Redevelopment Areas (RDAs)

Mesa City Council Study Session April 4th, 2024

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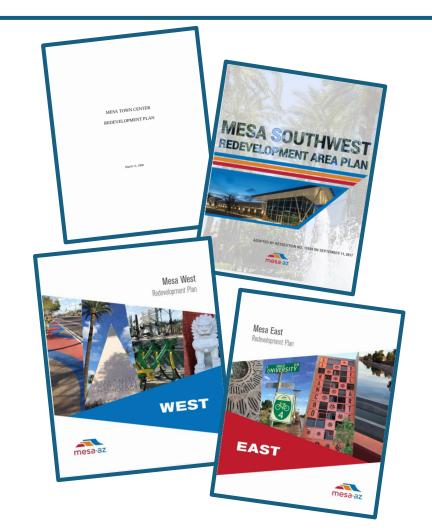
Development Services Director

Jaye O'Donnell

Economic Development Director



REDEVELOPMENT AREA OVERVIEW (RDA)



Mesa City Council Has Adopted Four Redevelopment Areas

- Town Center (1999. Renewed 2015)
- Southwest (2017)
- West (2018)
- East (2018)

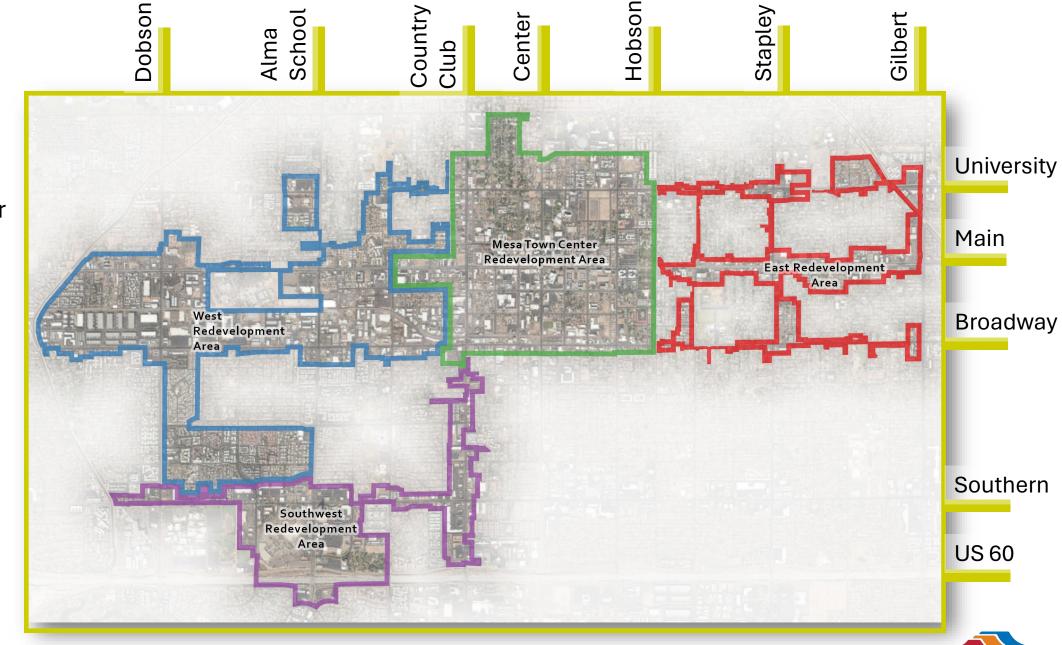
RDA MAP

Town Center
Est 1999
Renewed 2015

Southwest Est. 2017

West Est.2018

East Est. 2018



mesa·az

REDEVELOPMENT AREA OVERVIEW (RDA)

An RDA is a geographic area designated by City Council to be in need of revitalization



Defined by a predominance of blighted parcels

- Any one of nine possible conditions are defined as blight:
 - Unsanitary or unsafe conditions
 - Deterioration of site or other improvements
 - Diversity of ownership
 - Improper or obsolete subdivision platting
 - Defective or inadequate street layout
 - Faulty lot layout
 - Tax or special assessment delinquency exceeding the fair value of the land
 - Defective or unusual conditions of title
 - Conditions that endanger life or property by fire and other causes



REDEVELOPMENT AREA OVERVIEW (RDA)

Designating an RDA may allow for the use of **additional economic tools** to enhance neighborhoods and business districts



Government Property Lease Excise Tax (GPLET) with 8-year tax abatement -Mesa's CBD extends over all City RDAs



Leverage a wide range of Federal and State grant opportunities



Creation and execution of a redevelopment plan



Allows City Council to consider additional incentives



EIGHT YEAR ECONOMIC IMPACT OF GPLET LEASES IN RDAS SINCE 2017

\$190,000,000

TOTAL CONSTRUCTION IMPACT

\$155,000,000

CAPITAL EXPENDITURE (CAPEX)

1020

MULTI-FAMILY HOUSING UNITS CONSTRUCTED

\$4,500,000

TOTAL DIRECT FINANCIAL BENEFIT TO THE CITY OF MESA

\$2,300,000

ONE-TIME CONSTRUCTION SALES TAX REVENUE (part of total benefit)



BUSINESS CASE:

BROWN & BROWN TO MELODY ON MAIN



2011

ACTIVE SITE



2015

INACTIVE SITE



2018

DEMOLITION OF STRUCTURES



2022

MAYEARLY

PHASES OF MELODY ERECTED



2022

DECEMBERALL PHASES
OF MELODY
ERECTED

BUSINESS CASE: MELODY ON MAIN

VALUE BEFORE CONSTRUCTION*

\$3,182,000

VALUE DURING CONSTRUCTION

\$37,479,000

ANNUAL SECONDARY PROPERTY TAX

\$17,664





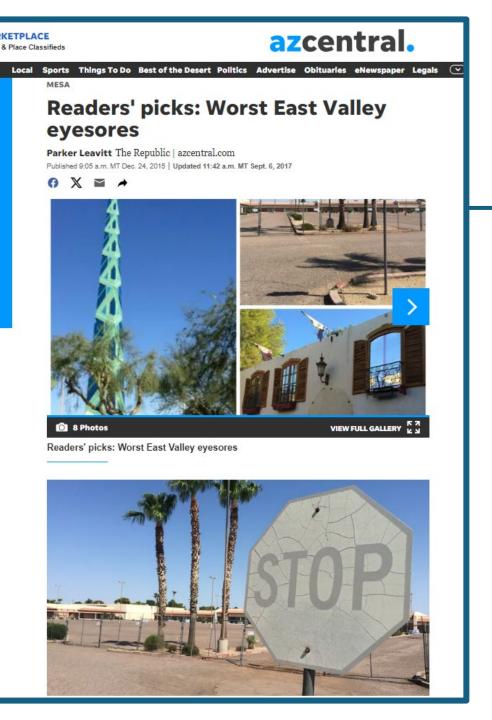


BUSINESS CASE: THE LANDING AT FIESTA VILLAGE



An empty, crumbling strip of mall on the northwestern corner of Alma School Road and Southern Avenue in Mesa is the most commonly identified eyesore in the East Valley. 99

Parker Leavitt/The Republic, December 2015





BUSINESS CASE: THE LANDING AT FIESTA VILLAGE

VALUE BEFORE CONSTRUCTION

\$2,880,000

VALUE AFTER CONSTRUCTION*

\$72,850,000

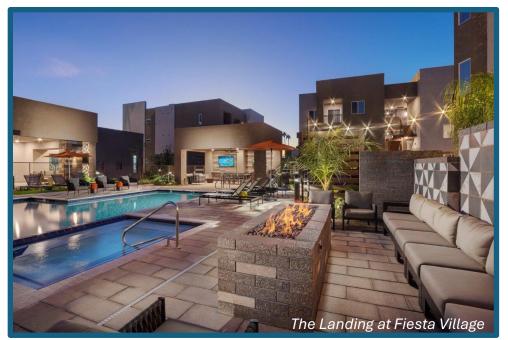
ANNUAL ESTIMATED SALES TAX FROM NEW RESIDENTS**

\$18,000

ANNUAL SECONDARY PROPERTY TAX

\$28,676







STRATEGIC INTERDEPARTMENTAL COLLABORATION

RDAs have been a focus of City Staff since adoption

Each department has addressed RDAs within their sphere of influence

Initial interdepartmental working group originated in early 2023



REDEVELOPMENT IMPLEMENTATION STRATEGIES



Asian
District
Branding



Expand
Murals and
Artwork in
Asian District



Expand Neighborhood Cleanup



Organize Job and Business Classes



Work with Underperforming Properties



REDEVELOPMENT IMPLEMENTATION STRATEGIES



Infill Incentive
District

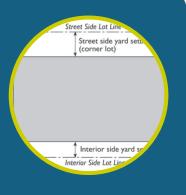
Adaptive Reuse



Form-Based Code Amendments



ADU Code Amendments



Code
Amendments
(Building and
Zoning)



Encourage a variety of housing options



THE FUTURE **OF MESA'S RDAs**

- Mesa residents identified redevelopment as a top priority
- Continue to convene and expand the working group to other departments
- 2 FTEs included in FY 24/25 budget
- Return to City Council with opportunity sites and targeted initiatives





