

Redevelopment Toolkit Update

City of Mesa City Council Study Session

January 15, 2025

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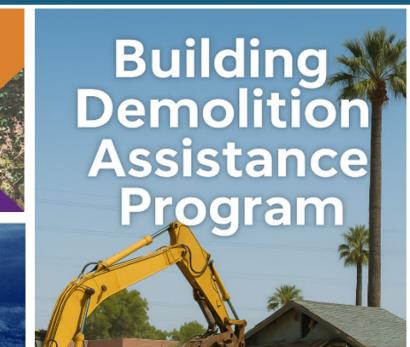
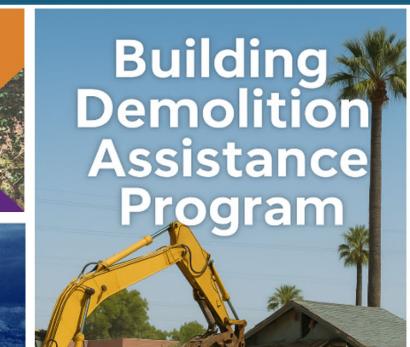
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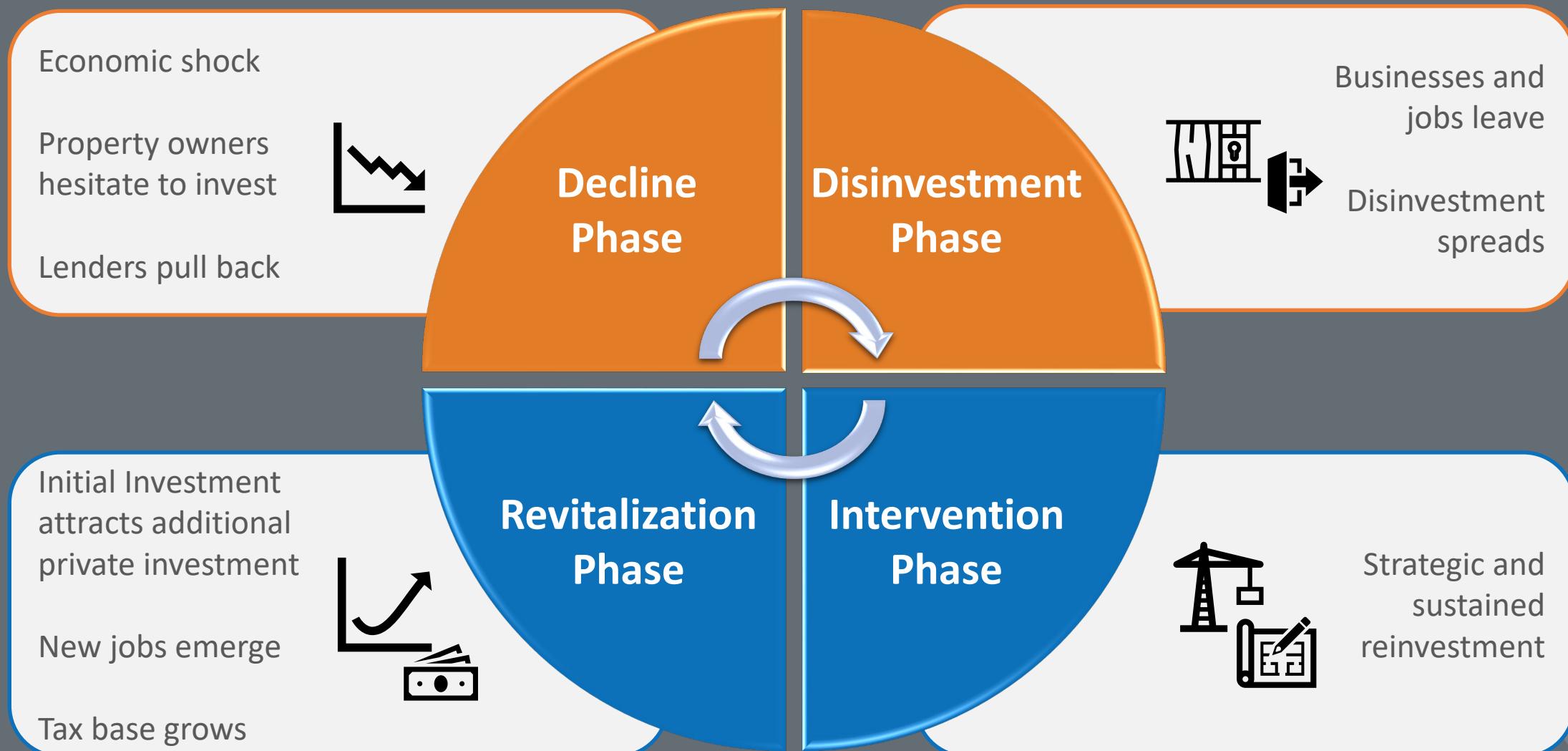
BACKGROUND & INTRODUCTION

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**

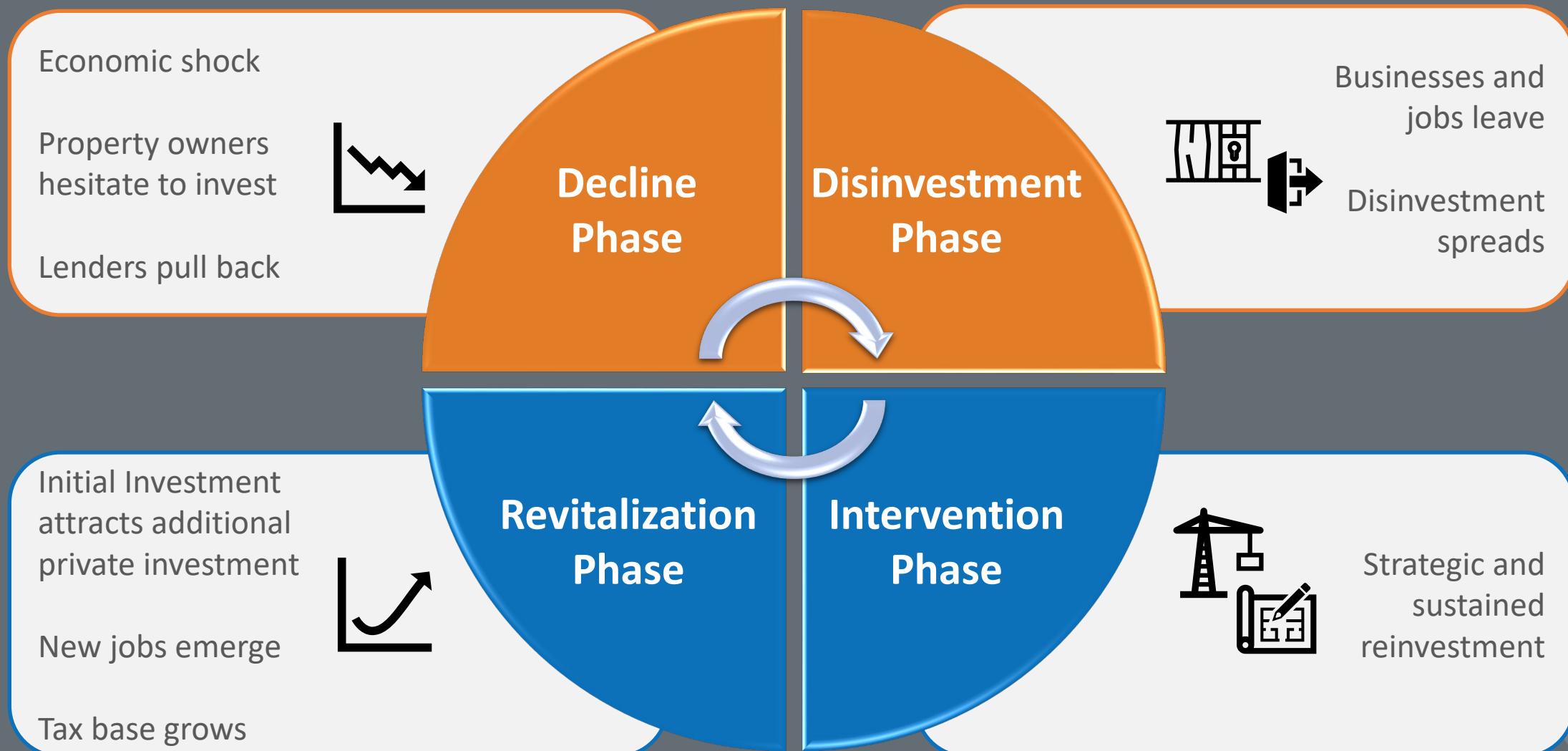
- **Budgetary**

- **Legal**

- **Ease of Use and Administration**



RECOMMENDED RESOURCES



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?