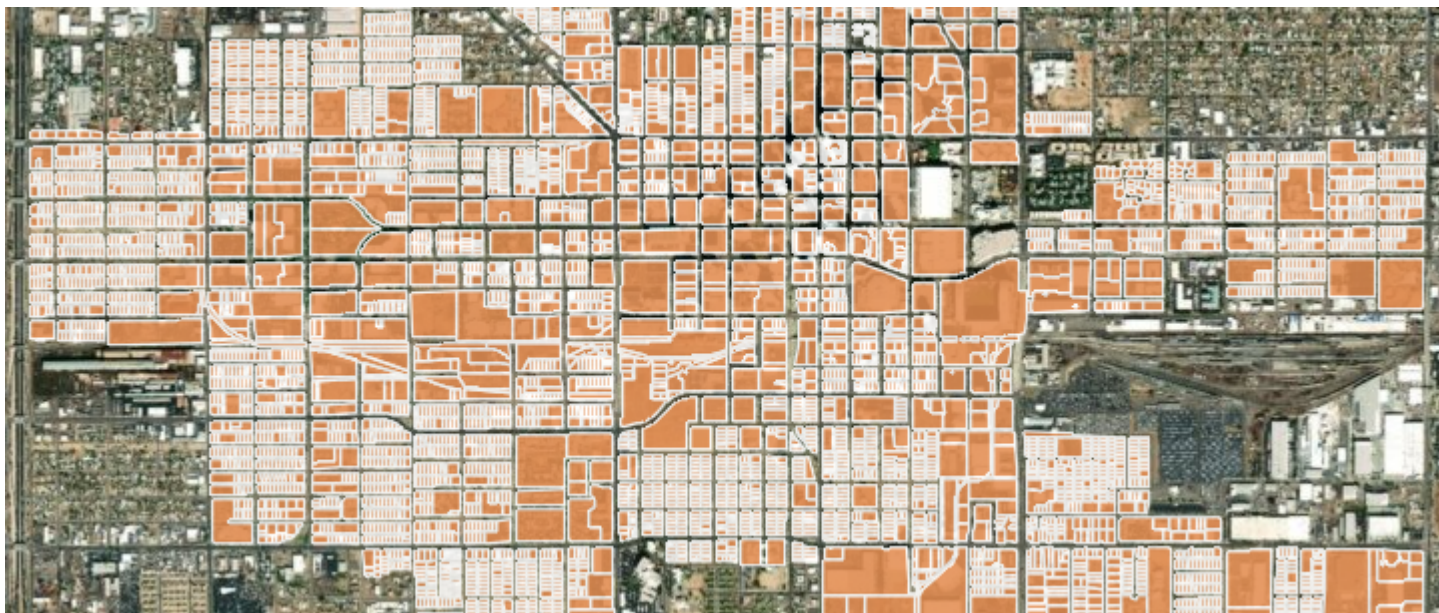


## Executive Summary

In compliance with A. R. S. § 42-6209(F), the City of Phoenix conducted a survey of the downtown redevelopment area to determine if it still qualifies as a slum or blighted area. In conducting this survey, the City reviewed three sets of data sources: (1) Property survey data on slum and blight indicators; (2) the groundwater plume data set provided by the Arizona Department of Environmental Quality (ADEQ); and (3) City of Phoenix Waterline data. In combination, these data sources enabled the City to make slum and blight designations for all properties within the boundary.

The results of the property survey indicate the proposed Downtown Phoenix Redevelopment Area qualifies for a renewed slum or blighted area designation, because a predominance—50 percent or more—of properties exhibited slum and blight indicators. A total of 7,031 properties, or

parcels, were surveyed to evaluate the potential existence of slum and blight indicators. Of the 7,031 properties surveyed, 4,953 properties, or seventy-one percent (71%), of the properties within the redevelopment survey area exhibited one or more indicators of slum and blight.



USDA FSA, Maxar, CNES/Airbus DS

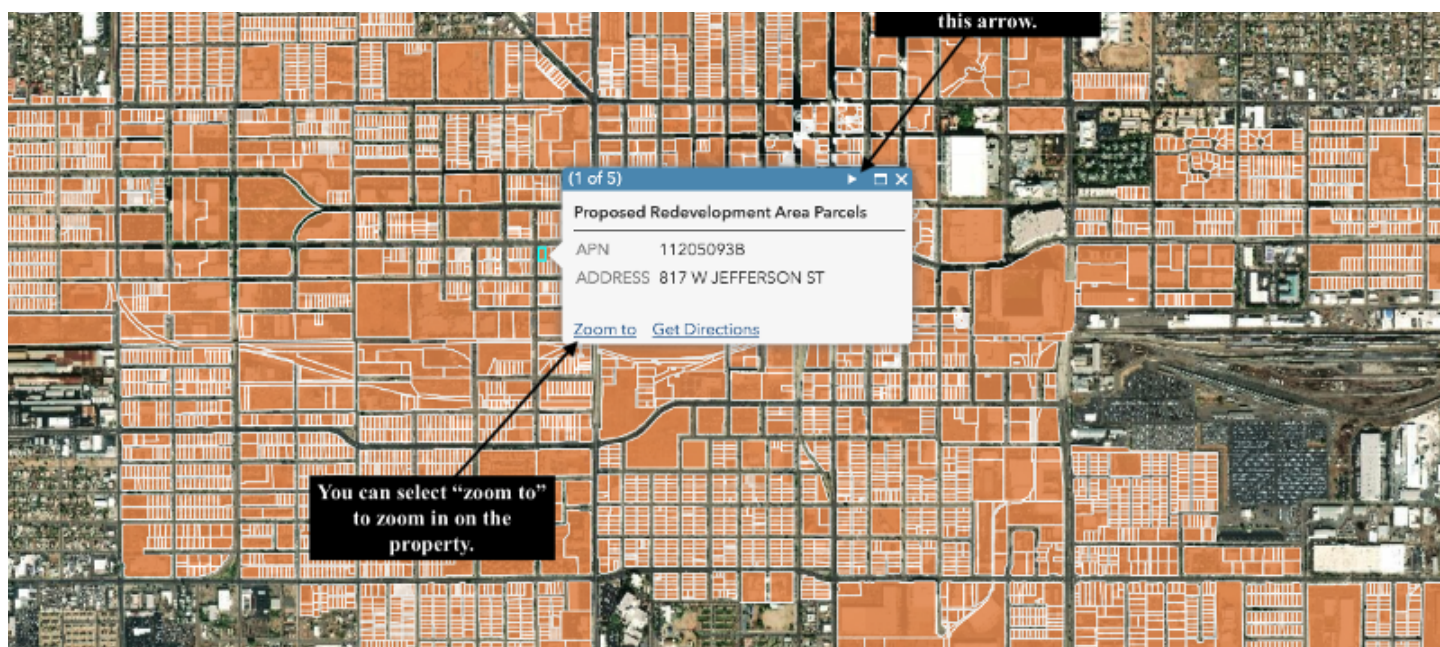
Powered by Esri

## How to Use Story Map

Story Map is an interactive GIS-based tool for communication. Story Map combines text, images, and interactive maps to tell stories and provide information.

The City of Phoenix is using Story Map as the platform for publishing the Downtown Phoenix Redevelopment Area Study to provide information on the process for determining the new redevelopment area boundary.





## For Example...

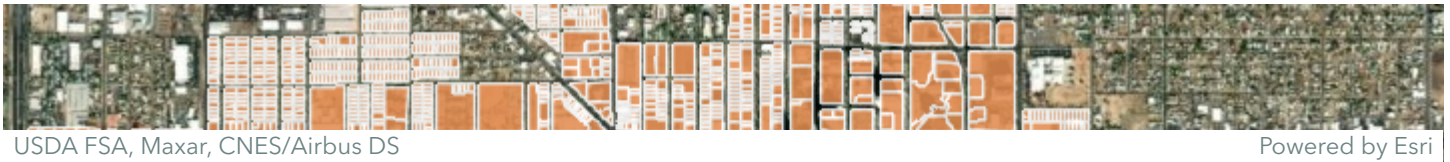
The map to the right is a static map with text boxes to illustrate what can you do with the interactive maps in this document.

Residents can select a property on the interactive maps to see information on each property.

When you click on a property, a pop-up box will appear to display property information. The image on the right illustrates what these pop-up boxes look like.

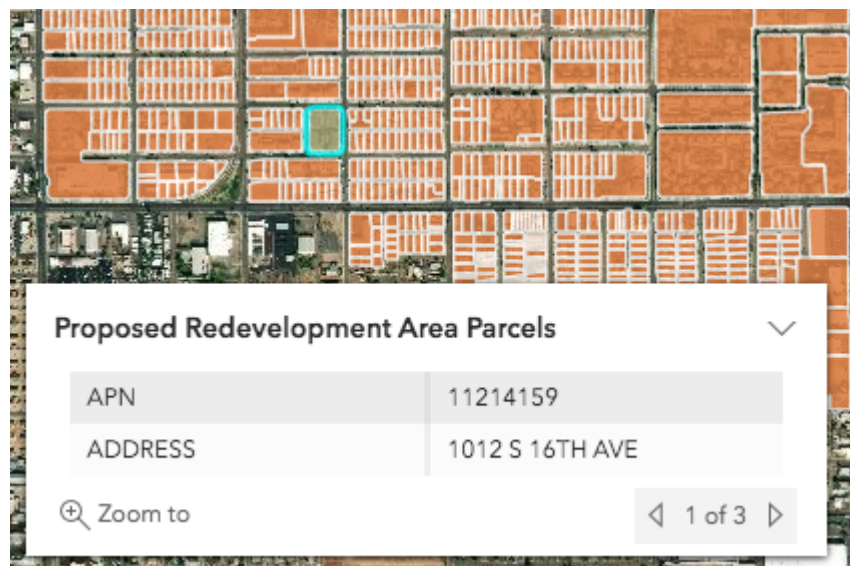
Depending on the purpose of each map, different information will be displayed in the pop-up boxes.



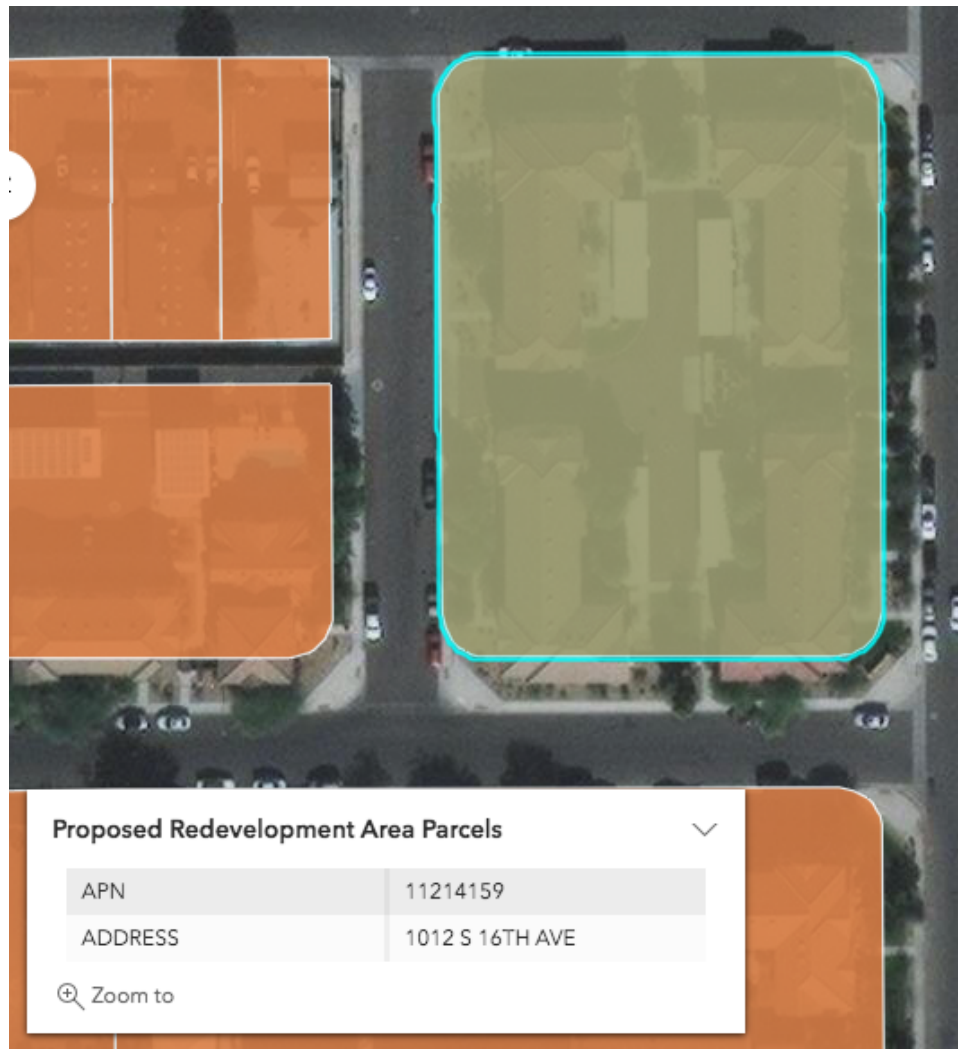


## Your Turn To Explore

The map on the right is an interactive Story Map illustrating the properties that fall within the proposed Downtown Phoenix Redevelopment Area Boundary.



Click on properties to view the information in each pop-up box.



Click "zoom to" to see an up close aerial image of the property.



Click on + or - buttons to zoom in and out on the map, or double click a spot on the map to zoom in.



USDA FSA, Maxar, CNES/Airbus DS

Powered by Esri

## More Features To Explore

Click here!

Try clicking the button above. It will zoom into a specific location with a orange pin that you can select. Clicking on the orange pin on the map to the right will reveal a text box with information about that location or feature.



If you want to return to the original map view after using a button to zoom in, click the symbol shown above. It will appear to the right of the button after you have pressed it.



You can also click the home button to return to the original map view.

### Button

Now try clicking on the button above. Colored buttons contain links to websites with more information. This button will take you to the City of Phoenix's website.

## Redevelopment Area Recertification

According to A.R.S. § 42-6209(F), "[b]efore October 1, 2020, each city or town shall review the designation of each slum or blighted area that was originally designated before September



30, 2018 and in which a central business district is located."

The City of Phoenix conducted a survey of the downtown area to determine if it still qualifies for slum or blight.

## Redevelopment Area Designation Purpose

Slum or blighted conditions—from damaged infrastructure to vacant buildings—often have short and long-term negative impacts on a neighborhood's health, safety, and welfare. The physical conditions of an area impact property values and the City's ability to attract investment to enable job creation.

These conditions often result in a decrease in private investment, initiating a cycle of tax revenue losses and disinvestment. Disinvestment results in reduced access to critical community services.

*"The concept of healthy homes extends beyond the four walls of a dwelling to its surroundings—to the land immediately around the house, to adjacent structures and amenities (such as outbuildings, trees, and recreational equipment), and to the neighborhood setting. A house does not exist in isolation" - U.S. Department of Health and Human Services*

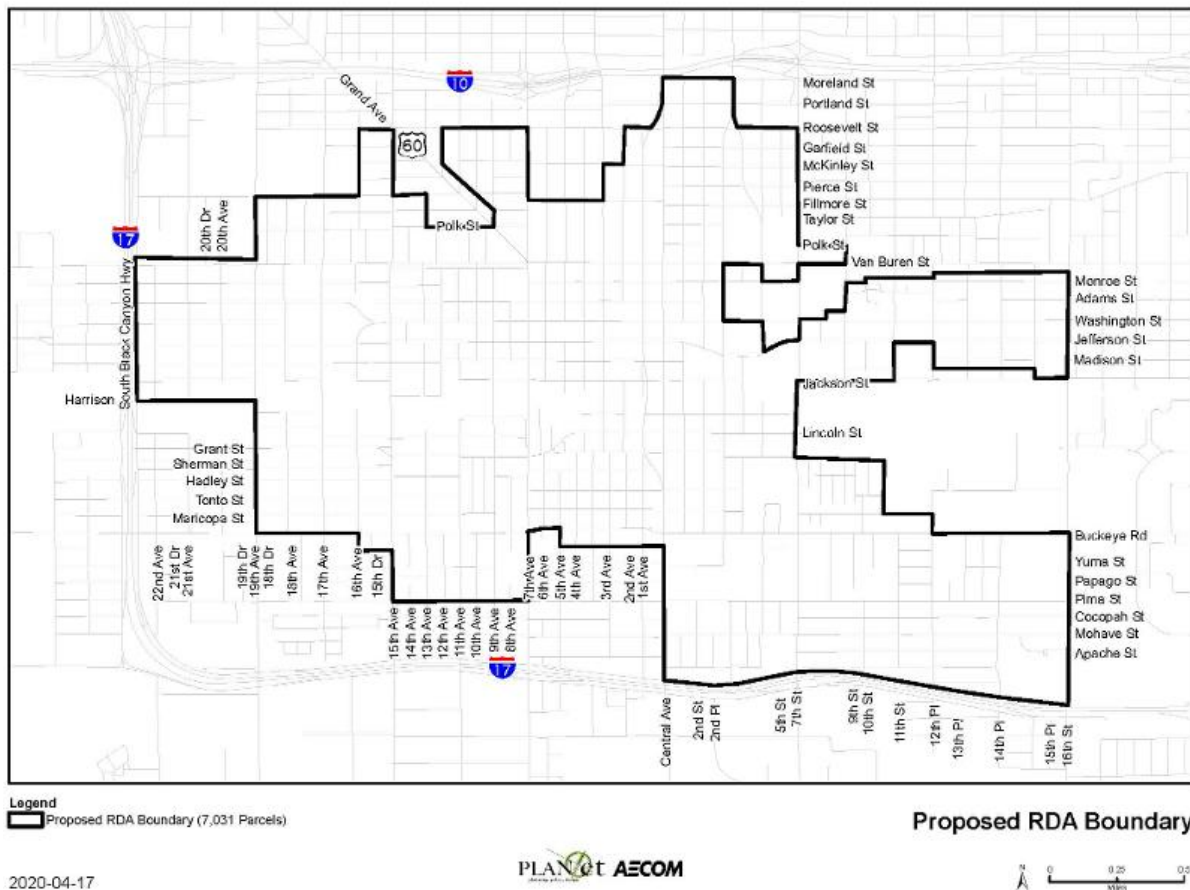
This report establishes an area that meets the requirements outlined in the Arizona Revised Statutes in order for the Phoenix City Council to declare it a slum or blighted area in need of redevelopment. The City Council's declaration and adoption of the redevelopment area boundary identified in this report is the first step to prepare a Redevelopment Plan for the area.

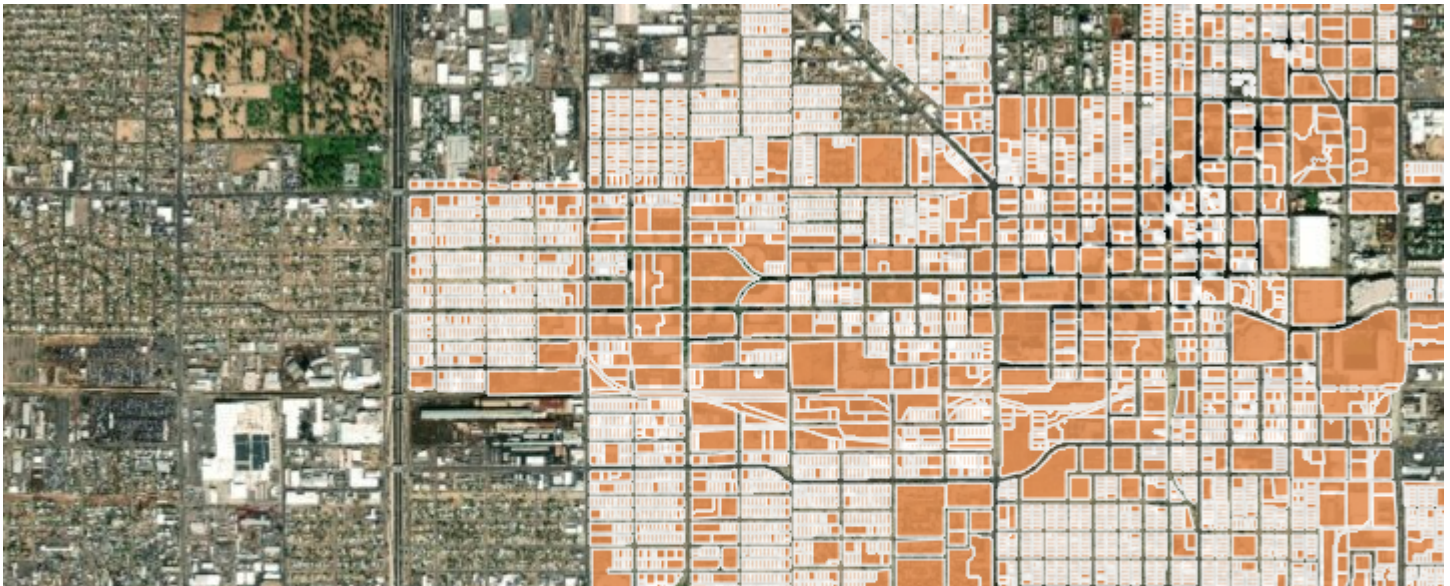
As defined by A.R.S. 36-1471, a redevelopment plan is "a plan,

other than a preliminary or tentative plan, for the acquisition, clearance, reconstruction, rehabilitation or future use of a redevelopment project area." **This document is not a redevelopment plan.**

This document presents the findings from the Downtown Phoenix Redevelopment Area Study. If the Phoenix City Council declares the area a slum or blighted area, the City will then prepare a redevelopment plan with extensive community outreach. The Plan will outline a set of goals or strategies to make improvements based on the slum and blight designations.

## Proposed Redevelopment Area Boundary



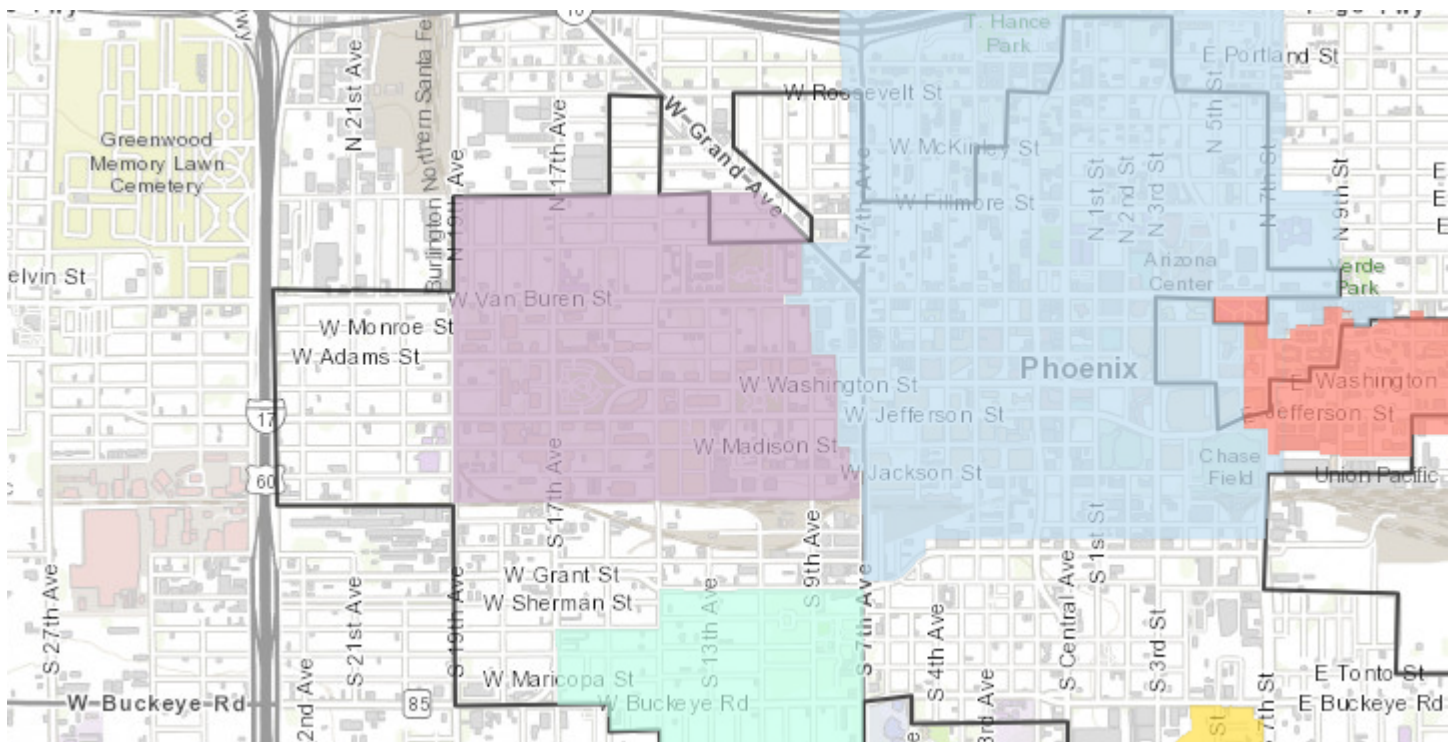


USDA FSA, Maxar, CNES/Airbus DS

Powered by Esri

## Parcels Within the RDA

This map delineates the proposed Downtown Phoenix Redevelopment Area Boundary. Rather than a simple boundary, this map outlines the individual parcels, or properties, that comprise the proposed Redevelopment Area. To see which parcels are included, zoom in or select a property. Selecting a property will reveal the associated APN and address.



PHX GIS, City of Phoenix, Bureau of Land Management, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA... Powered by Esri



# **The History of Redevelopment in Downtown Phoenix**

Eight existing Redevelopment Areas overlap with the proposed Downtown Phoenix Redevelopment Area boundary. The proposed boundary intentionally consolidates these RDAs into one Downtown Phoenix RDA. The eight existing Redevelopment Areas are incorporated by reference into the proposed RDA.

The names of the Redevelopment Areas and the links to each existing Redevelopment Plan are included below.

## **Hope VI Special Redevelopment Area**

The HOPE VI Special Redevelopment Plan was formally adopted by the Phoenix City Council on February 19, 2003.

[See the Plan](#)

## **Government Mall Redevelopment Area**

The Redevelopment Plan for the Government Mall was formally adopted by the City Council on March 11, 1987.

[See the Plan](#)

## **Downtown Redevelopment Area**

The Downtown Area Redevelopment and Improvement Plan was formally adopted by the Phoenix City Council on March 22, 1979.

[See the Plan](#)

## **Booker T. Washington Redevelopment Area**

The General Urban Redevelopment Plan for the Booker T. Washington Neighborhood was formally adopted by the City Council on January 23, 1973.

[See the Plan](#)

## **Special Redevelopment Area**

The Special Redevelopment Area Plan was formally adopted by the Mayor and City Council on November 10, 1981.

[See the Plan](#)

## **Eastlake Park Redevelopment Area**

The Eastlake Park Neighborhood Plan, a redevelopment plan, was formally adopted by the City Council on March 14, 1990.

[See the Plan](#)

## **Sky Harbor Center Redevelopment Area**

The Sky Harbor Center Redevelopment Area was designated by the City Council as a slum area on December 5, 1984.

## **7th Street & Buckeye Road Redevelopment Area**

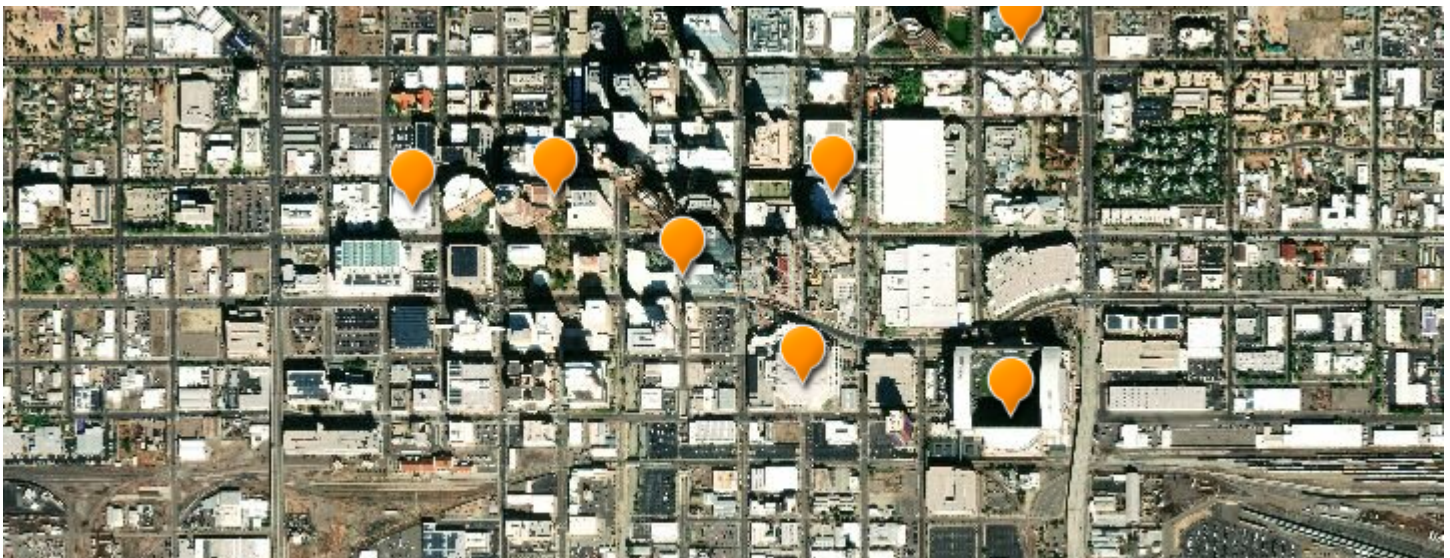
The Seventh Street and Buckeye Road Redevelopment Plan was formally adopted by the City Council on November 1, 1989.

[See the Plan](#)

The proposed redevelopment area boundary covers a large portion of downtown Phoenix. It includes the downtown central business district (CBD) and historic and non-historically designated neighborhoods of significance with many businesses, residences, and cultural amenities. The redevelopment area is also the heart of state, county, and local government as the area encompasses the Government Mall and many significant government buildings.

The Central Business District (CBD) stretches from 7th Avenue to 7th Street and from McDowell Road to Lincoln Street. A map of the CBD is shown on the right.





USDA FSA, Maxar, CNES/Airbus DS

Powered by Esri

## Downtown Phoenix Central Business District

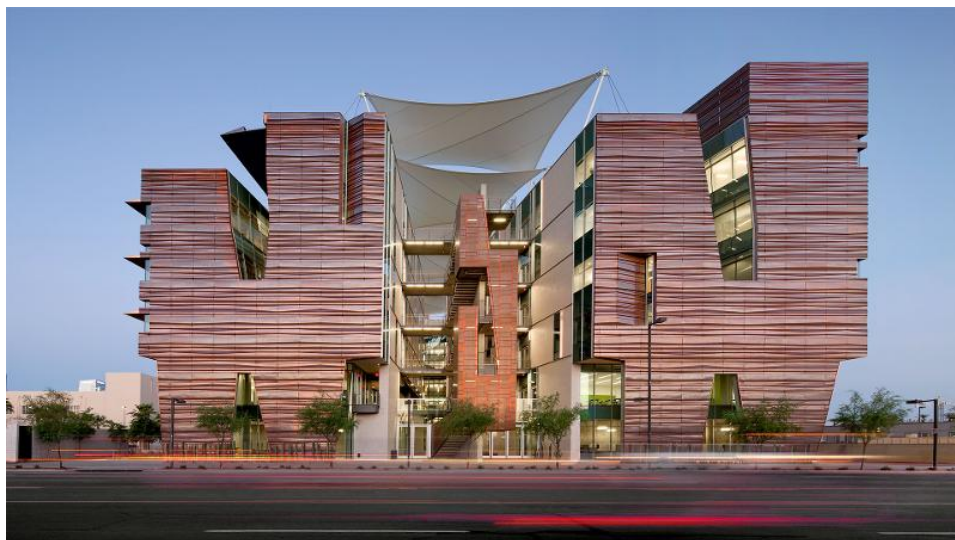
The following buildings are part of the CBD and fall within the Redevelopment Area Boundary:

ASU Downtown Phoenix Campus



Arizona State University Downtown Phoenix Campus

## U of A College of Medicine



University of Arizona College of Medicine Phoenix

## Phoenix Convention Center



Phoenix Convention Center

## Chase Field





Inside Chase Field

## Talking Stick Resort Arena



Talking Stick Resort Arena

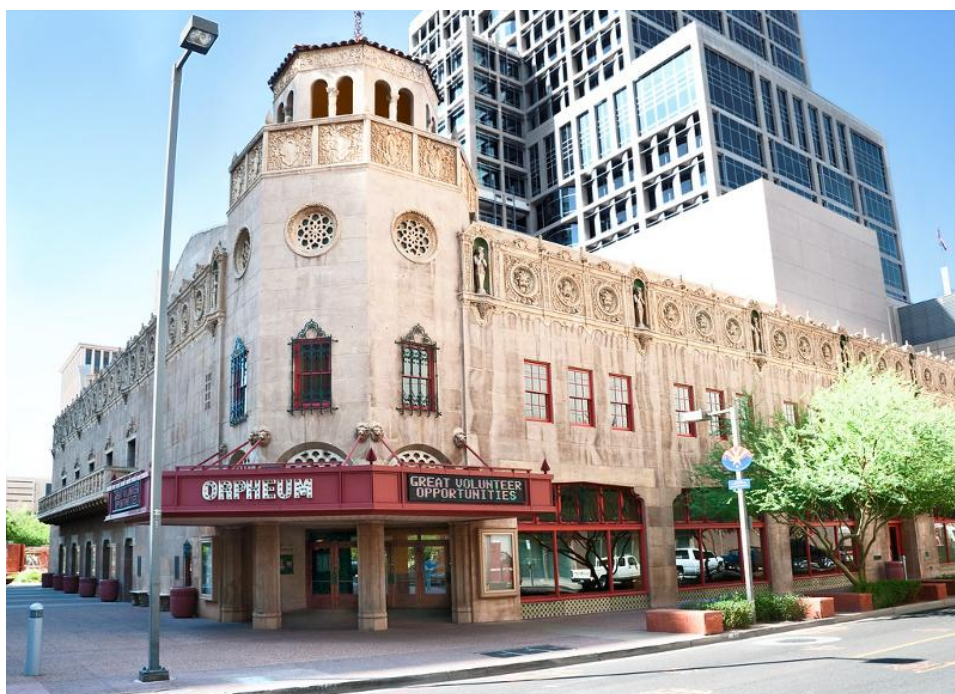
## CityScape





CityScape in downtown Phoenix

## Orpheum Theatre



Orpheum Theatre Phoenix

## Comerica (Now Arizona Federal Theatre)



Arizona Federal Theatre



## Downtown Transit

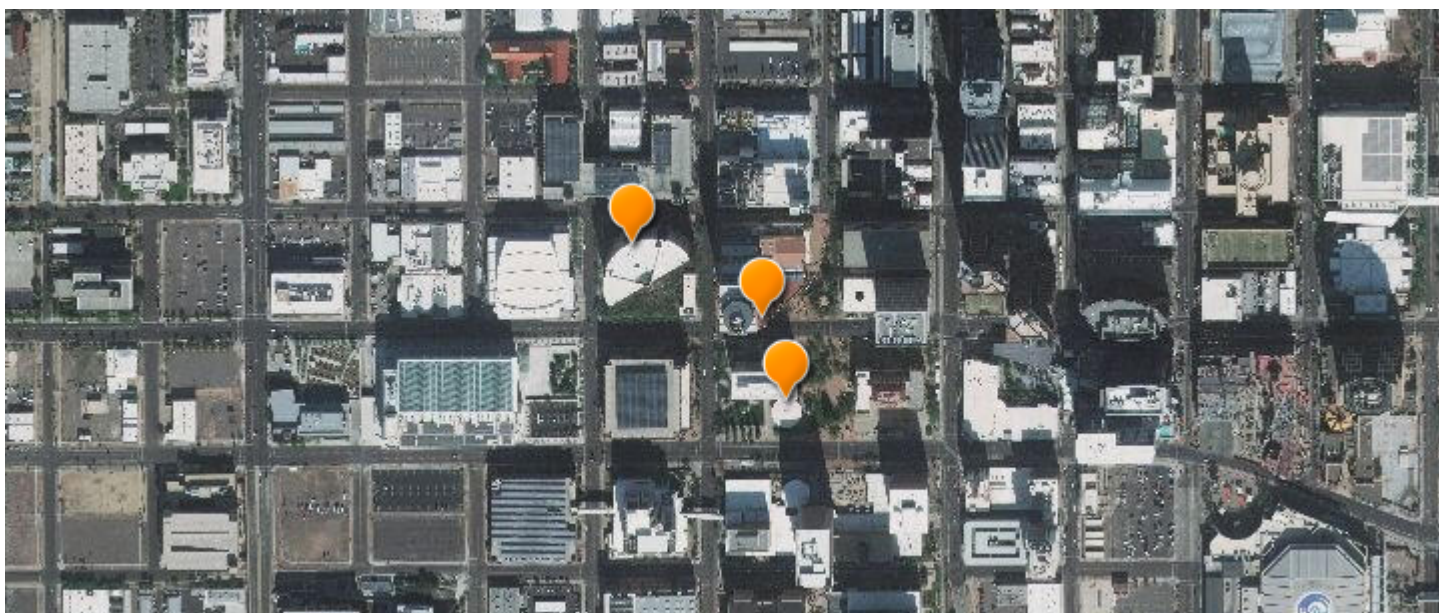
### Valley Metro Light Rail

The Phoenix Light Rail first opened in December 2008. Now it covers over 28 miles, with another 5 miles planned as part of the South Central Extension/ Downtown Hub.





Valley Metro Light Rail on Central Avenue



USDA FSA, Maxar, CNES/Airbus DS

Powered by Esri

## Phoenix City Government

Phoenix City Hall



Phoenix City Hall

## Phoenix City Council Chambers



Phoenix City Council Chambers

## Phoenix Municipal Court





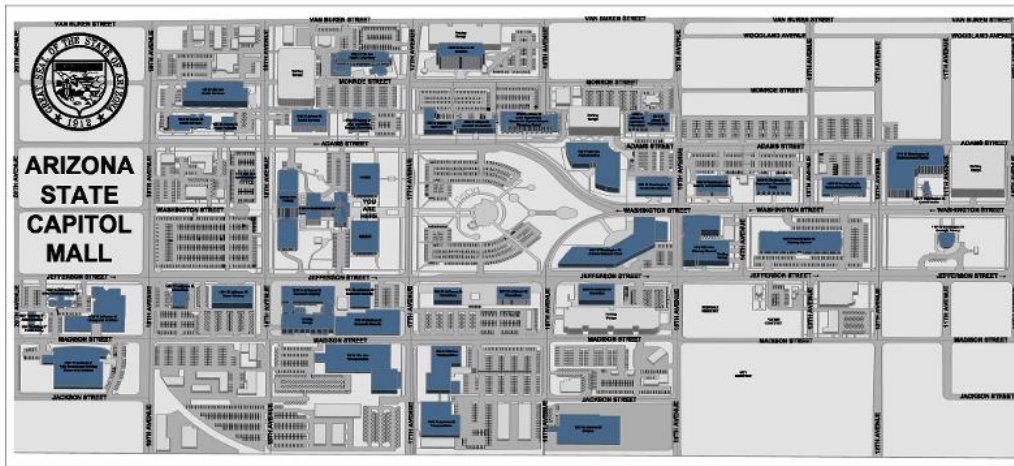
Phoenix Municipal Court building and Phoenix City Hall

## Maricopa County Government

Maricopa County Administration Building



Maricopa County Administration Building



## Arizona State Government

### Government Mall

Phoenix is the Capitol of the State of Arizona. The Government Mall encompasses many state government buildings, including the State Capitol. The City designated the Government Mall as a slum in 1987. The map to the right outlines the boundaries of the Government Mall. As explained below, this report recommends consolidating the Government Mall Redevelopment Area into the new Downtown Redevelopment Area boundaries.



View of the State Capitol building and a portion of the Government Mall





USDA FSA, Maxar, CNES/Airbus DS

Powered by Esri

## Arizona State Capitol



The Arizona State Capitol building

## Arizona Supreme Court



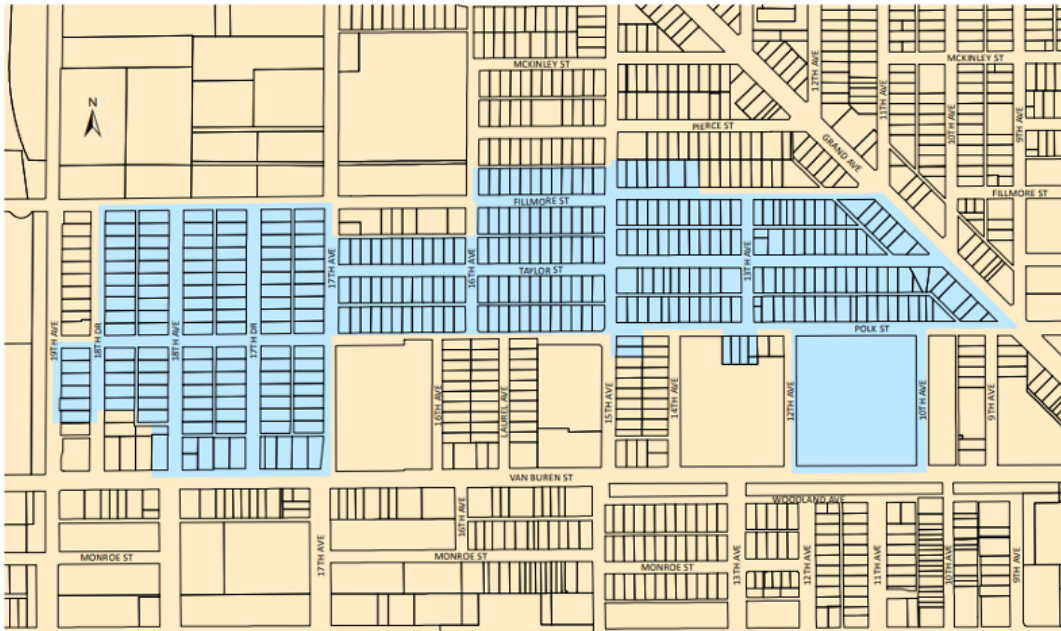
Arizona Supreme Court

## Sandra Day O'Connor U.S. Courthouse



Sandra Day O'Connor U.S. Courthouse





## Historic Neighborhoods

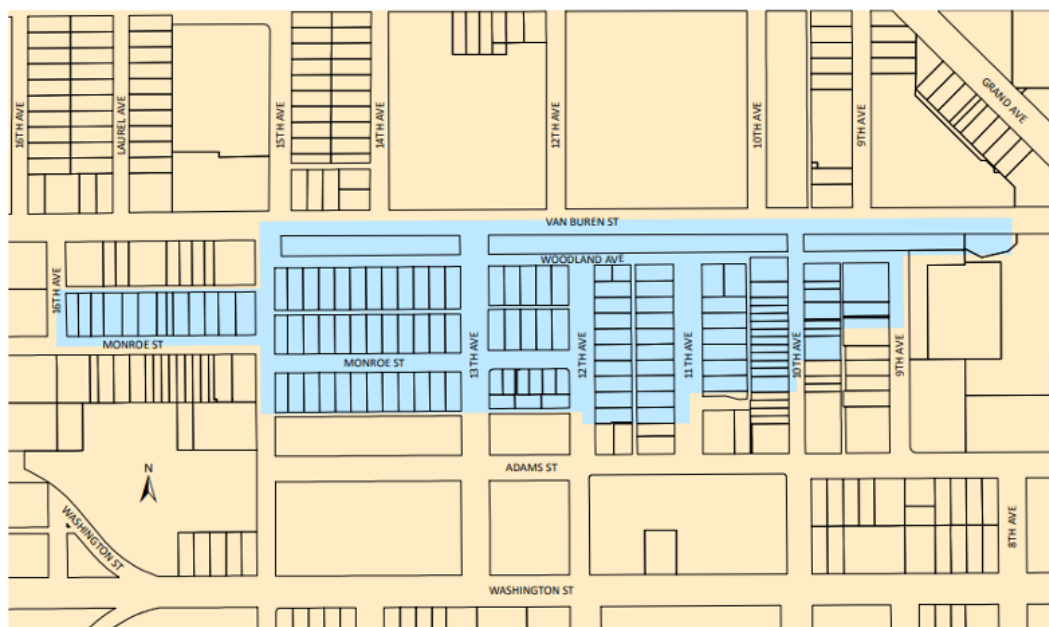
### Oakland Historic District

One of the few remaining historic neighborhoods in downtown Phoenix, most of the Bungalow and Spanish Colonial Revival style homes in the neighborhood were built between 1914 and 1925.

The map to the right illustrates the boundaries of the Oakland Historic District.



Historic home in the Oakland Historic District.



## Woodland Historic District

The Woodland Neighborhood includes homes of a similar age and style to the Oakland Neighborhood. They too were built in the 1910s and 1920s in Bungalow and Spanish Colonial Revival style.

The map to the right illustrates the boundaries of the Woodland Historic District.



Historic home in the Woodland Historic District.

## Survey Methodology

Area conditions were determined using a two-pronged approach. First, a property survey was conducted by consultant field survey staff. The field staff used the Esri Collector application for customized data recording and photo collection. The field surveys were conducted from June 25 - July 12, August 10 - 17, November 12 - 17, 2019, and March 9 - 13, 2020.

A checklist of slum or blight indicators was developed using the legal descriptions of slum or blight in the Arizona Revised Statutes. The checklist allowed for binary (yes/no) or categorical (severe/substantial/minor/none) responses depending on the indicator being assessed. In total, the Slum or Blight Indicators Checklist included 27 indicators. The slum or blight indicators are defined below. The images presented with each definition illustrate severe or substantial slum or blight conditions.

Within the state statutory definition, the following aspects of a "blighted area" were analyzed in the survey: (a) A dominance of defective or inadequate street layout; (b) Faulty lot layout in

relation to size, adequacy, accessibility or usefulness; (c) Unsanitary or unsafe conditions; (d) Deterioration of site or other improvements; (i) The existence of conditions that endanger life or property by fire and other causes.

Prior to the field surveys, Maricopa County Assessor parcel data was used to create a map with centroid points—the parcel center point—representing each Assessor's Parcel Number (APN) within the survey area. Every parcel has a unique number assigned to it by a tax assessor for identification and record-keeping purposes. This is the APN. The map allowed surveyors to select a centroid point to open up the Slum or Blight Indicators Checklist associated with that APN. Surveyors accessed the checklist using the Esri Collector application. Every property within the redevelopment area was surveyed using the checklist and photographed to document the property conditions. The field staff visually examined the building and site from the street, then completed the checklist. All the data collected for each property was saved with the associated APN.

Second, a review of the field data was conducted using GIS (Geographical Information Systems) mapping which was combined with two other data sources: 1) the groundwater plume data set provided by the Arizona Department of Environmental Quality (ADEQ) and 2) City of Phoenix Waterline data provided by the City. The plume is comprised of two Superfund sites: the West Van Buren WQARF Superfund site and the Motorola 52nd Street Superfund site. The area designated as the plume was created by the groundwater contamination from the two Superfund sites. Waterline data was included because in downtown the City of Phoenix requires new projects to upsize water lines to 12 inches in order to redevelop. The costs to upsize a waterline are significant and can be a barrier to potential redevelopment projects.



# Indicators of Slum or Blight

## Defining "Slum" or "Blight"

### A.R.S. § 36-1471 Definitions

2. "Blighted area" means an area, other than a slum area, where sound municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following:

- (a) A dominance of defective or inadequate street layout.
- (b) Faulty lot layout in relation to size, adequacy, accessibility or usefulness.
- (c) Unsanitary or unsafe conditions.
- (d) Deterioration of site or other improvements.
- (e) Diversity of ownership.
- (f) Tax or special assessment delinquency exceeding the fair value of the land.
- (g) Defective or unusual conditions of title.
- (h) Improper or obsolete subdivision platting.
- (i) The existence of conditions that endanger life or property by fire and other causes.

18. "Slum area" means an area in which both of the following are true:

- (a) There is a predominance of buildings or improvements, whether residential or nonresidential.
- (b) The public health, safety or welfare is threatened because

of any of the following:

(i) Dilapidated, deteriorated, aging or obsolescent buildings or improvements.

(ii) The inadequate provision for ventilation, light, air, sanitation or open spaces.

(iii) Overcrowding.

(iv) The existence of conditions that endanger life or property by fire and other causes.

## Defining and Visualizing Slum or Blight

### *Indicators of Slum or Blight*



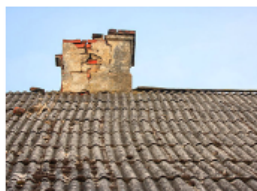
**Abandoned Cars:** The building has abandoned or junked cars in the driveway, on the lot, or parked in front of the building.



**Alley Condition:** The alley condition is poor, either due to broken pavement or because it is unpaved (dirt).



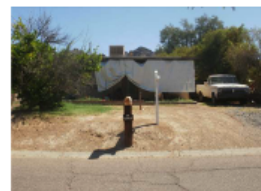
**Brickwork:** The structural brickwork is eroded, cracked, or missing altogether.



**Chimney:** The chimney is broken or cracked.



**Dead Vegetation:** Dead trees or other dead vegetation dominate the landscaping.



**Driveway:** The driveway is unpaved (dirt) or cracked.



**Electric Service:** The building has no access to electric service.



**Façade Porch:** The porch, porch rail and/or entry stairs are damaged or broken.



**Fence:** A part of the fence (alley, front, back, or side) is broken, bent, or has peeling paint.



**Furniture:** The building has interior furniture in the yard.



**Garage:** The carport or garage is damaged or broken.



**Graffiti:** The building, driveway, fence, or other part of the property has graffiti.



**Gutters/Drains:** The gables or roof gutters or drains are broken, cracked, or deteriorated in some way.



**House Walkway:** The walkway to the front entry of the building is cracked or missing pavement or pavers.



**HVAC:** The building has broken, detaching, and/or rusted out heating and cooling units, including the evaporator.



**Landscaping:** The lot is a dirt lot with no landscaping.



**Overgrown Weeds:** The lot has overgrown plants or weeds.



**Paint:** The paint is peeling or faded, or generally deteriorated.



**Roof Shingles:** The buildings roof shingles are deteriorated. Missing, lifting, curled, cracked, buckled or spotted roof shingles constitute deterioration.



**Sidewalk:** The sidewalk in front of the property is broken, uneven, or missing a section.



**Siding:** The siding is missing, bent, or detached.



**Trash/Debris:** The yard has trash or debris in it.



**Trash in Alley:** Alleys contain trash and are unmaintained.



**Vacant Building:** The lot has a building, but it contains no tenants and is not regularly used.



**Vacant Lot:** There are no structures on the lot. This includes unmaintained parking lots.

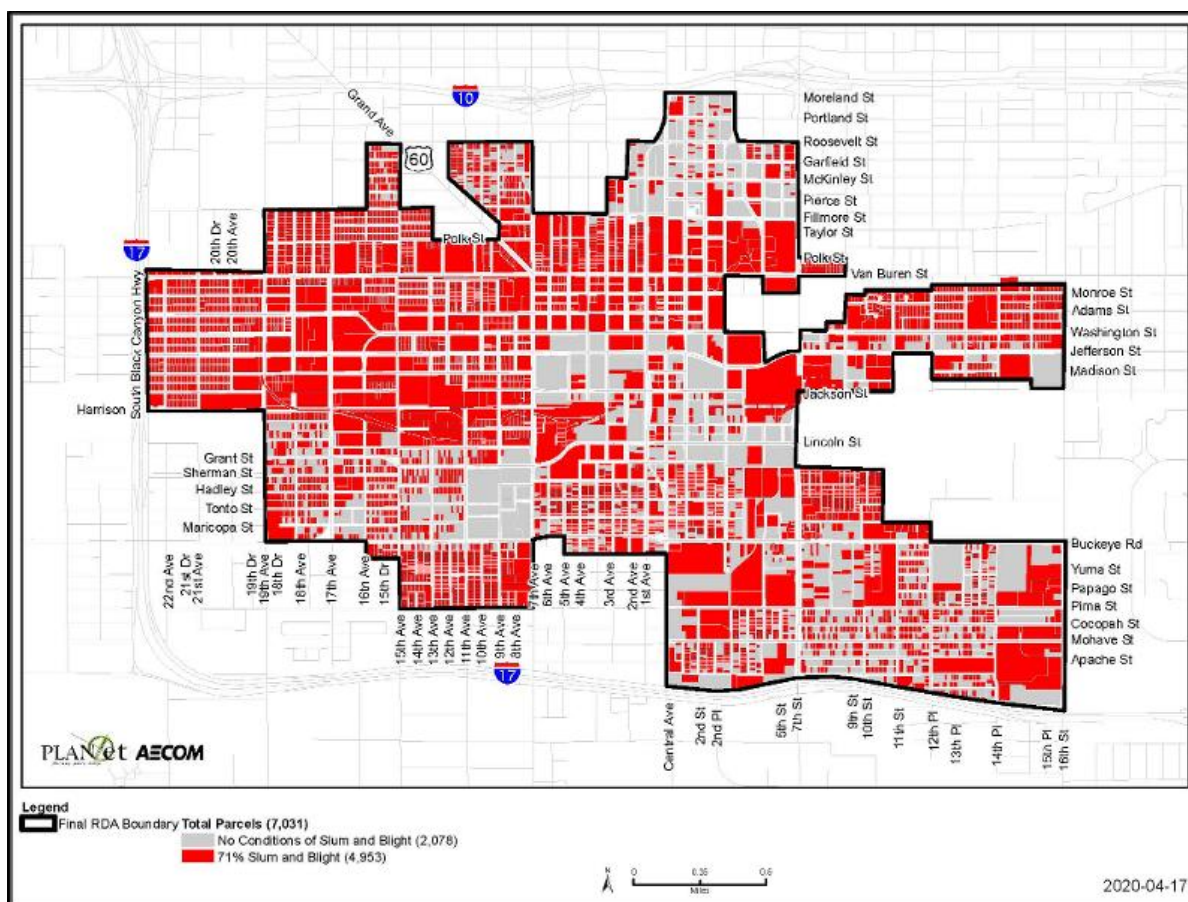


**Windows:** One or more windows are broken or boarded up.



## Area Conditions

A total of 7,031 properties, or parcels, were surveyed to evaluate the potential existence of slum and blight indicators. Of the 7,031 properties surveyed, 4,953 properties, or 71 percent, qualified for slum and blight based on the property survey and data analysis. To qualify, a property must exhibit one or more indicators of slum or blight. The map below illustrates which properties qualify for slum or blight.



## Indicators of Slum or Blight

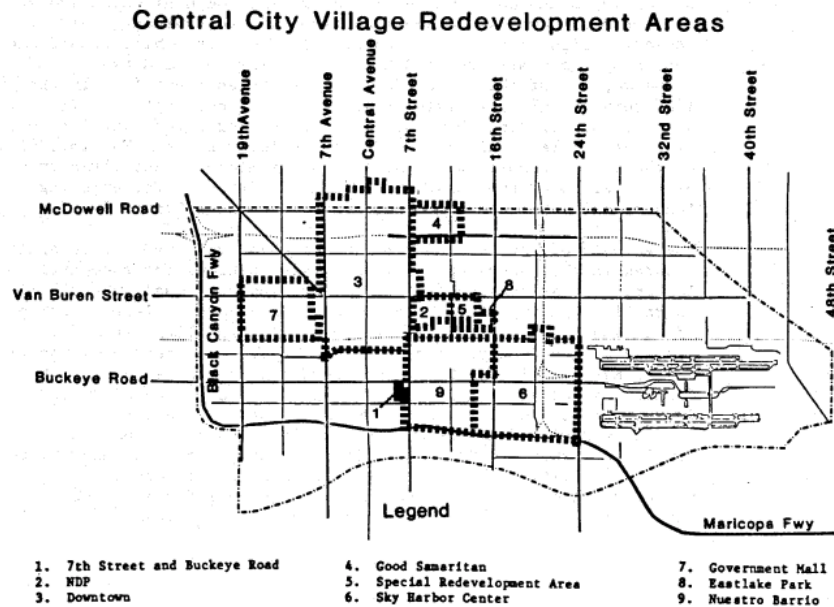
The figures below illustrate the total number of properties with indicators of slum or blight present. The data on each slum or blight indicator is shown separately to illustrate the overall predominance of that indicator in the survey area. The total number of properties and the percent of total properties exhibiting each indicator are included. Please refer to the

previous section, Indicators of Slum or Blight, for definitions for each indicator.



## Analysis & Conclusion

The Arizona Revised State Statutes definition for a slum or blight area was used to determine if the Downtown Phoenix Redevelopment Area can recertify. To qualify, a predominance of properties must exhibit indicators of slum or blight. The City of Phoenix staff considers the term "predominance" to mean the majority, or over fifty percent (50%), of the properties. Seventy-one percent (71%) of the properties within the redevelopment survey area exhibit one or more indicators of slum or blight. Therefore, the Downtown Phoenix Redevelopment Area boundary, as illustrated in this Story Map, qualifies as a slum or blighted area.



Central City Village Redevelopment Areas mapped out in the Seventh Street and Buckeye Road Redevelopment Plan published in 1989 by the City of Phoenix.

This new boundary combines a number of existing areas designated for redevelopment including the original Downtown Redevelopment Area and the Government Mall Redevelopment Area (see above). When they were first designated, these areas exhibited significant indicators of slum or blight. While great strides have been made in eliminating slum or blight by reinvesting in the Central City, there are still many opportunities for improvements. The redevelopment area designation allows the City to continue to support and improve downtown neighborhoods in need of resources, so slum or blight can be eliminated and healthy neighborhoods of opportunity can be created for all downtown residents.

## References

City of Phoenix (1989). 7th Street and Buckeye Road Redevelopment Plan. Retrieved from [https://www.phoenix.gov/pddsite/Documents/PZ/pdd\\_pz\\_pdf\\_00046.pdf](https://www.phoenix.gov/pddsite/Documents/PZ/pdd_pz_pdf_00046.pdf)

de Leon, E. & Schilling, J. (2017). Urban Blight and Public



Health: Addressing the Impact of Substandard Housing, Abandoned Buildings, and Vacant Lots. *Urban Institute*.

Retrieved from

<https://www.urban.org/research/publication/urban-blight-and-public-health>

## Appendix

### Arizona Revised Statutes 36-1471

2. "Blighted area" means an area, other than a slum area, where sound municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following: (a) A dominance of defective or inadequate street layout; (b) Faulty lot layout in relation to size, adequacy, accessibility or usefulness; (c) Unsanitary or unsafe conditions; (d) Deterioration of site or other improvements; (e) Diversity of ownership; (f) Tax or special assessment delinquency exceeding the fair value of the land; (g) Defective or unusual conditions of title; (h) Improper or obsolete subdivision platting; (i) The existence of conditions that endanger life or property by fire and other causes.

14. "Redeveloper" means any person, partnership or public or private corporation or agency which enters or proposes to enter into a redevelopment contract.

15. "Redevelopment contract" means a contract entered into between a municipality and a redeveloper for the redevelopment of an area in conformity with a redevelopment plan.

16. "Redevelopment plan" means a plan, other than a preliminary or tentative plan, for the acquisition, clearance, reconstruction, rehabilitation or future use of a redevelopment project area.

## 17. "Redevelopment project":

(a) Means any work or undertaking:

(i) To acquire slum or blighted areas or portions of these areas and lands, structures or improvements, the acquisition of which is necessary or incidental to the proper clearance or redevelopment of these areas or to the prevention of the spread or recurrence of slum conditions or conditions of blight in the area.

(ii) To clear any areas by demolition or removal of existing buildings, structures, streets, utilities or other improvements thereon and to install, construct or reconstruct streets, utilities and site improvements essential to the preparation of sites for uses in accordance with a redevelopment plan.

(iii) To sell, lease or otherwise make available land in areas for residential, recreational, commercial, industrial or other use or for public use or to retain land for public use, in accordance with a redevelopment plan.

(b) Includes the preparation of a redevelopment plan, the planning, surveying and other work incident to a redevelopment project and the preparation of all plans and arrangements for carrying out a redevelopment project.

18. "Slum area" means an area in which both of the following are true: (a) There is a predominance of buildings or improvements, whether residential or nonresidential; (b) The public health, safety or welfare is threatened because of any of the following: (i) Dilapidated, deteriorated, aging or obsolescent buildings or improvements; (ii) The inadequate provision for ventilation, light, air, sanitation or open spaces; (iii) Overcrowding; (iv) The existence of conditions that endanger life or property by fire and other causes.

## **Arizona Revised Statutes 42-6209**

A. A city or town may abate the tax provided for under this article for a limited period beginning when the certificate of occupancy is issued and ending eight years after the certificate of occupancy is issued on a government property improvement that is constructed either before or after July 20, 1996 and that meets the following requirements:

1. The improvement is located in a single central business district in the city or town and is subject to a lease or development agreement entered into on or after April 1, 1985. For the purposes of this section:

(a) A city or town shall not designate more than one central business district within its corporate boundaries.

(b) A city or town shall not approve or enter into a development agreement or lease for a government property improvement within one year after the designation of the central business district in which the improvement is located.

(c) "Central business district" means a single and contiguous geographical area that is designated by resolution of the governing body of the city or town and that is geographically compact and not larger than the greatest of the existing total land area of the central business district of the city or town as of January 1, 2018, two and one-half percent of the total land area within the exterior boundaries of the city or town or nine hundred sixty acres. For the purposes of this subdivision, any central business district formed before January 1, 2018 is considered to be geographically compact. For the expanded areas of an existing central business district only and the new designation of a central business district formed on or after January 1, 2018 and for the purposes of this subdivision, "geographically compact" means a form or shape that has a length that is not more than twice its width as measured from at least four points on the exterior boundary of the expanded areas of an existing central business district or a central business district formed on or after January 1, 2018.



2. The improvement is located entirely within a slum or blighted area that is designated pursuant to title 36, chapter 12, article 3.

3. The government property improvement resulted or will result in an increase in property value of at least one hundred percent.

B. The prime lessee shall notify the county treasurer and the government lessor and apply for the abatement before the taxes under this article are due and payable in the first year after the certificate of occupancy is issued.

C. Except as provided by subsection D of this section, each lease between a prime lessee and a government lessor for which the tax is abated under this section that is entered into from and after May 31, 2010, and that does not meet the conditions provided in section 42-6203, subsection A must be approved by a simple majority vote of the governing body without using a consent calendar and shall not be approved unless:

1. The government lessor notifies the governing bodies of the county and any city, town and school district in which the government property improvement is located at least sixty days before the approval. The notice must include the name and address of the intended prime lessee, the location and proposed use of the government property improvement and the proposed term of the lease or development agreement.

2. The government lessor determines that, within the term of the lease or development agreement, the economic and fiscal benefit to this state and the county, city or town in which the government property improvement is located will exceed the benefits received by the prime lessee as a result of the development agreement or lease on the basis of an estimate of those benefits prepared by an independent third party in a manner and method acceptable to the governing body of the

government lessor. The estimate must be provided to the government lessor and the governing bodies of the county and any city, town and school district in which the government property improvement is located at least thirty days before the vote of the governing body. A lease or development agreement between a prime lessee and a government lessor involving residential rental housing is exempt from the economic estimate analysis requirements of this paragraph.

3. The lease or development agreement provides that the government lessor may not approve an amendment to change the use of the government property improvement during the period of abatement unless:

(a) The government lessor notifies the governing bodies of the county and any city, town and school district in which the government property improvement is located at least sixty days before the approval. The notice must include the name and address of the prime lessee, the location and proposed use of the government property improvement and the remaining term of the lease or development agreement.

(b) The government lessor determines that, within the remaining term of the lease or development agreement, the economic and fiscal benefit to this state and the county, city or town in which the government property improvement is located will exceed the benefits received by the prime lessee as a result of the change in the lease or development agreement on the basis of an estimate of those benefits prepared by an independent third party in a manner and method acceptable to the governing body of the government lessor. The estimate must be provided to the government lessor and the governing bodies of the county and any city, town and school district in which the government property improvement is located at least thirty days before the vote of the governing body. A change in use under a lease or development agreement between a prime lessee and a

government lessor to residential rental housing is exempt from the economic estimate analysis requirements of this subdivision.

D. Subsection C of this section does not apply if:

1. The tax is not abated under this section.
2. The government lessor is acting as a commercial landlord without a development agreement in a lease for a use ancillary to a government property improvement used for a public purpose.

E. The designation of a slum or blighted area that is originally designated from and after September 30, 2018 and in which a central business district is located automatically terminates on the tenth anniversary after the designation unless the city or town formally renews or modifies all or part of the slum or blighted area designation. The termination of a slum or blighted area designation under this subsection does not affect any existing project described in section 35-701, paragraph 7, subdivision (a), item (ix) that is within the designated area. Before the tenth anniversary of its designation, the city or town shall review the area and, pursuant to the review, shall either renew, modify or terminate the designation. If the city or town renews or modifies the original designation, the slum or blighted area designation is subject to subsequent reviews on a ten-year cycle. If the city or town fails to renew or modify the designation, the slum or blighted area designation automatically terminates five years after the review. This subsection does not apply to leases or development agreements to lease government property if either of the following conditions is met with respect to any such excluded area:

1. The lease of the government property improvement was entered into before the termination or modification of the



slum or blighted area designation.

2. A development agreement, ordinance or resolution was approved by the governing body of the government lessor before the termination or modification of the slum or blighted area designation that authorized a lease on the occurrence of specified conditions and the lease was entered into within five years after the date the development agreement was entered into or the ordinance or resolution was approved by the governing body.

F. Before October 1, 2020, each city or town shall review the designation of each slum or blighted area that was originally designated before September 30, 2018 and in which a central business district is located. All such slum or blighted areas in which a central business district is located are considered to be valid. Pursuant to the review, the city or town shall either renew, modify or terminate the designation. If the city or town renews or modifies the original designation, the slum or blighted area designation is subject to subsequent reviews on a ten-year cycle. If the city or town fails to renew or modify the designation, the slum or blighted area designation automatically terminates from and after September 30, 2025, or five years after any subsequent review. The termination of a slum or blighted area designation under this subsection does not affect:

1. Any existing project described in section 35-701, paragraph 7, subdivision (a), item (ix) that is within the designated area.

2. Any lease or development agreement to lease government property if either of the following conditions is met with respect to the slum or blighted area:

(a) The lease of the government property improvement was entered into before the termination or modification of the slum or blighted area designation.

(b) A development agreement, ordinance or resolution was approved by the governing body of the government lessor before the termination or modification of the slum or blighted area designation that authorized a lease on the occurrence of specified conditions and the lease was entered into within five years after the date the development agreement was entered into or the ordinance or resolution was approved by the governing body.

G. Notwithstanding section 42-6206, subsection C, beginning with development agreements, ordinances or resolutions to lease government property improvements approved by the governing body of the government lessor from and after December 31, 2016, the lease period for a property for which the tax is abated under this section may not exceed eight years, including any abatement period, regardless of whether the lease is transferred or conveyed to subsequent prime lessees during that period. As soon as reasonably practicable but within twelve months after the expiration date of the lease, the government lessor must convey to the current prime lessee title to the government property improvement and the underlying land. Property conveyed to the prime lessee under this subsection does not qualify for classification as class six property or for any other discounted assessment regardless of the location or condition of the property. This subsection does not apply to leases or development agreements to lease government property if either of the following occurred before January 1, 2017:

1. A corresponding resolution or ordinance for the lease or intent to lease such property subject to this section was approved by the governing body of the government lessor.
2. A proposal was submitted to the government lessor in response to a request for proposals.

## **Code Federal Regulations**

Per 24 Code Federal Regulations 507.208(b)(1) the area must also meet the following conditions in either paragraph (A) or (B):

(A) At least 25 percent of the properties throughout the area experience one or more of the following conditions: (1) Physical deterioration of buildings and improvements; (2) Abandonment of properties; (3) Chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings; (4) Significant declines in property values relative to other areas in the community; (5) Known or suspected environmental contamination.

(B) The public improvements throughout the area are in a general state of deterioration.

Within this definition the following requirements of paragraph (A) were studied to determine if 25 percent of the properties in this redevelopment area displayed the following:

(A)(1) Physical deterioration of buildings or improvements

(A)(5) Known or suspected environmental contamination

Powered by ArcGIS StoryMaps