

Memorandum

CITY OF FLAGSTAFF



To: The Honorable Mayor and Council
From: Karl Eberhard, Comm Design & Redevelopment Mgr
Date: 11/04/2014
Meeting Date: 11/25/2014

TITLE:

Community Reinvestment Plan - Draft

DESIRED OUTCOME:

Review and provide direction regarding "Community Reinvestment Plan - Draft November 2014" which includes:

1. Community Reinvestment Policy - Draft
2. Objectives - Draft
3. Implementation Strategies - Draft

INFORMATION:

COUNCIL GOALS:

11. Effective governance

REGIONAL PLAN:

The Flagstaff Regional Plan 2030 includes a series of goals and policies that support community reinvestment as an objective and course of action to achieve the goals and policies of the Plan. These include less direct goals such as preserving resources and open spaces, efficient infrastructure, energy efficiency, urban land-uses and development patterns, and multimodal commuting. However, the Plan also directly calls for compact development, investing in existing neighborhoods and urban areas, adaptive re-use, historic preservation, and promoting infill and redevelopment.

BACKGROUND:

At a Work Session on October 29, 2013, the City Council provided the most recent direction that serves as the basis of this draft of the Community Reinvestment Policy. The presentation included an overview of many available options and consideration was given to some "stage setting" concepts and prerequisite decision points. The City Council concurred that the Community Reinvestment Policy, by virtue of its very nature, would give reinvestment projects and advantage over greenfield projects; that the policy should be an overarching policy instead of targeting any specific neighborhoods (traditional redevelopment districts); and that the policy should be applicable to commercial and non-commercial property. The City Council acknowledged the necessary financial commitment and provided direction on some of the possible implementation strategies that had less consensus among the various stakeholders. Direction was also provided regarding objectives and implementation strategies that the City Council was not interested in pursuing such as planning, impact fees, and land banking. Finally, there was agreement that generally reduced development requirements, permit processing timeframes, and fee waivers do not have potential to yield meaningful incentives for reinvestment. The materials last reviewed by the City Council are attached.

Since that time, staff has modified the plan per City Council direction and carefully reviewed and discussed the plan amongst the impacted staff. For City Council consideration, please find attached a

draft Community Reinvestment Plan developed from that direction and discussion.

ABOUT THE DRAFT:

The overall framework of the draft plan is that the potential policy and objectives are reflections of City Council, community, stakeholder, and staff input as to what the overarching policy should (or could) be. However, for the purposes of the current Work Session discussion, the City Council should consider the potential implementation strategies as a "menu" of possibilities that can be evaluated for viability and edited or deleted prior to adoption of any specific implementation action.

THE USE OF DISTRICTS:

Recall that the available "redevelopment district" options are limited and ineffective as the State laws have been modified through the years. On that basis, the focus of this plan has been on broad policies, objectives, goals, and implementation strategies. However, the Regional Plan 2030 identifies existing activity centers and corridors as desirable redevelopment foci. And, several of the implementation strategies, like any alternative "urban engineering standards", would be best accomplished on a geographical basis. So while we've been trying to avoid requirements such as declaring neighborhoods as "slum and blight", at the end of the day, creating districts is most likely a part of accomplishing the objectives. Specifically, the "Infill Incentive District" is likely the tool to be used to calibrate the codes and standards to these areas and most likely to be included in specific implementation actions that staff would bring forward for City Council adoption.

PREDICTABILITY:

Please recall from prior discussions that "predictability" is an important character trait of the development process. One of the disadvantages of typical reinvestment is that the work, the requirements, are less predictable. Many of the concepts of this plan are concerned with establishing more a predictable environment in a reinvestment scenario.

FINANCIAL IMPLICATIONS:

General thoughts on the financial implications are included in the annotations of the draft plan. As the implementation strategies are developed, more detailed cost understandings can be developed. Note that the most impactful strategies herein also have the highest associated costs and no funding mechanism has been identified.

Just developing these strategies has cost implications including staff time, or hiring consultants or additional staff. Other projects could experience delay as staff develops these strategies. The direction provided by the City Council will be constructive to include and prioritize these efforts within various work programs.

Attachments: [10 2013 CC Work Session](#)
 [Community Reinvestment Plan](#)

City of Flagstaff

Community Reinvestment Plan

Draft - November 2014

Annotated

INTRODUCTION

The Flagstaff Regional Plan 2030 includes a series of goals and policies that support community reinvestment as an objective and course of action to achieve the goals and policies of the Plan. These include less direct goals such as preserving resources and open spaces, efficient infrastructure, energy efficiency, urban land-uses and development patterns, and multimodal commuting. However, the Plan also directly calls for compact development, investing in existing neighborhoods and urban areas, adaptive re-use, historic preservation, and promoting infill and redevelopment.

This Community Reinvestment Plan presents an over-arching Community Reinvestment Policy as well as objectives and potential actions to implement the policy. The term “reinvestment” is used so as not to evoke legal definitions and implications of the term “redevelopment” and refers to the improvement, including re-use, historic preservation, intensification, and infill of vacant, underutilized, or abandoned buildings and properties that are already developed or located in developed areas, and served and supported by existing public and private infrastructure. It is distinct from “greenfield development” which refers to the improvement of primarily undeveloped land, distant from existing activity centers and requiring the extension or development of most if not all necessary infrastructure, and often involving the subdivision of land.

The development of this plan was initiated by talking to our customers and learning their perceptions about how to promote reinvestment in Flagstaff. This was followed by research of other communities and the development of a broad menu of possible actions to accomplish this goal. Each item on this broad menu was then measured against our current activities, obvious fatal legal challenges, potential effectiveness, and the desires of the City Council.

Discussion: This work is composed as “a plan” such that if adopted, the policy and objectives would be in place, and the City Council will have provided direction to staff to further develop the implementation strategies and return to the City Council with final strategies for consideration and possible adoption.

The potential policy and objectives are reflections of extensive City Council, community, stakeholder, and staff input as to what the overarching policy should (or could) be. They are boldly written to express commitment and provide direction; “The City will ...” as opposed to “The City may ...” In considering the draft plan, staff requests direction if the plan presented for adoption should be less bold.

A notable amount of work remains in developing the implementation strategies - preparing corresponding specific actions, likely in the form of ordinances for adoption by the City Council. Thus they should be considered as direction to staff, but also as a “menu” of possibilities that can be evaluated for viability. That evaluation, including deletions, additions, and editing, could be done in reviewing the draft, in adopting the plan, and even at a later date when specific actions are brought before the City Council for consideration and possible adoption.

To assist in the consideration of these potential implementation strategies, the draft is annotated with key considerations and discussion relative to each strategy.

COMMUNITY REINVESTMENT POLICY

While preserving the character of the community, the City of Flagstaff prefers reinvestment (redevelopment and infill) over greenfield development and peripheral expansion of the city, and as a matter of public policy will promote, favor, and give priority to reinvestment.

OBJECTIVES

- OBJECTIVE 1: The City will address the physical constraints of existing urban properties.
- OBJECTIVE 2: The City will change regulatory requirements and remove or add provisions so as to incentivize reinvestment projects.
- OBJECTIVE 3: The City will provide beneficial financial mechanisms that would be applied to reinvestment projects

POTENTIAL IMPLEMENTATION STRATEGIES

For OBJECTIVE 1: The City will address the physical constraints of existing urban properties.

1. Each Division of the City shall incorporate into their work program the development of an inventory of their respective physical infrastructure and develop prioritized plans to install or upgrade incomplete, missing, or inadequate physical infrastructure.

Discussion: Note that several of the City's infrastructure systems have inventory work and replacement planning well underway while others are less complete. For example, our understanding of street issues and planning for them is well advanced, while our inventory of sidewalks does not include inadequate sidewalks, and our strategy for adding or replacing sidewalks is nominal.

Responsible Agency: All divisions of the City with capital programs.

Financial Implication: The inventory and planning work has some associated costs, particularly if performed by consultants. Notably, staff time must be dedicated to such work and considered in light of total workloads.

2. All presentations of capital improvement projects shall include a completed "Service to Reinvestment Scorecard". This rating shall be used in the process of prioritizing projects within five-year capital improvement plans such that all other variables being equal, those projects that have a higher score will have a higher priority than those with lower scores.

Discussion: The Capital Improvements Program has a matrix for scoring projects and a "reinvestment" score could be built into that matrix relatively easily. However, many capital improvement projects attain priority based on "opportunity" and other factors which can trump the reinvestment score. Notably, such opportunistic public investment contributes to the lack of reinvestment. Also, other programs do not have such a prioritizing matrix. A separate and uniform metric seems appropriate.

The use of this scorecard could be complex given other priority setting factors and given that the City Council generally only sees projects side-by-side during budget season. Adding the score into the budget process could help the Council see and establish project priorities. Even when reviewing individual projects, having a score included would provide the Council with another "information point" in their decision making – helping to answer the question of "Who is served?"

Responsible Agency: Capital Improvements Program and all divisions of the City with capital programs.

Financial Implication: Nominal.

3. The City of Flagstaff Capital Improvement Plan shall be modified to include a separate category entitled "Reinvestment" and reinvestment serving Capital projects shall be identified under that category.

Discussion: Similar to the scorecard, the organization of capital projects in this manner will provide the City Council with a clear picture of reinvestment serving projects that are underway or proposed when making decisions about the City's capital planning.

Responsible Agency: Capital Improvements Program

Financial Implication: Nominal.

4. The City will invest in infrastructure replacement and upgrades.

Discussion: None.

Responsible Agency: City Council

Financial Implication: This is probably the single largest "expense" category of all implementation strategies presented and a source is not identified. Implementing a program of upgrades and replacement for all infrastructure systems is potentially quite costly.

For OBJECTIVE 2: The City will change regulatory requirements and remove or add provisions that favor reinvestment projects.

1. City staff shall prepare for City Council consideration and possible adoption, changes to the development requirements in the Zoning Code that are specific to the urban areas of the City (already identified in the Regional Plan 2030).

Discussion: Recognizing that the community needs in an urban area are different than in a suburban or rural area, this strategy seeks to change one-size-fits-all requirements to calibrated requirements. For maximum impact, the likely areas of change are those that take up site area, such as parking, and those that also don't yield the desired character, such as buffer yards. The likely implementation tool is to create an Infill Incentive District around the activity centers identified in the Regional Plan 2030.

In many ways this would take some of the current incentives for use of the transect zones and apply them to the standard zones. This would make use of the transect zones less attractive and could reduce their use.

Alternative: An alternative approach would be to develop a "community priority" project designation. Such a designation could be prescriptive (perhaps using the Service to Reinvestment Scorecard) or by review and action on individual projects by the City Council or a Reinvestment Authority (Commission). Once designated, prescriptive relief could then be applied. Note that this concept is used in other communities but has not been fully measured against Arizona law.

Responsible Agency: Planning and Development Services Section

Financial Implication: Nominal. Notably, staff time must be dedicated to such work and considered in light of total workloads.

2. City staff shall prepare for City Council consideration and possible adoption, changes to the Zoning Code that increases the Minor Modification authority of the Planning Director for reinvestment projects.

Discussion: For example, the Planning Director can waive setbacks up to two feet under special circumstances. This could be changed to four feet for reinvestment projects.

This requires a rationale for designating a project as a reinvestment project – identifying when the expanded authority applies. Such a designation should be prescriptive (perhaps using the Service to Reinvestment Scorecard) because a hearing process would delay project approval time frames while the minor modification process is designed to speed up approvals.

Responsible Agency: Planning and Development Services Section

Financial Implication: Nominal.

3. City staff shall prepare for City Council consideration and possible adoption, alternative Engineering Standards that are specific to the urban areas of the City (already identified in the Regional Plan 2030).

Discussion: See Discussion (calibrated requirements) and Alternative under Objective 2.1 above (not repeated for brevity). The example for this case: Standards calibrated to an urban environment might require less separation of driveways or narrower driveways.

While the City usually negotiates solutions when urban constraints are recognized, the lack of predictability, the need to negotiate, and the absence of prescribed standards is a disadvantage for urbanized areas compared to sites where the lack of existing development, available space, and established standards remove this concern.

Responsible Agency: Engineering Section

Financial Implication: Nominal. Notably, staff time must be dedicated to such work and considered in light of total workloads.

4. City staff shall prepare for City Council consideration and possible adoption, changes to the Engineering Standards that increases the Modification authority of the City Engineer for reinvestment projects.

Discussion: Unlike the Zoning Code, the Engineering Standards do not have a set criteria or limit on the City Engineer's authority. Therefore, to effectively implement this strategy, it is necessary to establish criteria and limits for such modifications in general so that more flexibility can be given to reinvestment projects.

See discussion of project designation in Objective 2.2 above (not repeated for brevity).

Responsible Agency: Engineering Section

Financial Implication: Nominal.

5. City staff shall prepare for City Council consideration and possible adoption, changes to the development requirements in the Storm Water Design Manual that are specific to the urban areas identified in the Regional Plan 2030.

Discussion: See Discussion (calibrated requirements) and Alternative in Objective 2.1 above (not repeated for brevity). The example for this case: Standards calibrated to an urban environment might require less on-site detention.

The development of the strategy will need to recognize that developed properties are already allowed to retain their current level of imperviousness; that there are other laws that govern the handling of storm water; and that relief may require community solutions (and expenses) as an alternative.

Responsible Agency: Storm Water Program and Planning and Development Services Section

Financial Implication: Nominal, except as noted.

6. For transportation impact analyses of reinvestment projects, factors to adjust the baseline ITE trip generation data shall be developed by City staff for alternative mode travelers (transit, bicycle, and pedestrian), based on vehicle occupancy, and other best practice adjustments.

Discussion: Standard ITE Trip Generation data is based on suburban travel habits. Recent studies (such as the National Cooperative Highway Research Program Report 758) have suggested the above adjustments for urban infill. The level of adjustment should be graduated relative to context. For example, an adjustment for pedestrians would be relative to an existing urban activity center. As “predictability” is an important need in the development process, it is important to establish these adjustments ahead of time and NOT on a case-by-case basis (as is our current practice).

Responsible Agency: Engineering Section

Financial Implication: Nominal.

7. Using the inventories of infrastructure system needs (See Objective 1.1) and the growth projections of the Regional Plan 2030, City staff shall map high value needs that are likely to require physical or financial contributions based on impacts of development on surrounding property (Sewer, Water, Storm Water, and Traffic) .

Discussion: For example, a needed new traffic signal or sewer main should be mapped so that developers of surrounding properties can be informed - understand the deficiency and anticipate the need for participation.

In order to make this a reasonable map, only “high value” needs – say over \$1 million, or over \$5 million, would be included. An alternative metric for inclusion on such a map might be those projects that are likely to impact multiple properties. And, by some means, such mapping should communicate the “sphere of influence” (thus identifying which properties are most likely to be affected). Again, the objective is to provide critical

information in advance which then shores up the “predictability” in the development process.

Responsible Agency: Engineering Section

Financial Implication: Nominal. Notably, staff time must be dedicated to such work and considered in light of total workloads.

8. For development requirements that yield undesired on-site features or where a community or municipal system is more efficient, City staff shall prepare an In-lieu-of Fee Schedule for City Council consideration and possible adoption.

Discussion: In-lieu-of fees have been used by other communities primarily for parking but also for parks, affordable housing, landscaping, storm water, wetlands, and many more development or development mitigation requirements wherein a community solution can be substituted for a site specific solution. At its heart, a fee is paid by a developer instead of meeting or providing a development requirement. For space occupying requirements, like parking, the developer simply measures the cost of land and construction against the cost of the fee. This aids reinvestment more than greenfields because, generally speaking, land costs are higher in urbanized areas.

Some of these should be graduated based on level of service. For example, distance from municipal parking is a common metric for graduating parking in-lieu-of fees.

Also, the City Council should consider if such fees would be tied to actual plans to construct municipal infrastructure. On one hand this is entirely reasonable – if we have no plans to build municipal parking, should we collect an in-lieu-of fee for it? On the other hand, doing so would delay the deployment of this strategy. The City would have the most flexibility in capital planning if such fees were not tied to actual plans to construct municipal infrastructure.

Responsible Agency: Planning and Development Services Section

Financial Implication: Nominal. In some respect, this would amount to another capital project funding mechanism.

9. City staff shall prepare for City Council consideration and possible adoption, an Aging Infrastructure Credit that would provide City funds for the partial replacement of public infrastructure when such work is required in association with a reinvestment development application.

Discussion: This is simply paying a portion of the developer’s expense on the basis that we would have to pay some amount as part of our replacement programs. However, we have limited replacement programs

at present which suggests that this implementation should be coupled with establishing such programs.

Responsible Agency: All divisions of the City with capital programs.

Financial Implication: This requires the dedication of funds and is probably the second largest “expense” category of all implementation strategies presented.

10. City staff shall further develop for City Council consideration and possible adoption, a Transfer of Obligations / Development Rights ordinance that allows resource protection requirements to be met off-site and that allows density to be relocated from peripheral areas to urbanized areas of the city.

Discussion: There may be other development features or requirements that can be transferred off-site. So, we may need to add to this list as the final recommendation is developed - or better, create a system that has ongoing flexibility. And notably, “density” is not a feature generally sought by local developers which reduces that effectiveness of this measure.

Responsible Agency: Planning and Development Services Section

Financial Implication: Nominal.

11. Except in the case of eliminating islands and peninsulas, and special circumstances such as economic development projects, annexations are not supported by the City of Flagstaff.

Discussion: Fundamentally, if the community wants to cause development to occur in the already urbanized areas of the City, then not favoring adding to the periphery of the City is a potential strategy. On the other hand, there are circumstances when such expansions serve other purposes like allowing an existing business to expand, making utility connections, and so forth. One approach is to have an open policy and review expansions for their benefit on a case by case basis and then deny those that don't have special circumstances. This is a difficult approach. Another approach is to have a discouraging policy but upon review of the benefits, special circumstances, allow those that have purposes other than simple expansion of the City. This approach allows the City to identify why an annexation is desirable as opposed to why it is undesirable.

Responsible Agency: None - Ready to go.

Financial Implication: Annexations have many benefits to a city – not the least of which is an expanded tax base – which would be lost under such a policy.

For OBJECTIVE 3: The City will provide beneficial financial mechanisms that would be applied to reinvestment projects.

1. Review and inspection fees shall not be required for the replacement of public infrastructure by a developer and City staff shall prepare for City Council consideration and possible adoption necessary changes to the appropriate fee schedules.

Discussion: At the very least this would be a head nod to the “aging infrastructure credit” concept (See discussion Objective 2.10).

Responsible Agency: Community Development Division

Financial Implication: Cost recovery would need to come from funds other than review and inspection fees paid by other developers.

2. City staff shall prepare for City Council consideration and possible adoption, a Reinvestment Incentive Program that offsets development costs.

Discussion: Regarding prior drafts of this policy, Council expressed an interest in a simple cash incentive program. This requires designating a project as a reinvestment project (See Objective 2.2 above). Being fairly broad, a mechanism for selecting among qualified reinvestment projects is likely also required. Such a selection might involve preferring projects that add a “missing” land use to an area which then requires identifying which areas are “missing” what land uses. Gift clause issues are highly likely.

Responsible Agency: Community Design and Redevelopment Program

Financial Implication: The magnitude of offset costs (incentive) needs to be set by the City Council. Meaningful incentives are likely expensive.

3. City staff shall prepare for City Council consideration and possible adoption, an “Empty Building Tax” for buildings that are not under construction and unoccupied for long periods of time.

Discussion: Empty buildings while not producing, still require municipal services such as police, fire, streets, and so forth. An empty building tax addresses recovery of such costs. This line of thought needs to consider “empty suites” as well for partially vacant structures.

Responsible Agency: Legal Department and Management Services

Financial Implication: Unknown – potentially yielding income.

City of Flagstaff
Community Reinvestment Policy
Subsidiary Decision Points
August 2013

The following is a presentation of several different policy discussions that are each “Subsidiary Decisions Points” for a broader *future* presentation on policies related to redevelopment and infill in Flagstaff¹.

This is not a presentation of the broader redevelopment and infill policy ideas, though a working list of the ideas is attached for reference². On this list, the various ideas have been grouped into six general categories including community planning, physical constraints, regulatory requirements, process requirements, financial mechanisms, and a catch-all group, “other”. Based on preliminary staff discussions, we have classified the various ideas as:

- Those that can be done more easily (short-term),
- Those that require more discussion and figuring out (long-term),
- Those that appear not so workable (bad ideas), and
- Those that have broader policy implications.

This last group, “those that have broader policy implications”, is the subject of this presentation. These ideas warrant an advance discussion with the City Council to determine which ones staff should pursue further and which ones are simply not of interest to the City Council and thus do not merit further staff resources.

This presentation is divided into three basic groups. The first group includes items that are “stage setting” and for which we are seeking consensus on the presented approach. The second group includes items that truly have broader policy implications - those that are interconnected with other city policies. Notably, some of these have been discussed previously, but independently of their role as incentives for redevelopment and infill. The final group, “Items Getting Less Attention” addresses ideas that have a limited potential as meaningful redevelopment incentives, but since people may be expecting them to be addressed, they merit discussion and consensus.

¹ The City Council has previously directed staff to prepare specific policy ideas that would implement the Regional Plan - promoting redevelopment and infill. As with earlier in-progress presentations on this subject, the merit or purpose of promoting redevelopment and infill are not addressed herein. These are addressed in both the current and pending Regional Plan.

² This presentation addresses items in the column with yellow boxes. The future presentation with policy recommendations will address the remainder of the ideas portrayed – more accurately, those that survive more study of effectiveness and feasibility.

STAGE SETTING

SPECIAL DISTRICTS vs OVERARCHING POLICY

Arizona law provides for the creation of a number of types of special districts for redevelopment, infill, revitalization, and other purposes. For all of the available options that address redevelopment, there are two very notable limitations in creating such districts. The construction of these laws, as altered through the years, makes some districts difficult to create and/or once formed, some are less constructive than originally intended. For example, some require a declaration of “slum and blight”. Public reaction to declarations like “slum and blight”, particularly for the affected property owners, is very negative, and does not accurately describe what is desired for Flagstaff. Other district types require one hundred percent support from the stakeholders which is a difficult, if not impossible task. Also, most of these districts have very narrow purposes such that multiple districts would be necessary to achieve broad goals. Finally, as “districts”, they have boundaries and are thus not “broad”.

Our understanding is that the intent of the City Council is not to address a “slum and blight” area, or one subject or another, but rather to promote the various forms of new development that can occur in areas of the city that are already developed – those areas that are already largely served by existing infrastructure and services. Without drawing any tight boundaries, this might include several neighborhoods and corridors within the city, as well as many less known or less obvious opportunities.

Please note that in spite of this general observation, the use of districts should remain a tool for consideration by the City. If for example the City Council believed that providing parking relief in downtown was desirable, an Infill Incentive District³ would be a good tool because this district is easy to form, it does allow for relief of development requirements, and it does allow the Council to specify an area in which the relief would apply. If the City Council wished, this tool could also be used to limit the application of new incentives or policies to only commercial districts and corridors, or only to select commercial districts and corridors.

With this understanding, the difficulty of “districts” and the broader intent, we propose to focus our efforts on over-arching policies, goals, and actions.

If the City Council prefers instead to limit the forthcoming policies to specific districts, what districts would you like to see addressed?

³ This district can be used to offer expedited zoning or rezoning procedures, expedited processing of plans and proposals, waivers of municipal fees (with notable limitations), or relief from development standards.

Chandler Infill Incentive Program

The Flagstaff City Council has previously referenced the Chandler redevelopment and infill incentive programs as a model that Flagstaff may want to investigate. Both CD&R staff and Legal staff have reviewed their programs and CD&R staff briefly discussed them with Chandler's Economic Development Director. Please find following some information in that regard:

For residential projects the City of Chandler offers impact fee reimbursements for Energy Star and LEED certified projects. Waiving development impact fees is a very a useful and workable incentive. As a reinvestment incentive for Flagstaff, waiving development fees is addressed in the main body of this paper.

For commercial projects the City of Chandler offers a reimbursement for construction expenses "such as the demolition of existing commercial space and/or for providing the public infrastructure necessary to accommodate new uses on the site". The program is managed by the Economic Development Department and the exact nature of the reimbursement is negotiated during the development approval process. A 2009 case study project was paid 50% of the total construction expenses (\$650,000) for "façade improvements". Program changes in 2009 shifted the focus of the program to projects that redevelop all or a significant portion of an existing commercial center in order to introduce new and/or additional uses such as residential and/or office components.

The funding appears in their Capital Improvements Plan, general government, funded by the General Fund. The program has maintained a carry-forward (fund balance) of just under \$2.8M in the last three fiscal years and while the CIP has shown future funding at \$500,000 per year, the program has been unfunded after FY 2010-11.

The construction of the program, the legal basis, and the relief offered, resemble the Infill Incentive District described in ARS with some very notable differences. While the residential component of their program offers incentives straight out of ARS, it appears to be applicable anywhere in the City. It is really a broadly applied incentive and not a district.

The Infill Incentive District described in ARS does not allow for reimbursement of construction expenses as Chandler provides for commercial projects but they limit the application of these incentives to a specific district and to specific business types ("older existing retail centers"). Our research has not found any mechanism in ARS whereby a City can reimburse construction expenses in this way. The 2010 City North case stated that "cities can use incentives for economic development but have to show the city is getting a measurable, contracted benefit that at least equals the city's expenditure (sic)". With this in mind, using the 2009 case study project, the City of Chandler would have to realize a \$325,000 benefit to offset the expense.

COMMERCIAL vs OVERARCHING POLICY

Please note that little distinction has been included herein between policies that would benefit commercial or residential infill and redevelopment.

Does the City Council prefer that we focus our efforts on one or the other?

If “commercial only” is desired, would incentives include mixed-use development in a commercial zone? Would we want to define “mixed-use” – to specify a ratio of one use to the other (currently not defined)?

REINVESTMENT

Continuing with setting the stage, the term “redevelopment”, in addition to having adverse social implications, is a term of art in the field of law. Use of the term can be mistaken to imply that there is some sort of “district” and thus that all of the connotations and limitations of districts are applicable. Furthermore, the term “redevelopment”, when not being used as a legal term, includes other forms of development that we specifically want to include in our policies such as intensification, infill, adaptive re-use, historic preservation, and so forth. The term “reinvestment” is a synonym for the non-legal meaning of “redevelopment” and accurately describes what is desired for Flagstaff.

With this understanding, we propose to focus our efforts on “reinvestment” policies rather than “redevelopment and infill policies”.

CREATING DIFFERENCES (CREATING OR CLOSING A GAP)

At present, and seemingly fair, all of the rules, requirements, and opportunities of our development environment are equally applied regardless of whether or not a particular project is a reinvestment or green field site. From that perspective, creating different rules for reinvestment opportunities seems unfair. However, reinvestment sites are already disadvantaged, having features such as being established parcels, being smaller, having existing development including infrastructure (typically aging), newly applied development standards, and many other factors. When reinvestment sites and green field sites are treated the same, many of these features become disadvantages, and the “equal application of rules” is in fact a difference in and of itself that causes developers to prefer green field development. From that perspective, creating different rules for reinvestment opportunities levels the playing field.

Regardless of the preferred perspective, if the goal is to cause a developer to choose reinvestment, we must create a difference (a gap) between the two in our development environment. And, while this gap can be accomplished by making reinvestment projects easier, or by making green field development harder, or any combination of the two, it is the difference that will make reinvestment attractive.

With this understanding, our efforts intentionally focus on creating differences (a gap) between green field and reinvestment opportunities and requirements.

PREREQUISITE POLICIES

CAPITAL PLANNING, CONSTRUCTION, and MAINTENANCE, and PRIORITIES

One of the biggest physical constraints of many reinvestment sites is the existing infrastructure. It seems backwards, but no infrastructure is actually better than inadequate infrastructure. “No infrastructure” is predictable – you know where the point of connection is. And, this situation usually occurs on larger sites with developers that fully expect to install infrastructure as part of their work. Inadequate infrastructure means not only an unpredictable tie-in point, but the cost of removing old infrastructure and the cost of working in a developed area is added to the infrastructure costs.

One way to address this is through building and maintaining infrastructure so that reinvestment opportunity sites are as “plug and play” as possible. Think of it like creating a business park where all the needed utilities are stubbed out at the back of the sidewalk, ready to go. And, this concept needs to include more than just water and sewer lines, or roads, it needs to include sidewalks, street lights, fire hydrants, trails, and all of the other urban amenities that Flagstaff currently expects of a completed project. “Soft” infrastructure like parks, libraries, police services, and similar amenities must also be included along with private infrastructure like electrical power, communications, and gas.

The City of Tucson recognizes the connection between infrastructure and redevelopment, stated as follows:

Perhaps the single most important issue that will ensure successful downtown redevelopment is the provision of adequate infrastructure to support future uses. (*sic*) Infrastructure investment must be targeted to projects that make Downtown "Development Ready". To solve this problem, the City of Tucson, Pima County, utility agencies and private sector representatives have jointly developed recommendations for infrastructure improvements. These recommendations identify the location and capacity of current infrastructure and provide a blueprint for improvements necessary to support downtown development over the next twenty years.

This is a strategy that we understand. At the site at the northeast corner of Route 66 and Enterprise (formerly owned by Laurie Nemic), the City of Flagstaff built the turn pockets and other frontage improvements. While not comprehensive, these improvements did serve to make the site more “plug and play”.

The first aspect of achieving this “plug and play” state involves significant City investment in planning, capital improvements, and maintenance. The necessary planning has been previously discussed in terms of infrastructure master planning but needs to also include neighborhood and corridor planning. To understand the magnitude of these enterprises, consider that the concept planning for a re-vamp of Fourth Street, one mile of corridor, cost the City \$250,000 and proposes \$18M of work.

Community Reinvestment Policy - Prerequisite Decision Points
City of Flagstaff - August 2013

And, Fourth Street is a small fraction of our need. Requiring fifty percent plus one property owner agreement, Capital Improvement Districts can be an effective tool for financing capital improvements, particularly for specific projects or neighborhoods.

The second aspect involves prioritizing the needs of reinvestment - replacing and maintaining the existing infrastructure has to be more important than accommodating the needs of new development⁴. We prioritize our capital improvement projects by various factors. In that process, one of the factors must be the ability of the project to serve reinvestment and furthermore, weight needs to be given to the “reinvestment service” factor⁵. To be clear, in doing so, projects like re-vamping the north part of the Fourth Street Corridor would come before constructing new segments of Fourth Street south of Butler Avenue. Without increasing the City’s total expenditures, this would mean that thousands of new homes and hundreds of thousands of square feet of new commercial development would not be served using City funds for some time.

Here are the key subject areas of the Town of Gilbert Capital Improvement Plan and Infrastructure Improvement Plan:

- Streets
- Traffic Control
- Municipal Facilities
- **Redevelopment** (*Emphasis added*)
- Fire Protection
- Storm Water
- Water
- Waste Water
- Parks, Recreation, and Open Space

Are we willing to make such substantial investments?

Are we willing to prioritize reinvestment needs - To NOT serve a new tax base (green field development) in order to serve reinvestment opportunities? Or alternatively, are we willing to invest even more in order to serve both?

⁴ Keep in mind that a project may fully mitigate its impacts but may still only be partially responsible for certain system upgrades. In that case, the City has to provide for the remainder of the system upgrade.

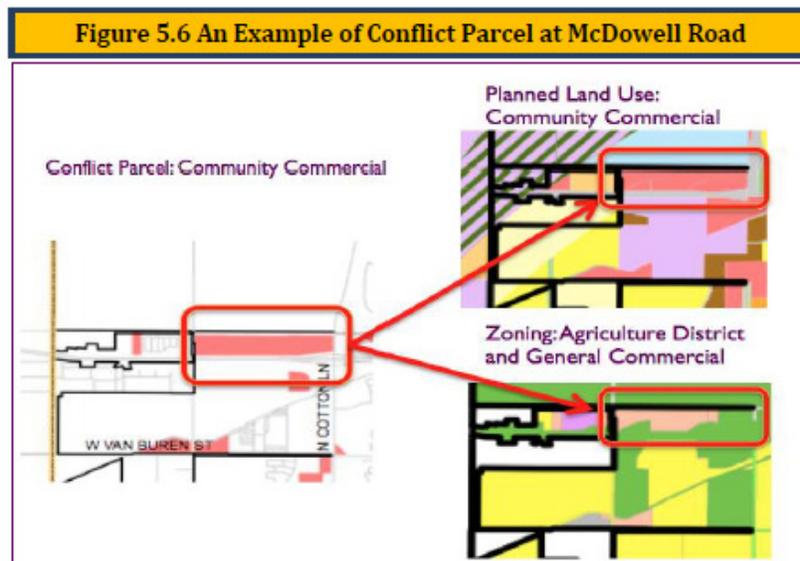
⁵ Notably, prioritizing commercial and mixed-use neighborhoods and corridors over residential areas, or urban areas, can also be accomplished by prioritizing within that capital planning process. Notably, the “color of money” and ongoing funding for maintenance both have tremendous influence on prioritizing capital work.

MORE PLANNING

As with constructing infrastructure, investors in green fields, usually larger developments, expect to carry out certain planning efforts in order to perfect their development. This often includes proposing changes in land-uses and/or zoning. And, it's not just that they expect it, but being larger investments, the cost of this work can be reasonably spread over the product created. For example, if 1,200 home sites are created as the result of a \$100,000 rezoning case, the cost per site is \$83 each.

We know that the City has created a lesser process for smaller rezoning cases (and this conversation continues). If we assume the smaller rezoning case is one quarter of the cost, here's some example math for a typical reinvestment opportunity: If two home sites are created as the result of a \$25,000 rezoning case, then the cost per site is \$12,500. This is one of the major impediments to reinvestment – how can the reinvestment opportunity compete when there is a difference (a gap) of over \$12,000 per site in favor of green field development?

There is a way to eliminate this difference – at least in part – and at the same time strengthen the outcome of our general planning effort. Last year, we completed a substantial and high quality re-write of the City's Zoning Ordinance. At present, we are in the process of a substantial and high quality re-write of the City's general plan (Regional Plan). As painful as it might seem in light of these recent works, the next step to address the differences between green field and reinvestment development is an investment by the City in yet another planning effort.



“Parcels like this need to be reconciled to reflect the correct land use and zoning correlation (*sic*).” - City of Goodyear, Existing Conditions Study (a part of their General Plan Update)

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This effort needs to change the zoning of parcels where the Zoning Map is not in agreement with the Regional Plan⁶. Second, this effort needs to add detail, a finer grain. For example the Regional Plan identifies “activity centers” but actually creating one requires some fine grain application of zoning to parcels that are currently zoned differently. This type of planning effort has been discussed as a “correction” of the Zoning Map and would not only complete our community planning, getting the community the outcome it wants (as described in the Regional Plan), but also takes away the current difference that favors green field development.

The first push back from the public regarding this recommendation is that this corrective rezoning activity is “speculative zoning”. Not so. Speculative zoning means that the zoning of a parcel is changed for the purpose of adding value and/or attracting a buyer, and literally, in anticipation of a profit being made through the sale of the then “value added” property. The problem with speculative zoning is that what has value for the purpose of a sale does not necessarily have value for the community or have a place in sound community planning. However, if the work is performed by the City based on the Regional Plan and sound planning principles, and is NOT based on any sales intentions, it is NOT speculative. Not only is it “just planning”, its good planning.

The second push back is that the community has no opportunity to “see the development” - to see the site plans and building elevations before the zoning is changed. The implication of this concern is that if the design is unacceptable, it can be improved as a result of the City’s discretion in a rezoning case. There is a degree of truth in this. However, changing the zoning through planning creates a circumstance no different than any other “by right” development case. If the planning has been correctly done, if the design regulations are correctly done, and if they are applied, the end product of a “by right” case should meet community expectations. If it doesn’t, the planning and regulations are the issue, not the act of changing the zoning.

The third push back is that a rezoning case is the opportunity for the City to exact improvements from the developer - typically infrastructure improvements – traffic improvements, utility system components, and even parks and trails. However, if we created “plug and play” infrastructure systems, the need for such exactions decreases significantly. And, reducing “exactions” for reinvestment opportunities is itself a mechanism to create a difference between green field development and reinvestment.

Are we willing to invest in more community and neighborhood planning?

Are we willing to defend these planning activities in light of spirited and reasoned push back?

Or, are we willing to expand these planning activities to include visuals for community evaluation? And, are we willing to impose such visuals as regulations?

Are we willing to accept less exaction powers on reinvestment developments?

⁶ This effort needs to be performed with consideration given to Arizona Proposition 207 - The willingness of property owners would be required to avoid liability on the part of the City.

Case Study - Continued

If proposed, this project alone would increase traffic by roughly 10,000 average daily trips (ADT) – a little more than a Walmart store. The required Traffic Impact Analysis would likely recommend widening Humphries to four lanes, widening portions of Beaver Street, a complete re-design and re-build of the Humphries and Route 66 intersection, possibly adding signalization to the Humphries and Cherry intersection, modifications to the Aspen and Birch intersections, and various other operational improvements in and about downtown. Access points on Route 66 and Humphreys are likely to be limited or prohibited and acquisition of right-of-way is likely necessary.

Looking at just the traffic impacts, this level of re-building public infrastructure is a significant financial burden - sufficient to prevent redevelopment. Supposing that the pro forma could withstand these costs, would we want to make these kinds of changes to the downtown streetscape? And, if we did for this single project, how about the changes necessary for the next downtown infill and redevelopment project? And the next? At some point the changes to the street to accommodate highway and suburban traffic standards obliterates the character of downtown.

To get this kind of redevelopment, there are three choices: Obliterate the character of downtown; accept lower levels of service; or accept lower levels of service and try to offset only some of the impacts through systemic improvements. Accepting lower levels of service would mean recognizing that in a downtown environment, congestion is good and the free-flow of cars through downtown is not. Systemic improvements might include creating a “park once” downtown and/or using in-lieu-of fees and impact fees to make changes to the transportation system that preserve the downtown character while fixing only some of the traffic issues.

Then, knowing that individual projects, or several individual projects, can't address the traffic impacts and supposing that we wouldn't want the resulting recommendations built, why ask the developers to prepare traffic impact studies costing tens of thousands of dollars? Such studies could be used to set the amount of the impact fee, but a prescriptive assessment methodology would work just as well.



Streets that give priority to the free-flow of cars look like this ...



... and not like this.
The Character of Downtown ...

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There are three potential alternate mechanisms to address resources and infrastructure without requiring the production of special studies.

One mechanism is to recognize the “plug and play” infrastructure goal, assuming it is implemented, and simply not concern ourselves with the impacts of individual reinvestment projects. At first glance this may seem reckless, but if the impacts of development are accounted for in the overall infrastructure planning, then they are addressed and the action is not reckless. If the impacts are addressed on a per project basis or as part of a community infrastructure planning process, the outcome is the same either way. In fact, looking at and solving the impacts of multiple developments comprehensively is better community planning and more efficient problem solving.

Another mechanism worthy of exploration is to simply have prescriptive requirements for certain systems. This concept could be an extension of, or mitigation of, implementing the first mechanism. Recognizing that we don’t want certain features in an urban environment, like detention basins, we could alternatively require other run-off reducing features. These prescriptive requirements likely would not fully address the impacts of individual projects, but they would foster reinvestment, and at the same time reduce the demand on comprehensively planned drainage systems.

Finally, and again as a possible extension of the first two mechanisms, individual projects would be better designed, and incentivized, if a complete “in-lieu-of” fee system were in place. Such a system is established for parking by the newly adopted Zoning Code but is not yet implemented in terms of developing a fee schedule or a process, and also does not include other infrastructure systems. Notably, this mechanism needs to be coupled with an infrastructure planning, capital investment, and maintenance program.

To be clear, this idea does not in any way suggest that all special studies should be eliminated. They provide important information for City decision makers. Instead the recommendation is that under certain circumstances, to foster reinvestment and/or in the context of the impacts being addressed as a part of comprehensive infrastructure planning and development, possibly mitigated, some special studies would not be required for individual projects.

For individual projects, are we willing to accept less in the way of special studies?

Do we want to develop prescriptive alternative measures?

Do we want to complete the in-lieu-of fee system?

DEVELOPMENT IMPACT FEES

One of the redevelopment incentive offerings readily available under Arizona law is a waiver⁷ of impact fees.

“Exactions” and “impact fees” are both methods used to shift the cost of new public facilities (infrastructure) from the general taxpayer to the beneficiaries of those new facilities – to mitigate development impacts. Common impact mitigations address traffic and streets, sewer and water facilities, storm water and drainage, public safety, parks and recreation, trail systems, and libraries. They can also be found to support schools, affordable housing, and job training, as well as criminal justice, health services, and social services. Some communities have used them to address needed facilities as specific as city halls and public works yards, and services as specific as animal control.

While both are “exactions” by definition, here in Flagstaff, and herein, we use the term “exaction” to refer to our current method of asking the developer to physically build various improvements. While this system usually exhibits a pretty direct tie between physical improvements and the impacts of a specific project, what actually gets built is negotiated during the development review process. This scenario works well for physically connected systems like utilities and roads, but is less effective for general non-physical impacts such as public safety. Under this scenario, generally, the risk of added expense, delays, and so forth is the responsibility of the developer.

Under an impact fee scenario, the developer would pay the City a fee instead of building improvements and the City would then use those monies to make various infrastructure improvements and to build public facilities. In response to a development application, the outcome is prescribed instead of negotiated, and there is an opportunity to plan improvements more comprehensively with a greater emphasis on “system” improvements, and it can better capture all impacts. On the other hand, this approach puts the construction risks on the City and caution needs to be taken to legally connect the improvements made to impacts realized (for which fees were paid).

Looking at just “traffic and streets” as an example, we see that the extraction process works pretty well for connected physical improvements. The streets and edge improvements (sidewalks, street trees, and street lights) necessary for a specific project are typically built by the developer. Reasonable nearby system improvements are typically captured too. For example Walmart constructed certain improvements at the Lucky Lane / Butler Avenue intersection. However, part of the capital cost of traffic and street facilities are things like the trucks, snowplows, office space, and the public works yard that are all used to support and service these facilities. And, every street in Flagstaff is incrementally impacted by new development which on a case-by-case basis may be negligible, but cumulatively it is quite a problem. The exaction process does not capture support needs or cumulative impacts and these expenses thus become a municipal burden, currently absorbed elsewhere in our budgeting.

⁷ Per ARS, “... as long as the waivers are not funded by other development fees.”

Looking at other impact areas, beyond this example, the same can be said of other costly impacts such as the water system or trails – support needs and cumulative impacts are not well addressed by the exaction methodology. And, in some impact areas, such as parks and libraries, most development projects make no contribution of any kind to required new public expenditures. The only impact fee currently used in Flagstaff covers public safety in the amount of \$705 per residential unit⁸.

All development, including reinvestment, would benefit from the predictability of impacts fees. For reinvestment specifically, and for reinvestment policy, waiving a paid fee is certainly simpler, more predictable, and more codifiable than “waiving” negotiated improvements.

Further, if the fee structure recognized the true impacts and all of the impacts of green field development versus reinvestment, that action alone would go a long way toward leveling the playing field. A project built in the urbanized part of the city can often be served by the existing infrastructure – for example the truck that runs around reading water meters. On the other hand, a project built south of I-40 is likely to necessitate another route and truck for reading the water meters.

Are we willing to reconsider the use of impact fees? And if so, are we willing to waive them in whole or in part as a reinvestment incentive?

San Antonio developed an Incentive Scorecard System to determine the amount of their impact fee waiver. Points are given for the project size, infrastructure upgrades, quality design, and for the use of certain planning strategies (like Traditional Neighborhood Design). But most of the categories are for redevelopment goals such as infill housing, restoration or rehabilitation of a historic property, and for development in certain target areas. Various Arizona programs are using the Arizona Smart Growth Scorecard to award incentives.

AGING INFRASTRUCTURE CREDIT

Whether we use the exaction methodology or the impact fee methodology, giving development a credit for aging infrastructure would promote reinvestment. For example, if a project needs to install a new sidewalk, because it's too narrow or maybe broken up, the entire expense is the obligation of the developer. On the other hand, if there was no project, the City would eventually have to replace the sidewalk. To foster reinvestment, the City could acknowledge this and essentially pro rate the cost and credit the development in the prorated amount. So, if a sidewalk lasts 50 years, and it is 25 years old, the developer would be responsible for half of the cost and the City would be responsible for the other half.

Are we interested in an aging infrastructure credit?

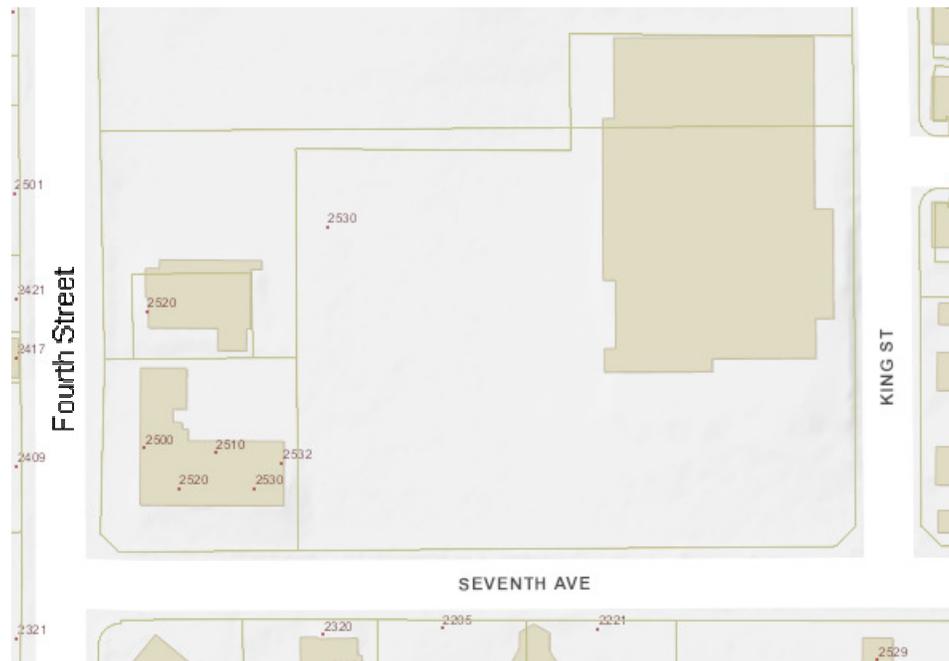
⁸ This is not enough to meaningfully incentivize reinvestment.

PARCEL ASSEMBLAGE

The viability of reinvestment sites is often jeopardized by parcel size, ownership, and other issues. For example, older parcels are smaller and modern needs are larger than they used to be. A site that easily held a grocery store fifty years ago is unsuitable today because stores are bigger, but also because of parking needs. Retailers and restaurants, once forced to install off-street parking, now demand it as a critical success factor in site selection. Even single family residential sites are faced with a demand for larger homes. Some cities and counties address these issues by buying parcels, as they become available, and assembling them into larger parcels which are then resold for reinvestment. This is often accomplished through a land trust mechanism.

Do we want to invest in parcel assemblage? Are we “in that business”?

Case Study



Former K-mart – Now Cal Ranch Property

This property is an example where acquisition and assemblage of the parcels could have been beneficial. Underlying the building are two separate parcels with separate owners. The building is owned by a third party and the lessee is the fourth party. Redevelopment required reaching agreement with all four parties. This did happen without government influence, but it took over twenty years. The shelf life of this arrangement is unknown and could revert back.

ITEMS GETTING LESS ATTENTION

DEVELOPMENT REQUIREMENTS

Another redevelopment incentive offering readily available under Arizona law is a waiver of development standards. This subject, being a popular concern, has been revisited in Flagstaff every two to four years and the requirements have been fine tuned through the years to address various concerns. The recently adopted new Zoning Code was another occasion where requirements were fine tuned, notably including changes that promote reinvestment. From the perspective of seeking meaningful enticements for reinvestment, other than looking at the thresholds for special studies and infrastructure requirements, there is not a lot that can be accomplished in this arena.

That being said, there are some fine tuning ideas we should explore. In regard to the Zoning Code, these might include parking and landscaping requirements in the most urbanized areas, and similar small-scale changes. In regard to the Engineering and other standards, some fine tuning to consider are the detention and LID thresholds and requirements in the most urbanized areas. It is likely that these would be beneficial and appropriate in limited areas (the most urbanized areas) and would appropriately be addressed by the use of the Infill Incentive District tool.

With this understanding, that there's not much to gain in this pursuit, further consideration of development requirements relative to community reinvestment policies would be less than might be expected by some segments of the community.

EXPEDITED REVIEW

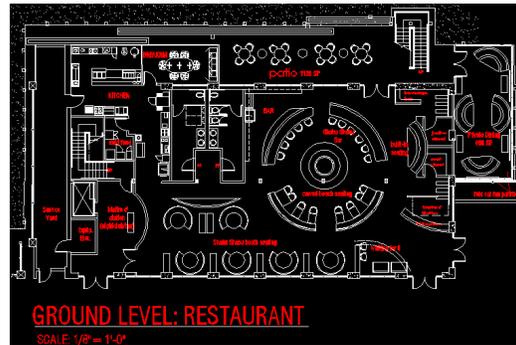
Expedited review of redevelopment plans is also one of the few offerings readily available under Arizona law. Like development requirements, this is a subject that Flagstaff has explored and fine tuned every two to four years. When we compare our permit processing timeframes with those of other Arizona cities, our timeframes are among the lowest. Most often an untimely review is the result of a non-compliant design or an unclear or incomplete development application. Again, seeking meaningful enticements for reinvestment, adjustments measured in weeks are not significant enough to influence the choices of developers.

With this understanding, that with quality applications expedited reviews are already readily achievable, further consideration is not included in our continuing efforts to develop community reinvestment policies.

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One restaurant plan ...



And another ...

When considering the review timeframes for a development application, consider that there are two necessary parts for success. The first part is the preparation of a compliant design. The second part is communicating the design to the reviewer. Almost always when a development application is lingering, one of these two pieces is missing. As demonstrated by the Innovation Mesa application, and many others, when allowed to prepare a compliant design, a knowledgeable and skilled preparer of development applications can get projects approved quickly.

PERMIT FEES

One of the redevelopment incentive offerings readily available under Arizona law is a waiver of permit fees. Unfortunately, our fees have been relatively nominal and thus do not make a meaningful incentive. However, recent City Council direction was for us to move toward 100% cost recovery so this may require re-evaluation.

We will re-evaluate the possible incentive of waiving permit fees.

CONCLUSION

Many resources acknowledge that developers consider the maintenance of surrounding property as a critical factor in site selection – a factor that has limited application on a green field site. Scaling the permitting requirements of a zoning case also aids smaller projects – a typical characteristic of infill and redevelopment opportunities. Your current considerations in both of these areas have a direct bearing on fostering reinvestment.

Working Draft of Possible Reinvestment Policies

	Subsidiary	Short	Long	Bad Idea	Notes
POLICY 1 The City will perform <u>planning</u> tasks to facilitate Revelopment, and will change various plans accordingly.					
Planning Efforts					
Infrastructure Deficiencies	■				
Capital Improvements					Water, Stormwater underway
Neighborhood and Corridor Planning					Specific Plans
Add and Prioritize Reinvestment Criteria					
Zoning Districts	■				
Reconcile with Land Use Designations (General Plan)					
Do Obvious Changes					
Economic Development Plan			■		
Prioritize Reinvestment over New Development					
ED Incentives					
Target Areas					
Land-use / Land Development Policy					
Prioritize Reinvestment Land-use over Transportation	■				Will come up w/ Fourth Street Study
Prioritize Complete / Walkable Streets					
Enhance Design Guidelines				■	
Clarity and Predictability					
Property Certifications			■		
Limit Annexations (Islands and Peninsulas)	■				
Special Taxing Districts					■ Formation / Function Issues
Revitalization Districts					
Infill Incentive Districts					
Redevelopment Districts					
Tax Increment Financing Districts				■	■ Illegal in AZ
Capital Improvement Districts				■	
POLICY 2: The City will address the <u>physical constraints</u> of existing urban properties.					
Infrastructure Deficiencies	■				
Capital Improvements					Capital Opportunity Fund
Urban (Downtown) Parking					
Maintenance					
Property Maintenance and Enforcement			■		Roger working on it.
Parcel Assemblage (remnant, odd, or non-conforming)	■				Land Banking / Real Estate Fund
Brownfields Land Recycling			■		In place already

Working Draft of Possible Reinvestment Policies

POLICY 3: The City will change regulatory requirements and add provisions that favor redevelopment projects.

Zoning Code / Engineering Standards		Little "meat on the bone"
Alternate Reinvestment Thresholds/Standards		
Driveway Access		
Infrastructure Replacement / Upgrades		
Parking		
Resources		
Storm Water & LID		Prescriptive "In lieu of" / 5,000 SF
Trash		Unexplored
Utilities		
Obtain ROW for street changes w/o improvements		
Transfer of Obligations / Development Rights		
In Lieu Of Fees (Finish Development)		Need w/o time limits
Environmental Review		Add and relieve like Impacts Fees
Property Maintenance - Code Gaps		Roger working on it.

POLICY 4: The City will change development process requirements to favor redevelopment projects.

Expedited Project Review		Not real
Calibrate processes to project scale/type		
Documentation		In progress
Plans		
Special Studies		
Processes		
Public outreach		
Allow obvious Land-use / Zoning Designations (See above)		In progress
Preliminary / Final Approvals		Fatal vs Math / More commitment
Increase minor modification authority		Legal Issues?

Working Draft of Possible Reinvestment Policies

POLICY 5: The City will provide beneficial financial mechanisms that would be applied to redevelopment projects.

Impact Fees		Cronk working on study update ...
Fees (Waive / Reimburse)		
Permit fees		Maybe now with 100% recovery
Utility Capacity Fees		UP for new, DN for reinvestment
Incentives		
Grants - Out		Not so real - see City budget
Historic Preservation work		In place already / Minor
Grants - In		EPA ACA Monies? Ongoing?
Property Taxes		
GPLET		Illegal in AZ
Historic Preservation work		In place already
Other Cash		Not so real - see City budget
Land Recycling Loan Program		E.D. Revolving Loan Fund?
Redirect CDBG funds		Minimal, well allocated
Utility Credits		Private incentives to reinvestment
Tax Penalty - Abandoned Buildings and Parcels		Illegal in AZ

POLICY 6: The City will provide other services and take other actions that promote redevelopment.

Economic Development		
BR&E and attraction emphasis		
Reinvestment site marketing		
Site specific visioning		In place already (limited)
Catalyst projects		
Ombudsman		CD&R doing this / ML working on?
Social barriers		
NIMBY / BANNANA		Stop seeking 100% approval ...
Legal barriers		
Redevelopment lobbying		
Redevelopment Authority		What would they do?
Declare "redevelopment project" to get relief		