

Redevelopment Update

Mesa City Council Study Session
June 26th, 2025

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REDEVELOPMENT CORE TEAM



mesa·az

URBAN TRANSFORMATION



mesa·az

DEVELOPMENT SERVICES



mesa·az

ECONOMIC DEVELOPMENT

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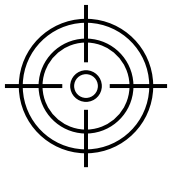


Through Redevelopment

A photograph of a modern, multi-story residential or commercial building. The building features a mix of light gray and dark gray horizontal siding, large black-framed windows, and balconies with dark railings. A blue rectangular frame is superimposed over the center of the image, containing the text 'REDEVELOPMENT FOCUS AREAS'. Below the text is a thin yellow horizontal line. To the right of the text, a green and white 'ECO' logo is visible on the building's facade. In the foreground, there are glass-fronted entrances, some outdoor seating with white metal frames, and a few people walking on the sidewalk. A small sign on the sidewalk reads 'OFFICE HOURS MON-FRI 10-6 SAT 12-5'.

REDEVELOPMENT FOCUS AREAS

REDEVELOPMENT FOCUS AREAS



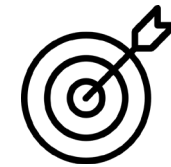
**IDENTIFY
FOCUS
AREAS**

01



**APPLY
SITE
FEASIBILITY
CRITERIA**

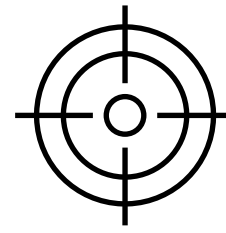
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**DETERMINE
HIGHEST
AND BEST
USE OF
SITES**

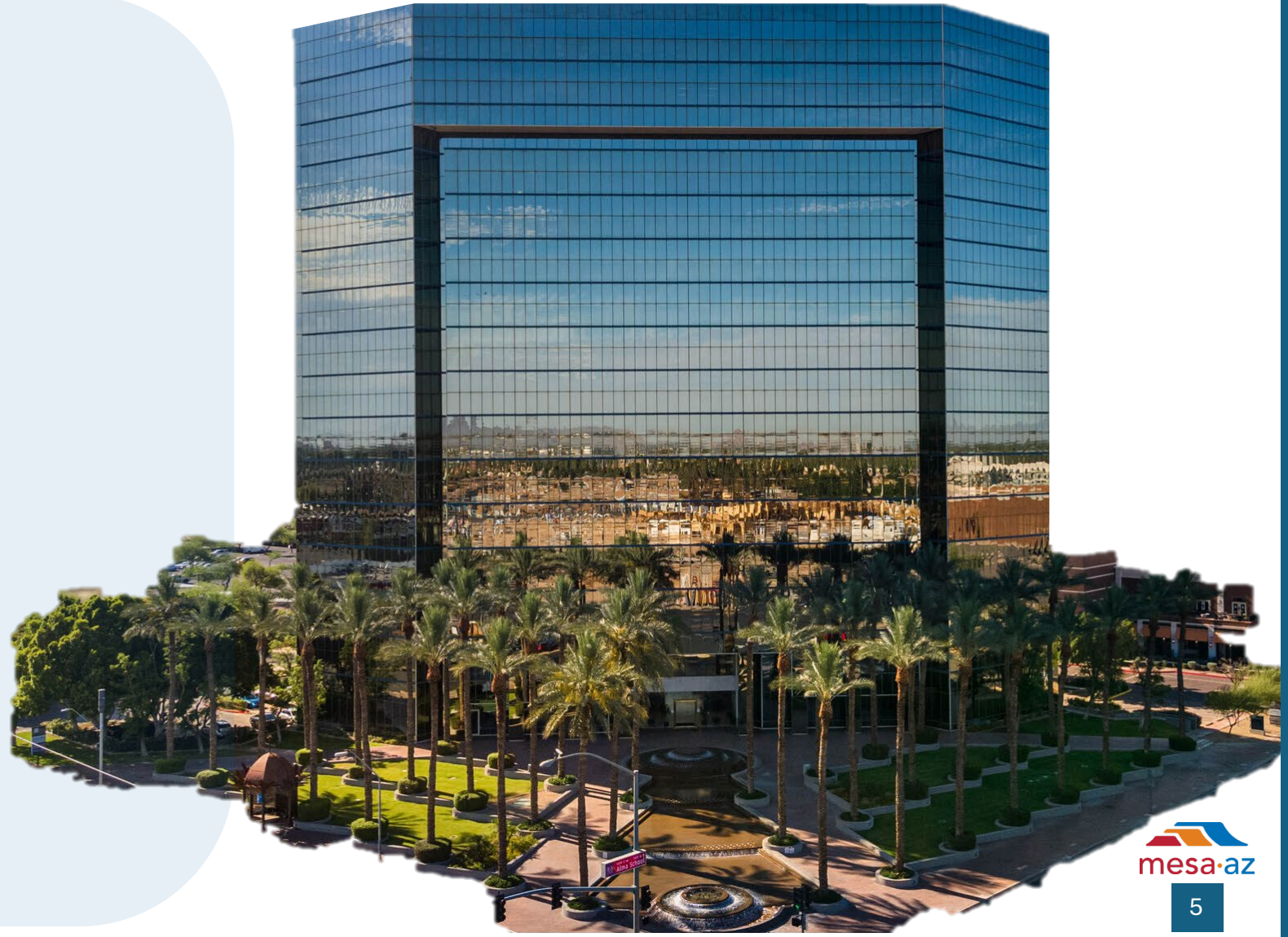
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REDEVELOPMENT FOCUS AREAS

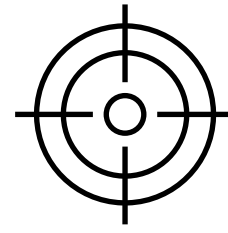


Major Business Centers

- Riverview
- Fiesta Mall
- Superstition Springs
- Longbow



REDEVELOPMENT FOCUS AREAS

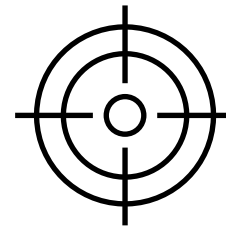


Areas Where Land Value Exceeds Improvement Value

- East Main Street
- McKellips and Country Club Area



REDEVELOPMENT FOCUS AREAS

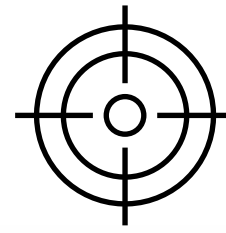


Aging Arterial Shopping Centers

- Southern Ave between Mesa Dr. and Val Vista
- Brown and Higley Area
- Power and McDowell



REDEVELOPMENT FOCUS AREAS



Areas Near Major Public Investments And Redevelopment Areas

- Downtown Peripheries
- Light Rail Corridor
- Fiesta & Asian Districts



A modern multi-story building with a mix of grey and white siding and large windows. It features several balconies with dark railings. A blue rectangular frame is superimposed over the middle of the image, containing the text 'RECENT ACTIVITY'.

RECENT ACTIVITY



OFFICE HOURS
Monday - Friday
9am - 5pm



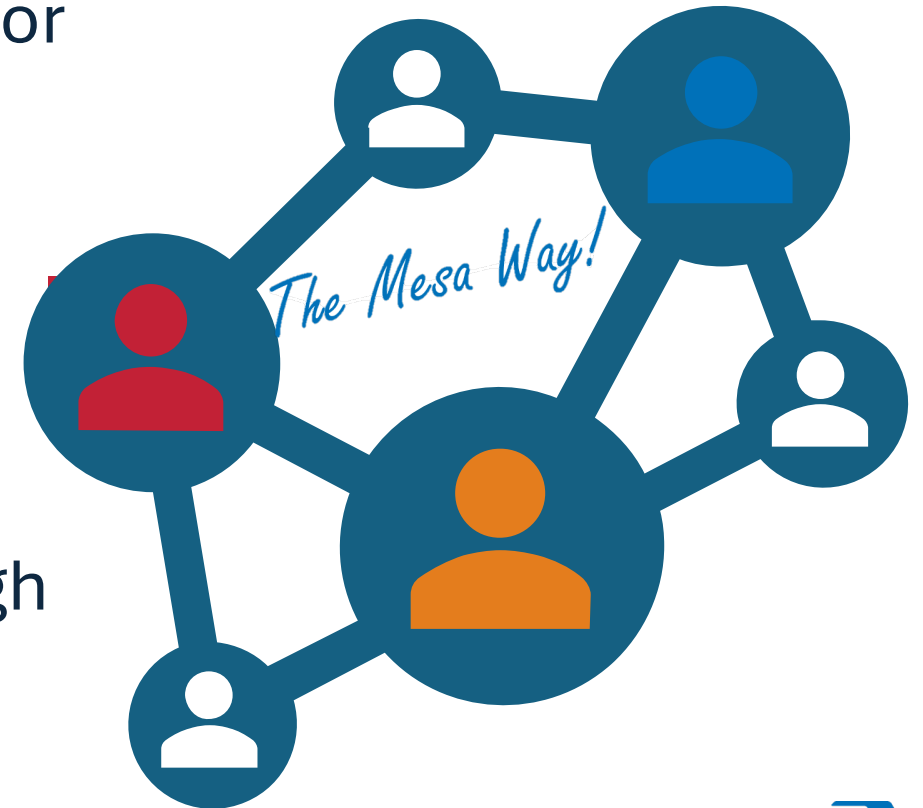
RECENT REDEVELOPMENT

- Venture on Country Club
- The Pomeroy
- Ovio
- Jalapeño Dragon
- West Main Station Village
- Pedal Haus
- Coyotes Community Ice Center
- The George at Superstition Springs
- Residences on Main



DAILY ACTIVITIES

- Contact focus area properties and monitor properties coming to market
- Feasibility analysis
- Introduce buyers and sellers
- Internal and external coordination through entitlement and construction
- Negotiate and manage agreements

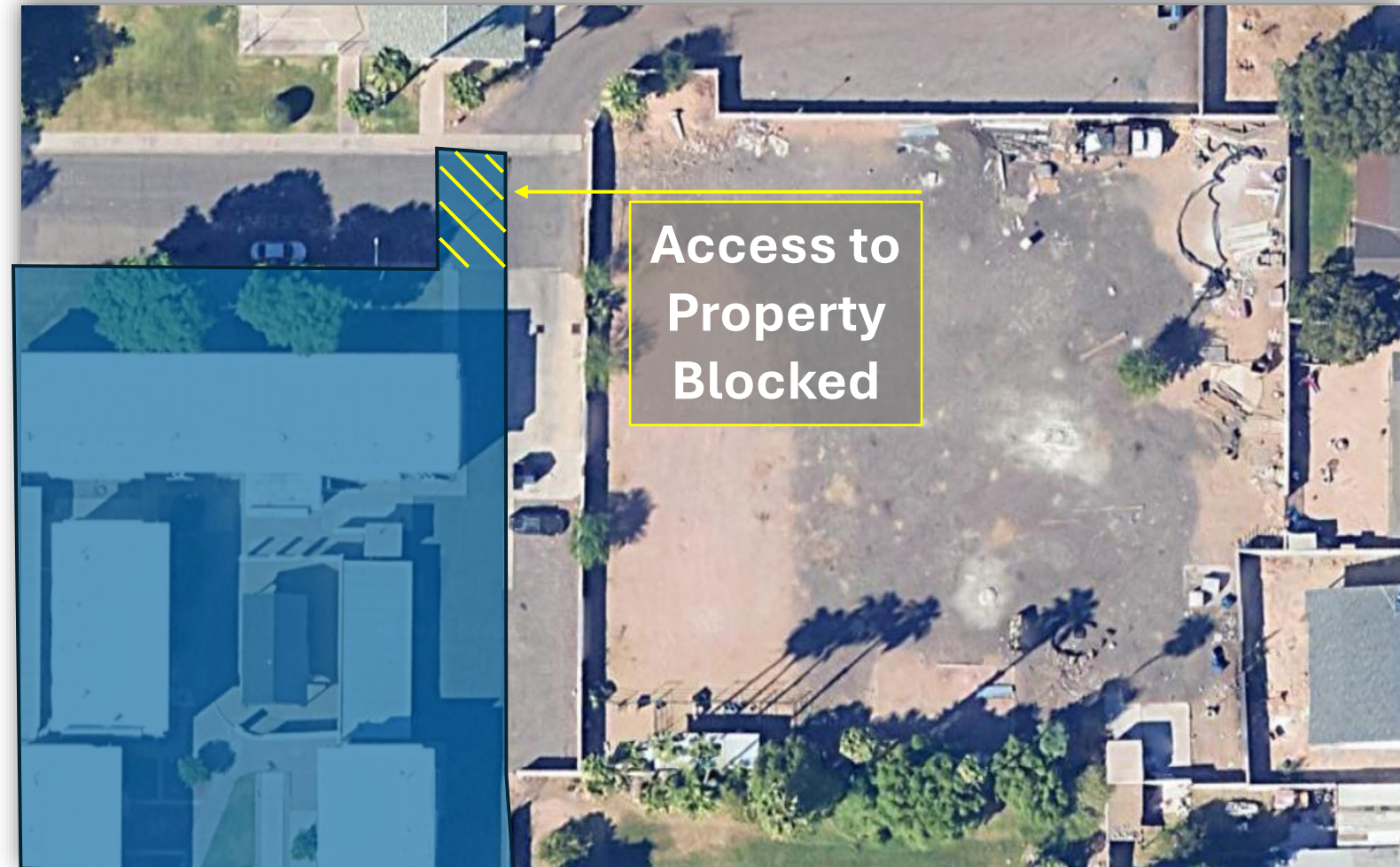


“THE BOXED-IN SITE”

**ROW
Ownership
Resolution**

**Developed
documents**

**Result:
Presubmittal
conference
held April
22nd**



“THE NON-PROFIT SITE”

**Guided Owner
Through
Redevelopment
Options**

**Facilitated
Introduction to
Buyers**

**Result: Multiple
Letters of Intent**



“NARROW, SPLIT ZONED SITE”

**Initial
consultation**

**Feasibility and
highest and best
use analysis**

**Result:
connected to
partners**



AZ INTERNATIONAL MARKETPLACE

**Plan for Urban
Mixed-Use
Infill**

**Retail
Coach/OED
Business
Recruitment**

**Result:
Connected
developer and
tenant**



RIVERVIEW SITE DEMO AND REUSE

**Old county animal
shelter site**

**Multiple feasibility
meetings with staff
prior to public auction**

**Result: Presubmittal
for hotel and custom
housing**



IMPROVING LISTINGS FOR MARKET

Meet with brokers

Discuss owner's goals and best use

Entitlement process guidance and incentive information

PROPERTY DESCRIPTION

This listing presents a rare opportunity to acquire a commercial building and adjacent land in Mesa near the 202 and the heart of downtown Phoenix. The property offers the flexibility to suit a range of investment strategies from immediate income generation to long-term development. The 1400 SQFT building sitting on a 6800 SQFT lot was fully renovated in 2016, with energy-efficient lighting and windows, a 200-amp box, vaulted ceilings, concrete floors, and central heat and air. The building is zoned RM and recently appraised at \$410,000. This zoning includes Business and Professional with a Special Use Permit for a use of up to 2000 SQFT. For additional information regarding the zoning, please contact Jeffrey Robbins at Jeffrey.Robbins@mesaaz.gov.

Don't miss this exceptional opportunity to own a piece of Phoenix's commercial real estate landscape.

“For additional information regarding the zoning, please contact Jeffrey Robbins...”

Advantages:

- Redevelopers will receive project management support from the City of Mesa's Office of Urban Transformation
- A redevelopment project on the site may be eligible for a GPJET Lease (provides 8-year tax abatement)
- Property is within eligibility areas (Qualified Census Tract) for New Market Tax Credits (NMTC)
 - GPJET and NMTC incentives stack
 - NMTC goes to the business, not the developer, but it can be very advantageous in landing a local business tenant
- (If, the property is NOT within a federal Opportunity Zone)

“Redevelopers will receive project management support from the City of Mesa's Office of Urban Transformation”

COMPREHENSIVE APPROACH

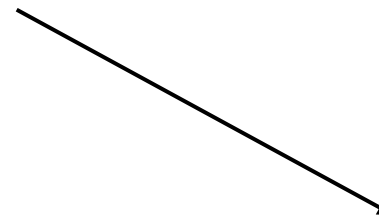
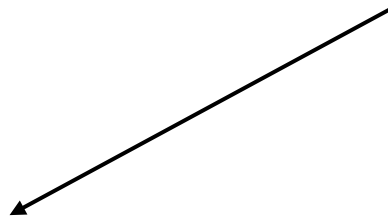


COMPREHENSIVE APPROACH

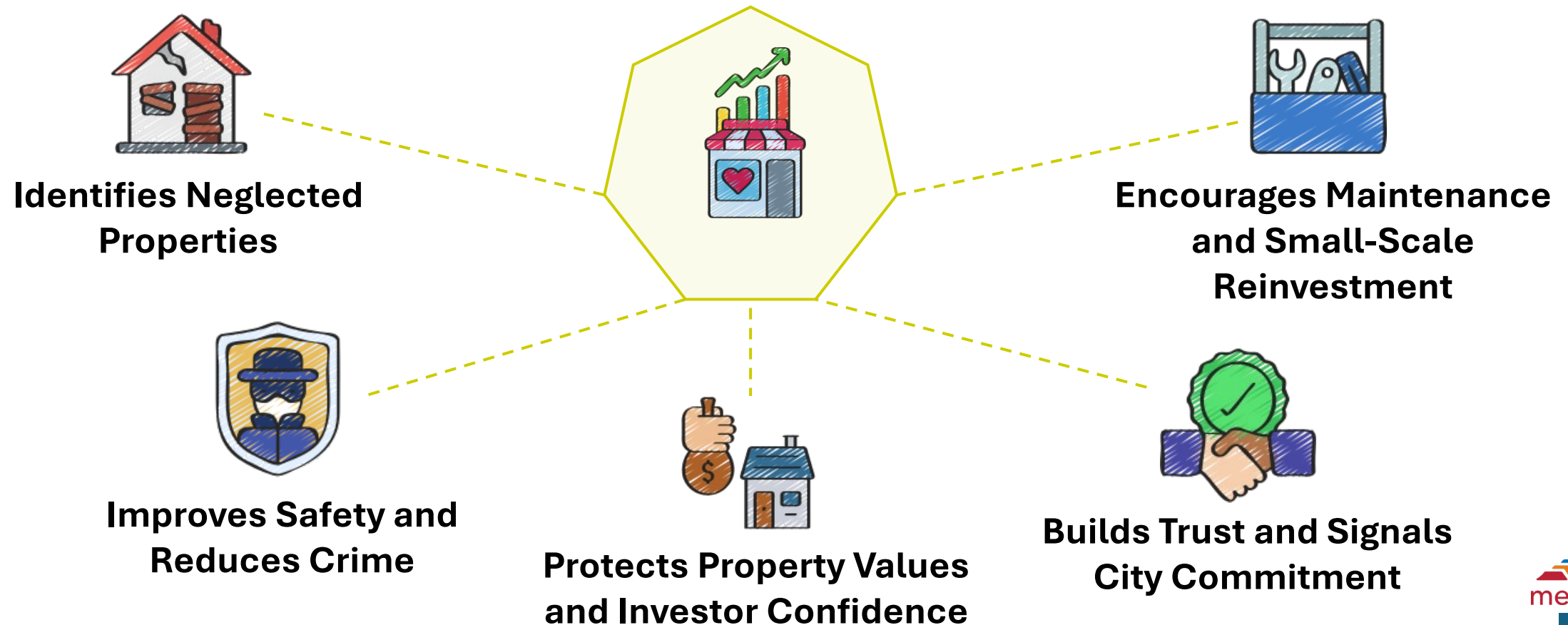
INITIAL FOCUS AREA ENGAGEMENT



EVALUATION BY CORE TEAM



CODE COMPLIANCE COMPLEMENTS URBAN REVITALIZATION



VIOLATION TYPES

- Building condition and safety
- Trash/Debris
- Yard and landscape
- Fences and walls
- Boats and trailers
- Inoperable vehicles
- Outdoor Storage
- Graffiti
- Signage



APPROACH

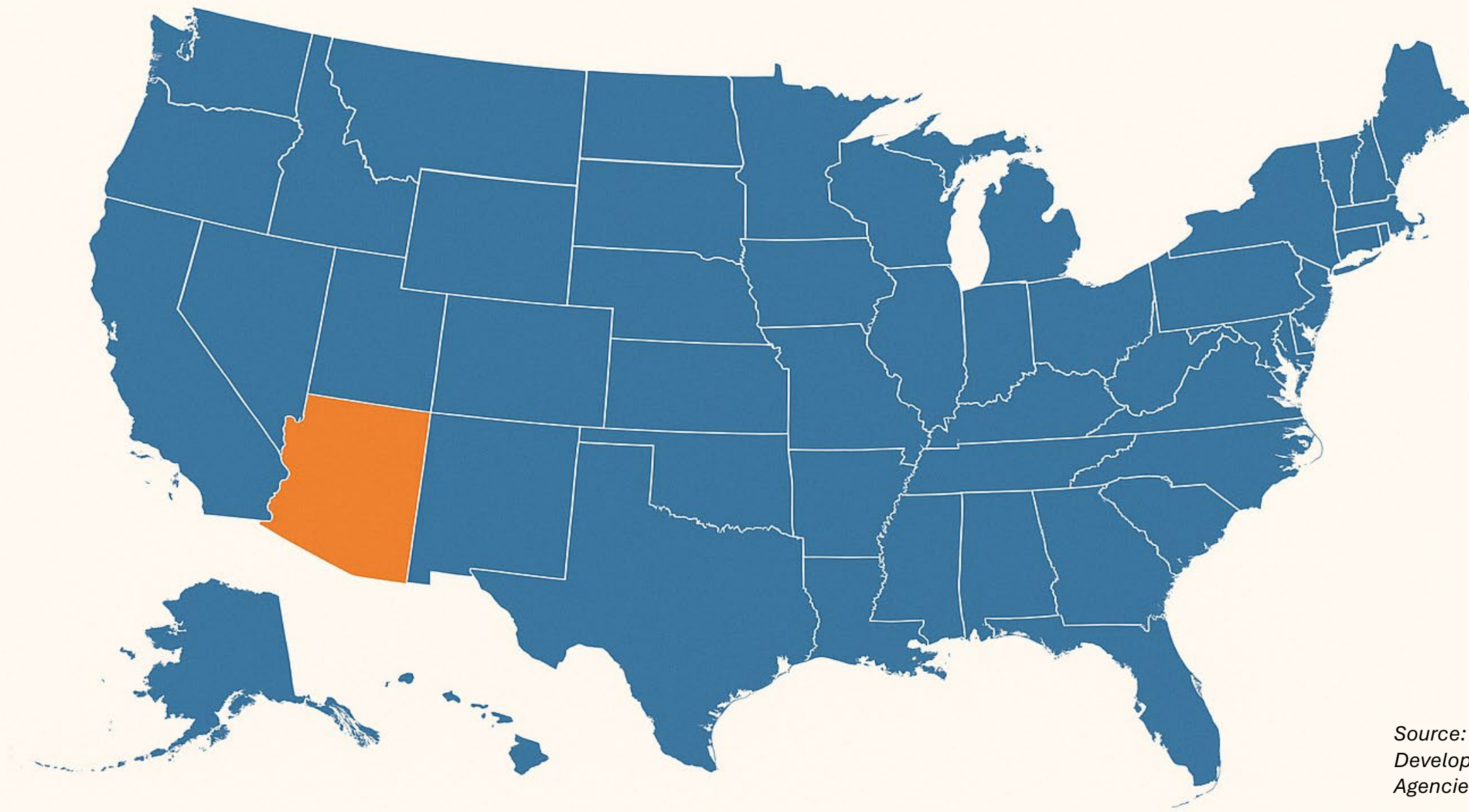
- Inspect properties
- Send notices of violation
 - English and Spanish
- Extended reinspection timeframe
 - One month to six weeks (two weeks typical)
- Outreach and education to property owners and tenants
- Focus is voluntary compliance
- Citation last resort



BUILDING THE TOOLKIT



Arizona is the only state that does not allow **TAX INCREMENT FINANCING (TIF)**



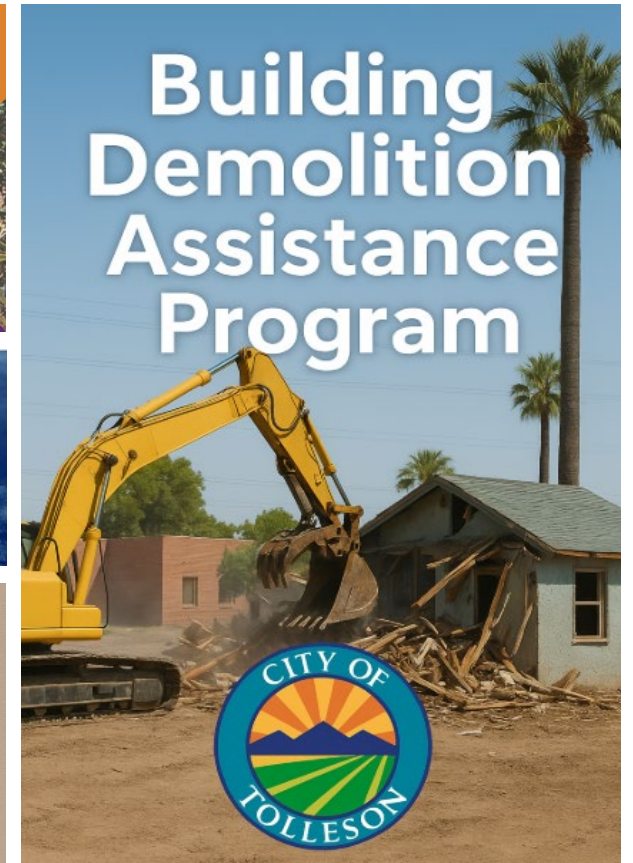
*Source: Council of
Development Finance
Agencies, Programs Map*

STATUS QUO

- Government Property Lease Excise Tax (GPLET) with 8-year tax abatement
 - Uncertain future (State legislature and pending court case)
 - Not suitable for small projects
 - Only available in RDA/CBD (~4% of the City)
- No industrial development authority
- Limited incentives outside of Redevelopments Areas (RDAs)
- No stable funding source to implement RDA plans
- State incentives focus on jobs, not redevelopment



WHAT WE ARE INSPIRED BY IN ARIZONA



WHAT WE ARE INSPIRED BY NATIONWIDE

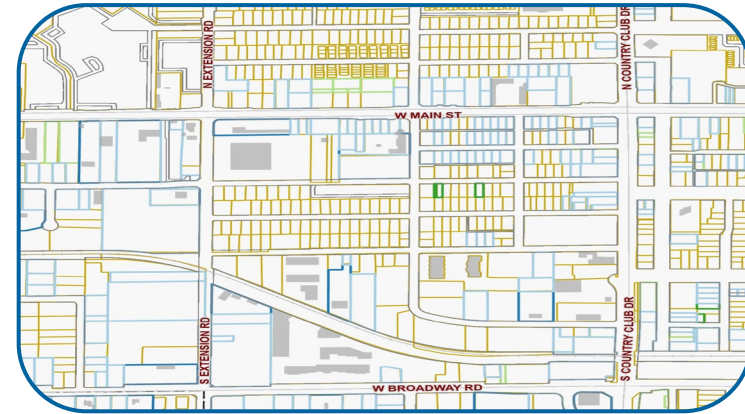


NEXT STEPS



NEXT STEPS TO ELEVATE MESA

- Contact property owners in focus areas
- Develop recommendations for toolbox
 - Funded by one-time dollars generated by development activity
- Evaluation of processes, codes and standards
- Continue to promote Mesa to investors
- Return to Council with recommendations



CHALLENGES

- Willing owners
- Market conditions & uncertainty
- State and Federal regulations
- Lack of economic development tools



MEASURING EFFECTIVENESS

Phase I

- Property owner contact goals FY25/26
- Projects/Prospects under management
- Qualitative feedback

Phase II

- Investment data (CapEx, units, square feet, tax base, MCAP)
- Qualitative feedback



A modern multi-story building with a mix of grey horizontal siding and white vertical panels. Large windows are arranged in a grid-like pattern. Balconies with dark metal railings are visible on the upper floors. The ground floor features large glass storefronts. A blue rectangular frame is superimposed over the center of the image, containing the word 'QUESTIONS?'. A yellow horizontal line is positioned below the text. In the background, another building and some trees are visible under a cloudy sky.

QUESTIONS?