

# Redevelopment Toolkit Update

City of Mesa City Council Study Session

January 15, 2025

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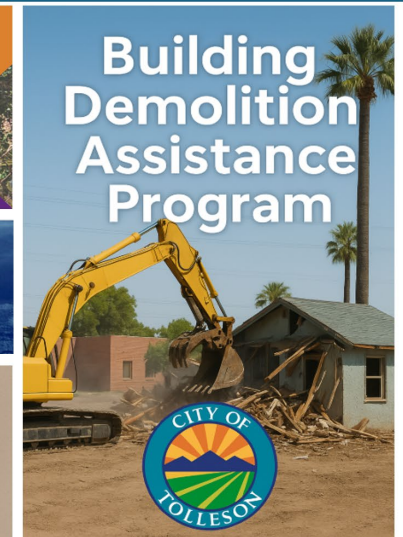
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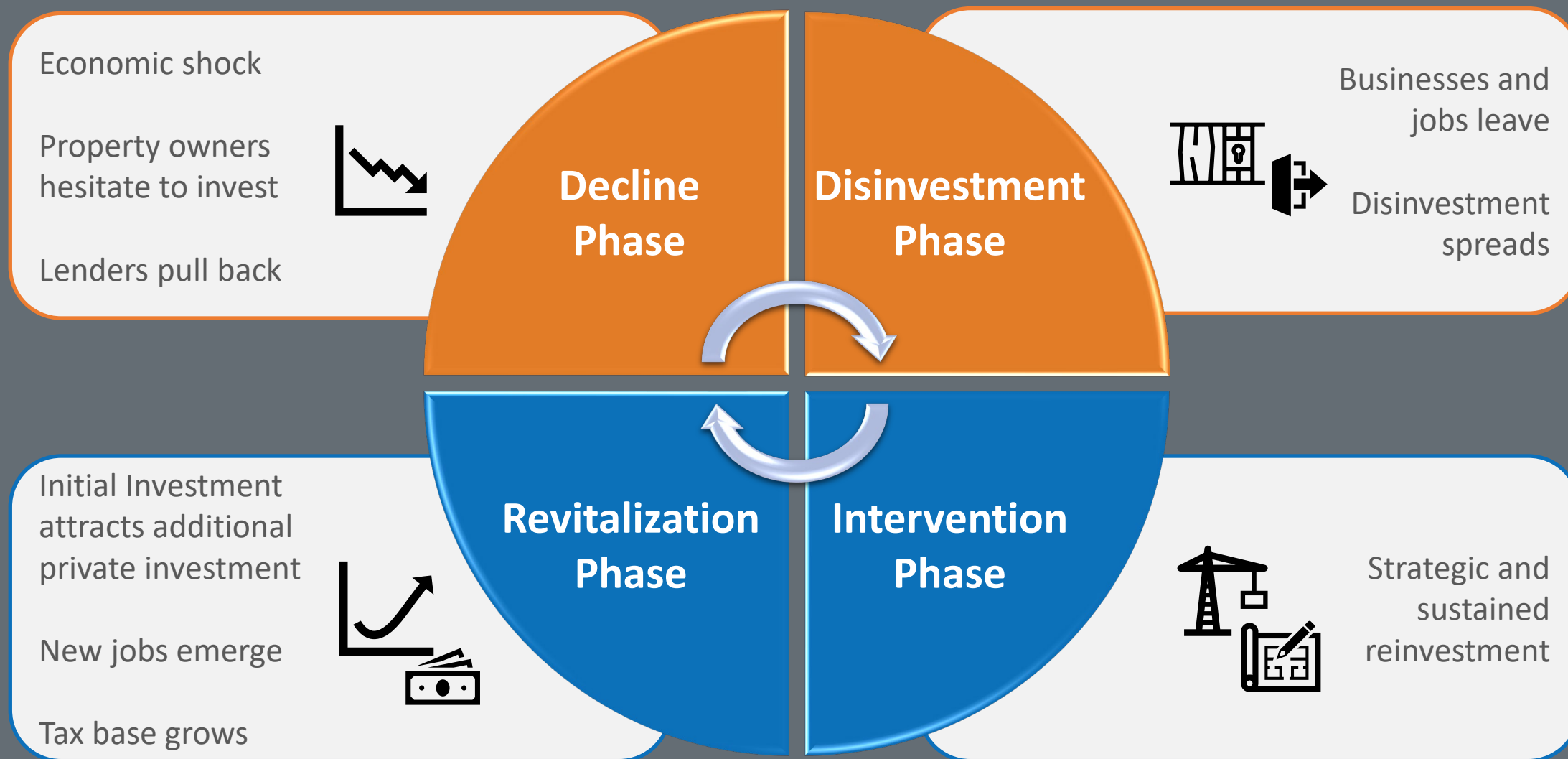
# BACKGROUND & INTRODUCTION

## City Council Study Session June 26, 2025

### WHAT WE ARE INSPIRED BY IN ARIZONA







Public Impact: Lower Investment → Distressed Properties → Increased Public Financial Burden

### Code Compliance & Legal Process

- Inspection Time
- Case Management
- Hearings
- Liens
- Follow Up Visits

### Police & Fire Service Demand

- Increased Calls for Service
- Higher Arson Risk
- Increased Nuisance Activity

### Lost Tax Base

- Lower Assessed Values
- Lost Sales Tax Revenue
- Delinquent Taxes
- Harder to Market Parcels
- Surrounding Value Decline





## 245 S Power Rd – Indy Car Wash

- 2017 - Car Wash Closed
- 2017+ 50 Code & Building Inspections
  - Weeds, trespassing, graffiti, dumping, squatters
- 2022 - Building Caught Fire
- 2023 - Emergency Abatement
  - Costs exceed \$30,000 to date and will continue







# RECOMMENDED REDEVELOPMENT TOOLKIT

## What

Commercial property owners proactively register their vacant properties

## Why

- Accelerates response times to code enforcement, safety, and nuisance issues
  - Reduces administrative burden
- Helps City staff connect owners to resources
- Supports Mesa's Trespass Enforcement Program





## What

Assistance for publicly visible code compliance issues

## Why

- Visible signs of distress attract crime and disorder
- Supports maintenance, safety and health of commercial and residential areas
- Accelerates compliance in some situations
- Minimizes displacement and disruption to small businesses



## What

Flexible, low-interest Federal financing that is continuously reinvested back into the community

## Why

- May facilitate critical building improvements
- Bridges the “financing gap” for smaller commercial lending needs
- May leverage 4:1 additional SBA financing





## What

- Addresses life safety issues, accessibility and conditions of blight in commercial properties

## Why

- Helps small businesses adaptively reuse older buildings
- Supports jobs and sales tax revenue
- Improves safety and accessibility for the public
- Activates long standing vacant storefronts



## What

Creation of a public infrastructure improvement fund for public utility upgrades need to support redevelopment

## Why

- Supports a wide range of businesses
- Undersized or aging infrastructure is common in aging areas
- Citywide application





## What

Removal of unsafe, blighted, and obsolete commercial structures and environmental remediation assistance

## Why

- Encourages private reinvestment
- Lenders avoid funding demolition
- Prepares sites for re-investment



## What

Strategic public placemaking

## Why

- Supports entryway improvements
- Increases desirability of business districts
- Funds strategic property acquisition





- **Redevelopment Areas (RDAs)**

*“Every municipality may use its funds for the purposes of aiding in the planning, undertaking or carrying out of a redevelopment project in its area of operation.” A.R.S. 36-1488*

- **Federal Funding**

- **Budgetary**

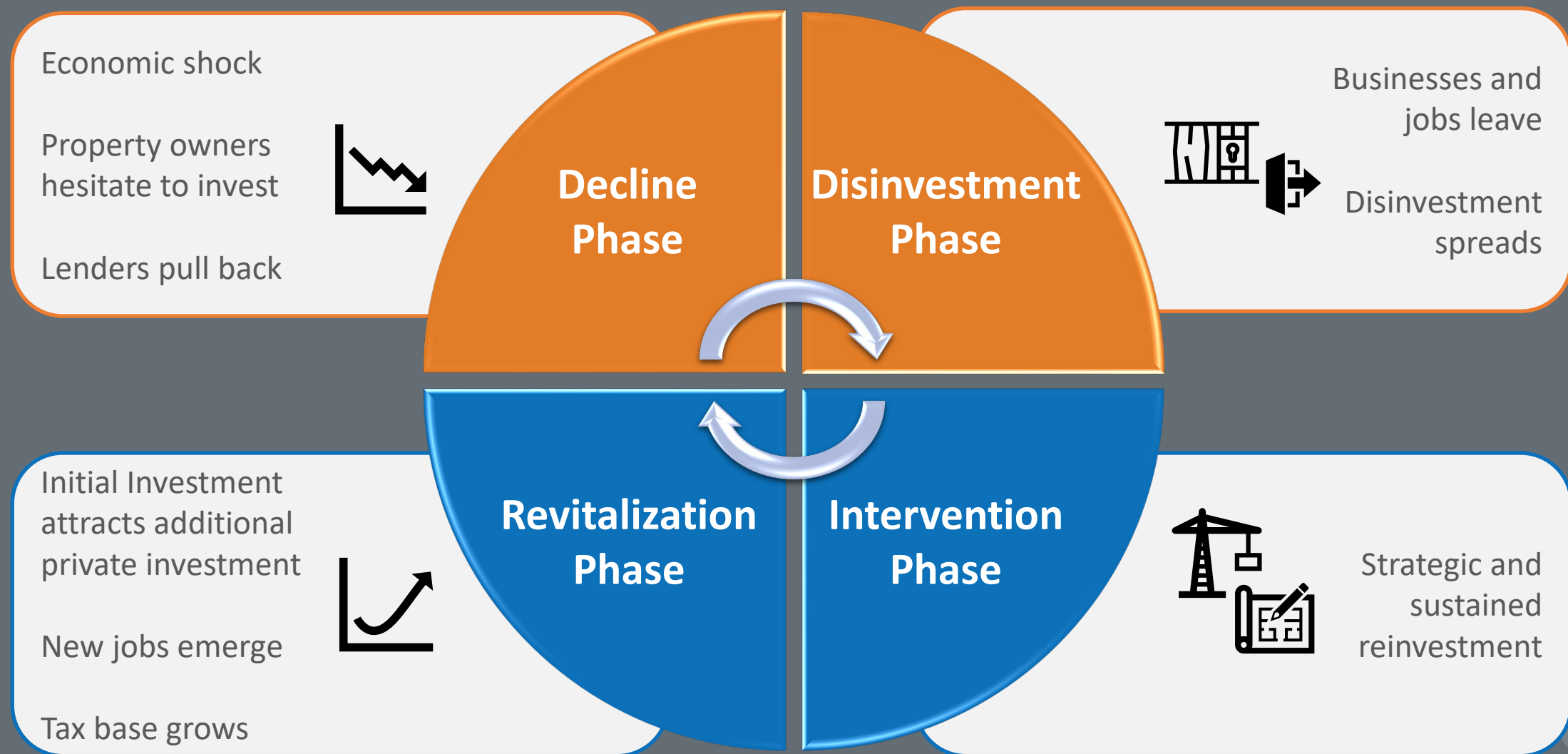
- **Legal**

- **Ease of Use and Administration**



## RECOMMENDED RESOURCES

# WHY REDEVELOPMENT TOOLS?



**Scottsdale to spend \$40 million to revitalize Old Town**

**Downtown Denver's plan for spending \$570M moves forward; applications open in 2025**

DOWNTOWN DOLLARS: FRESNO SECURES \$100M FROM STATE TO POWER CORE REVIVAL

**Kansas City approves more than \$20 million to redevelop Parade Park Homes**

**Oklahoma City**

\$175 million for economic and community development

**Baltimore Launches Nation's Largest Housing Redevelopment Program**

*"Baltimore is launching a **\$6 billion** community reinvestment program"*

*Courtesy: Colorado Politics, 12/10/2024;  
Multi-Housing News, Gail Kalinoski, September 25, 2025;  
AZFamily.com, August 4, 2025; NPR, Celisa Calacal,  
March 7, 2025; KGOU, Gracen Wheeler, Abigail  
Siatkowski, Robby Korth, OPMX, October 15, 2025*





## Federal Funding Sources

Funding provided through Federal programs.



## Redevelopment Activity Revenue

Variable. Requires another revenue source.



## One-Time Set Asides

Variable, non-recurring.

### Redevelopment Programs

- Demolition and remediation
- Code Compliance Assistance Program
- Retail Tenant Assistance
- Vacant Property Registration
- Revolving Loan Fund
- Public Infrastructure

### Funding Recommendation

- \$3,000,000 annually
- Funding per program is driven by demand
- \$2,000,000 one-time (EDA Grant) revolving loan seed funding

### Program Evaluation

- Pilot the Redevelopment Programs for 5 years
- Establish KPIs and impact metrics
- Annual reports to City Council
- City Council evaluation of a permanent program in 2031

01

Focus group with  
stakeholders

02

Program  
development  
*(based on Council  
Direction)*

03

Return to City  
Council with  
detailed  
programs early  
2026

04

Formalize  
budget requests  
in annual  
budget process

05



Begin launching  
programs mid  
2026

# QUESTIONS?