



Redevelopment Program Toolkit

City Council Study Session

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The Redevelopment Toolkit



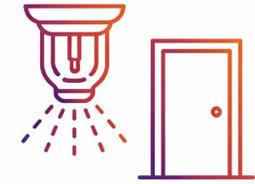
Public Infrastructure
Utility Assistance



Code Compliance Revitalization Grant
Blight Removal



Demolition & Remediation
Blight Removal



Reuse Ready
Access + Life Safety



Vacant Property Registration
Fill Vacant Spaces



EDA Revolving Loan Fund
Gap Financing



Placemaking
Public Interventions



Strategic Acquisition and Analysis
Studies and Purchases



Small Business

- ✓ Strong marketing plan
- ✓ Reasonable reporting requirements
- ✓ Simple application process



Developer + Property Owner

- ✓ Fast approval or denial
- ✓ Strong support for the infrastructure tool
- ✓ Published, clear timelines

Description

Assists in removing obsolete or unsafe structures to reduce blight and prepare sites for reinvestment

Why

Improves neighborhood confidence and market perception

Catalyzes private investment in underperforming areas

The Mechanics

Requirements:

- ✓ Must be located within an RDA
- ✓ Determined to be hazardous or functionally obsolete

Maximum Award: Lesser of 50% of costs or \$75,000

Match: 1:1

Other:

- Reimbursement
- Three bids required
- Explore ADEQ partnership for remediation support

Description

A grant that helps property and small business owners have greater impact when remediating blight and beautifying their property

Why

Code issues may deter investment in surrounding properties, reduce business activity, impact health and safety, and negatively contribute to areas with struggling economic activity

The Mechanics

Eligibility:

- ✓ Must be located within a Redevelopment Area OR property has conditions of blight
- ✓ Small business and property owners only
- ✓ Only improvements visible from the street
- ✓ Documented code case or administrative determination of blight
- ✓ Legal non-conforming structures

Exclusions: Non-fixed assets and improvements not visible from the street

Maximum Award: \$25,000

Match: 1:1

Description

Requires owners of vacant commercial buildings to register the property with the City, maintain safe conditions, and provide reliable contact information

Why

Code Compliance expends resources tracking down owner information for properties with code issues

City connects owners to resources, potentially reducing duration of vacancy

Trespass enforcement registration

The Mechanics

Requirements:

- ✓ All commercial properties citywide
- ✓ Undeveloped parcels in RDAs
- ✓ Industrial properties in RDA

Revenue Neutral

90 Days: Must register within 90 days of a vacancy

7.7% of commercial buildings are vacant (2025)

Annual Fees For Vacancy

(may waive if no code violations)

Fines for non-registration will match commercial civil violation fines

Enforced through existing civil code compliance process with appeal rights. Can become a lien

Description

Upgrades existing commercial spaces with life-safety and accessibility improvements such as fire suppression systems and ADA compliance enhancements

Why

Lower barriers for tenant occupancy

Support small business and long-term tax revenue

Enhance accessibility and safety of older buildings

The Mechanics

Requirements:

- ✓ Must be located within an RDA
- ✓ Signed lease

Maximum Award: Lesser of 50% of costs or \$75,000

Match: 1:1

Other: Reimbursement

Eligible Uses

- Fire sprinklers or equivalent alternative
- Structural issues
- Demolition of hazardous or unpermitted structures inside the property
- Improvements to unsafe infrastructure (electrical, plumbing)
- Interior and exterior improvements to meet ADA compliance, including upgrades to doorways, entryways, and restroom accessibility

Description

Funds property acquisition by the City and feasibility studies that position key sites for catalytic redevelopment aligned with the City's long-term economic strategy

Why

Shape outcomes in high-impact locations

Accelerate catalytic private investment

Reduce uncertainty before major capital decisions

The Mechanics

Guidelines For Public Acquisition

- ✓ Strategic location
- ✓ Blighted
- ✓ Public purpose alignment
- ✓ Bypassed parcels
- ✓ First in to prove the market to lending institutions

Compatibility:

Compatible with plans (General, RDA, sub-area)

Other:

- Acquisition requires Council approval
- May be used to supplement other funds for acquisitions
- May be paired with demolition and remediation tool

Description

Funds strategic investments in people-centered public space improvements within targeted areas

Why

Strengthens and differentiates key areas of Mesa by creating distinctive, high-quality public environments that attract private investment, support local businesses, increase foot traffic, and enhance overall economic vitality and community pride

The Mechanics

Requirements

- ✓ Located within a commercial business district
- ✓ Located in public ROW or public easement
- ✓ City or public-private partnership

Compatibility: Compatible with plans (General, RDA, sub-area)

Identification of Needs

- ✓ CIP
- ✓ Transportation, Arts and Culture, etc.
- ✓ Goals identified in Council adopted plans

Eligible Uses

- Capital improvements, activation projects and enhancement projects for public spaces
- Includes art, lighting, signage landscaping, seating, etc. for programs that include, but are not limited to:
 - Gateway monumentation
 - Wayfinding
 - Streetscape and alley enhancements
 - Public realm improvements
 - Canal enhancements
 - Temporary installations (pianos, parklets)

Description

Provides funding to offset the cost of upgrading public utilities needed for infill, adaptive reuse, and redevelopment projects

Why

Infrastructure is a prerequisite for private capital investment that generates tax revenue, create jobs, places for people to live, and improves resident's quality of life

The Mechanics

Target: Infill, adaptive reuse, redevelopment, and blight remediation citywide

Two Tiers: Improvements \$50k or less (small business support) with rapid review and approvals. Projects over \$50k are negotiated

Exclusions: Public infrastructure only—no private infrastructure

Maximum Award: Case-by-case

Match: Negotiated. For small business, match may not be required

Description

A federally funded, locally managed financing tool that provides gap capital to small businesses that cannot access traditional bank financing

Why

Fills the gap between microlenders and commercial banks

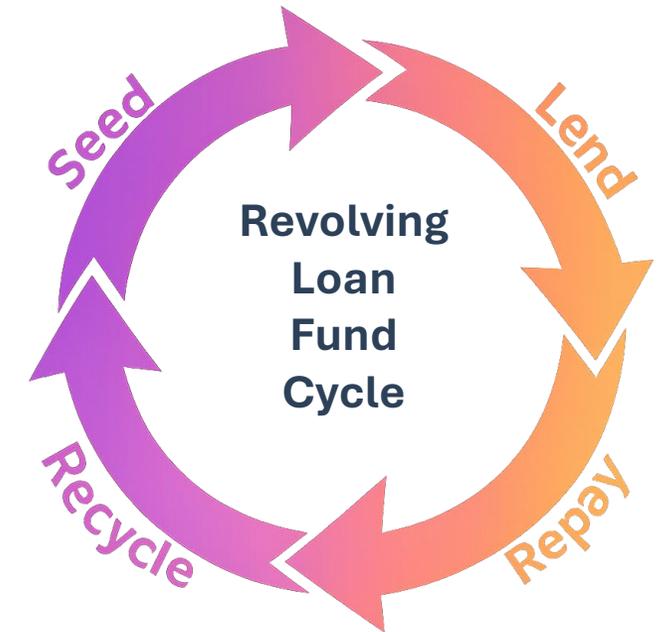
Offers flexible, below-market financing

Becomes a resource for Mesa small businesses in perpetuity

The Mechanics

City Role:

- ✓ Trustee of federal assets
- ✓ Administration
- ✓ Reporting
- ✓ Establish a plan
- ✓ Define objectives
- ✓ Sets the interest rate (with some limits)



The Mechanics Continued

Money Matters:

- ✓ Initial seed of ~500k
- ✓ Up to \$2M in EDA funds
- ✓ EDA can release the Federal interest after seven years
- ✓ 50k-150k loans
(some flexibility)
- ✓ City not responsible for defaults

EDA Requirements:

- ✓ Must achieve certain job ratios
- ✓ Comply with federal environmental review (NEPA, NHPA)
- ✓ Davis-Bacon (construction)
- ✓ Record keeping
- ✓ Limit cash on hand
- ✓ Other regulations
- ✓ Portfolio must leverage \$2 for every \$1 of RLF

Obstacles:

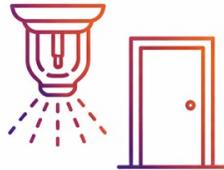
- ✓ 40% match cannot be paid by City
- ✓ Comprehensive Economic Development Strategy required

Alternative Paths:

- ✓ Grants
- ✓ Banks
- ✓ Foundations



Budget and Administration





Generalized. Process may vary slightly for different tools

Day-to-day administration by the Office of Urban Transformation (OUT)

REDEVELOPMENT AREA PLAN



**Current Percentage of
City Covered by RDA** **4.5%**

**Future Percentage of
City Covered by RDA** **?**

- Partnerships
- Engage brokerages
- Annual event
- Direct marketing
- Collateral (digital/print)
- Earned and paid media
- Webpage
- Digital interactive map
- Non-traditional, direct marketing
 - Property owners and developers
 - Commercial real estate attorneys
 - Lending institutions and capital partners
 - Architects and engineering firms



EXPENDITURE TARGETS

TOOL	TARGET EXPENDITURE CAP*
Demolition and Remediation	\$1,500,000
Business and Property Enhancement	\$250,000
Vacancy Registration	Revenue Neutral
Reuse Ready	\$1,000,000
Strategic Acquisition and Analysis	\$1,000,000
Placemaking	\$1,000,000
Marketing and RDA Plan Development	\$125,000
Public Infrastructure	\$2,000,000
Revolving Loan Fund	Revenue Neutral

*** Three-year pilot program with a total annual budget of \$3M**

*** Expenditures per tool will not exceed total available program funding**

Negotiated Public Benefit Options

- ✓ Job creation or retention
- ✓ Volunteer with Mesa's Citywide Volunteer Program
- ✓ Attainable or reduced rent for a defined period of time
- ✓ Enhanced improvements in the public right-of-way
- ✓ Lien on property to be paid back at sale
- ✓ Deed restriction
- ✓ Other negotiated value



Measuring Desired Outcomes

- Private capital leveraged
- Tax revenue generated (*one-time, ongoing*)
- Jobs created or retained
- Blight remediated
- Economic activity as a result of new housing units

Measuring Program Efficiency

- Vacant spaces filled
- Application turn around times
- Businesses and projects supported
- Annual and all-time fund utilization ratio (lent-to-total fund ratio)

Measuring Long-term Impacts

- 2-3 year lookbacks on funded projects
- Qualitative data
- Annual report to Council

PROPOSED TOOLKIT LAUNCH SCHEDULE

**Mid
2026**

**Late
2026**

2027

- Vacant Property Registration
- Placemaking
- Strategic Acquisition and Analysis

- Public Infrastructure
- Code Compliance Revitalization Grant

- Reuse Ready
- Demolition and Remediation
- Revolving Loan Fund



Questions and Discussion

