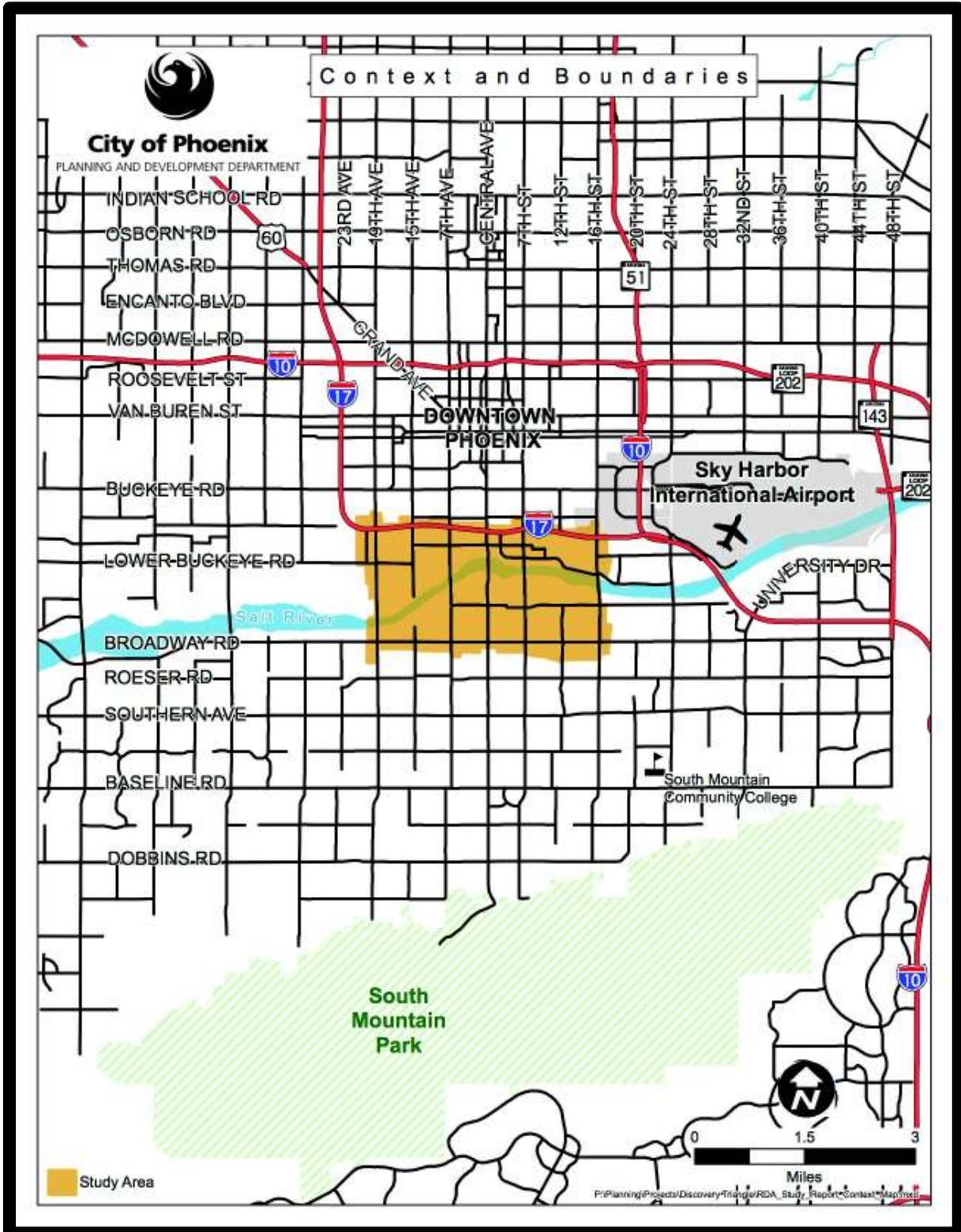


January 2014

# Report: Rio Salado Redevelopment Study Area



## TABLE OF CONTENTS

Executive Summary	Page 2
Redevelopment Area Overview	Page 3
Redevelopment Area Requirements	Page 3
Rio Salado Redevelopment Study Area	
Boundaries and Context	Page 4
History	Page 5
RSRDA Past and Current Planning / Revitalization Efforts	Page 6
RSRDA Overview	
Demographics	Page 7
Land Use	Page 8
Zoning	Page 9
Area Conditions	
Property Conditions Summary	Page 10
A.R.S. Conditions Survey	Page 11
Analysis and Conclusion	
Findings	Page 13
Attachment A	

## Executive Summary

The Mayor and City Council initiated this report to analyze and document the current building, land use and area conditions in the area referred to as the Rio Salado Redevelopment Area (RSRDA). The Study Area is generally bounded by I-17 to the north, Broadway Road to the south, 19<sup>th</sup> Avenue to the west and 16<sup>th</sup> Street to the east.

The primary purpose for the analysis is to evaluate conditions of the Study Area and to determine if it qualifies under Arizona State Statute as a Redevelopment Area.



The primary statutory requirement for a formal designation of an area as a Redevelopment Area is a finding that a predominance of the property is blighted.

This Report describes and documents the statutorily defined blighted conditions that, when aggregated, constitute a finding of a predominance of blight, allowing the Mayor and Council to designate the area as a Redevelopment Area.

ARS § 36-1471 provides the following list of factors that, through the presence of one or more, may allow an area to be declared as predominately blighted. Blighted properties within the Study Area were found to meet one or more of 3 of the 9 statutory requirement options, specifically:



- Faulty lot layout in relation to size, adequacy, accessibility or usefulness.
- Unsanitary or unsafe conditions.
- Deterioration of site or other improvements.

A formal declaration by the Phoenix City Council will assist in focusing City efforts to revitalize the economy in the Area, with a specific focus on economic development and quality job creation.



This Report is divided into six sections which describe the history and boundaries of the Study Area, past and ongoing planning and revitalization efforts, demographic, land use and zoning background in addition to a physical survey of the existing conditions. It also describes the legal framework which authorizes the City of Phoenix to conduct this analysis and to consider formal designation of the Study Area as a Redevelopment Area.

## Redevelopment Area Overview

A Redevelopment Area is designated by City Council through a formal finding of blighted conditions within the Study Area boundaries by City Council vote. At a City Council public hearing, approval of a Redevelopment Area requires adoption of a Council resolution that resolves/finds that both that:

1. One or more slum or blighted areas exist in the municipality.
2. The redevelopment of that area or areas is necessary in the interest of the public health, safety, morals or welfare of the residents of the municipality.

The existence of blighted conditions has both a short and long term negative affect on the City's ability to improve economic development prospects and attract investment which enables quality job creation. Alternatively, areas that are well maintained and offer few obstacles to responsible development become prime locations for existing business expansion, new businesses establishment and a thriving local economy. These attractive areas generate more positive tax revenue to support critical City services.



While the majority of the City of Phoenix's 19 Redevelopment Area *Plans* are aimed at catalyzing neighborhood revitalization, this Report is focused on commercial and industrial areas that have potential for redevelopment or reinvestment.

## Redevelopment Area Requirements

ARS § 36-1471 defines a Blighted area to be an area, other than a slum area, where sound municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following:

- A. A dominance of defective or inadequate street layout.
- B. Faulty lot layout in relation to size, adequacy, accessibility or usefulness.
- C. Unsanitary or unsafe conditions.
- D. Deterioration of site or other improvements.
- E. Diversity of ownership.
- F. Tax or special assessment delinquency exceeding the fair value of the land.
- G. Defective or unusual conditions of title.
- H. Improper or obsolete subdivision platting.
- I. The existence of conditions that endanger life or property by fire and other causes.



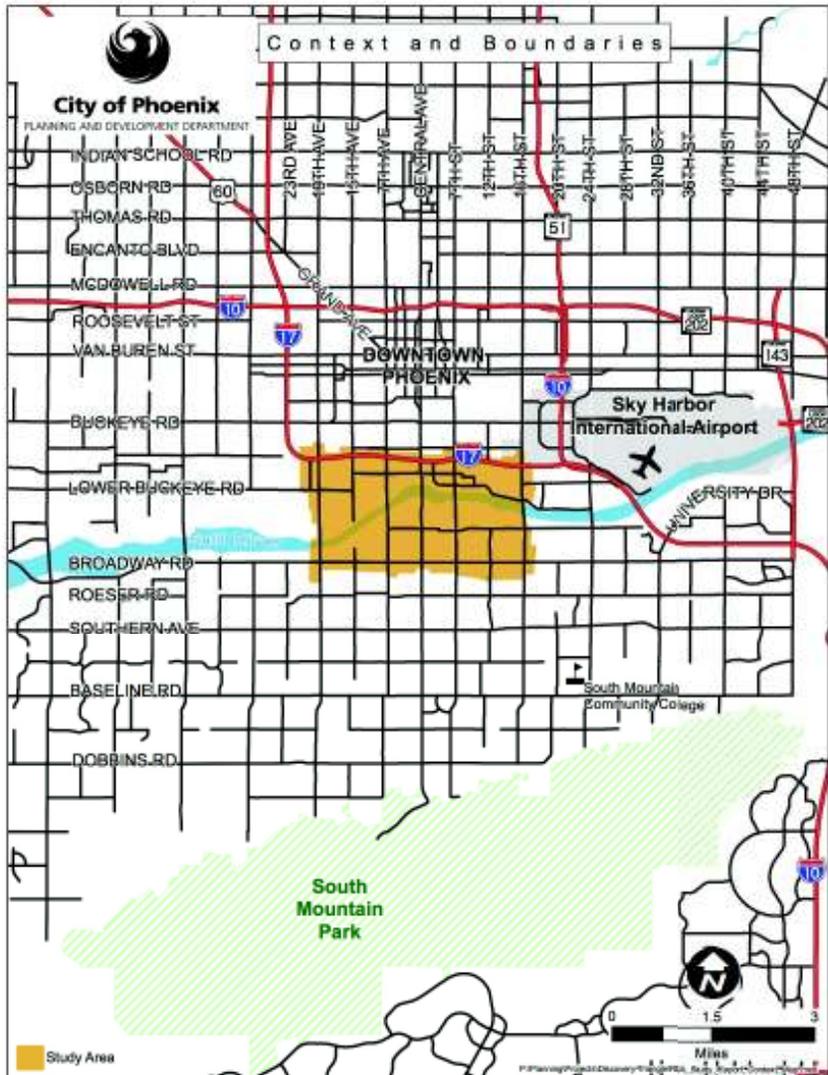
## Rio Salado Redevelopment Study Area

### Boundaries and Context

The Rio Salado Redevelopment Study Area is bound by 19<sup>th</sup> Avenue on the west; 16<sup>th</sup> Street on the east; Broadway Road on the south; and Interstate 17 on the north. The area is located just south of Downtown Phoenix (1 mile) and just west of Sky Harbor International Airport (1-1/2 miles to the east); and is bisected by the Salt River.

The Study Area lies within two urban villages. The area north of the Salt River is the Central City Village and the area south of the Salt River is the South Mountain Village.

The area is a gateway to Downtown Phoenix, sports and cultural amenities, the emerging bio science campus and universities located downtown, Sky Harbor International Airport, the Salt River and the Nina Mason Pulliam Audubon Center, South Mountain Community College and South Mountain Park.



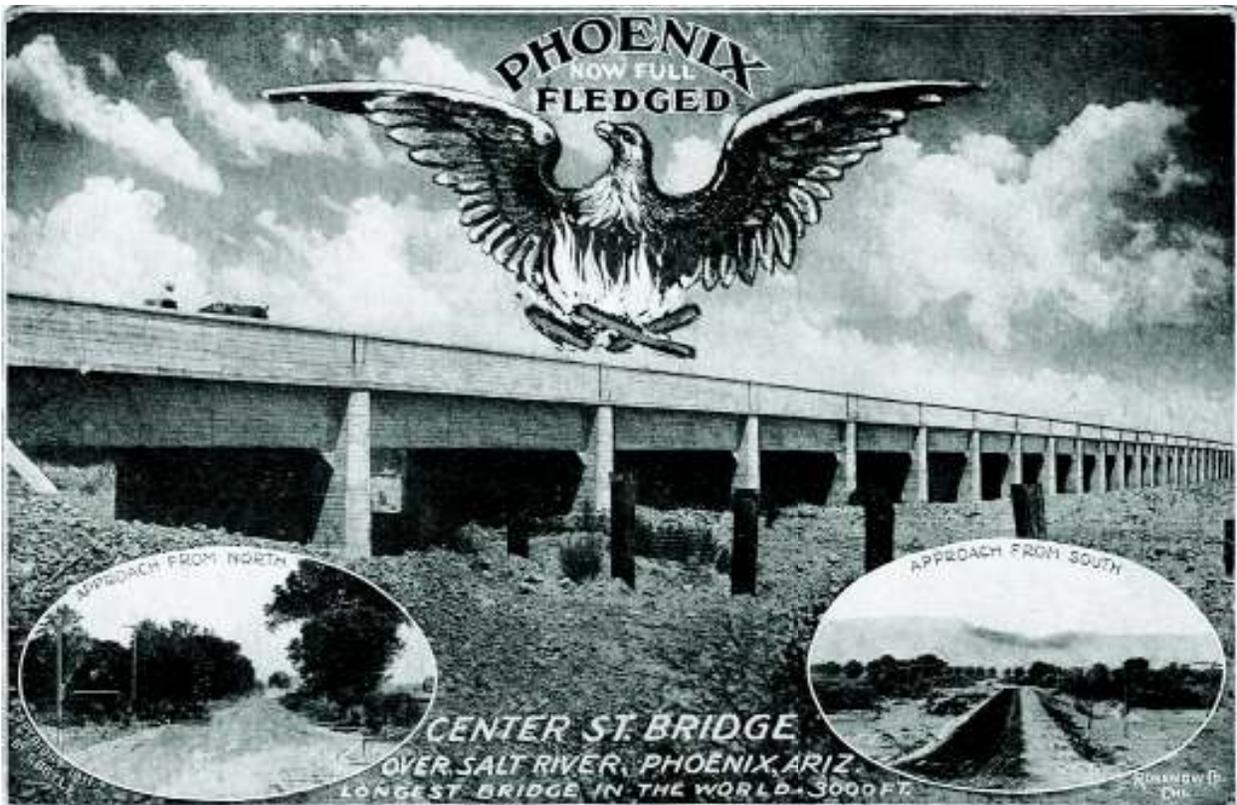
## History

The Study Area has a rich history of residential and mining operations that dates back several generations. The first known settlement of the area was created by the Hohokam peoples. This ancient agricultural society farmed along the Rio Salado and masterfully created waterways/canals. Several pioneers later settled the area in the late 1800's and at the turn of the twentieth century began acquiring thousands of acres along the Rio Salado for farming purposes.

In the early 1900's, the Central Avenue Bridge (formerly Central Street Bridge) was constructed and many more homes were built in the area. One of the subdivisions built at that time is Southgate Park Subdivision constructed in 1928, and is located at Central and Jones avenues. Other subdivisions include Central Gardens located at Central Avenue and Riverside Street and Frances Margaret located at 7<sup>th</sup> Avenue and Illini Street both built in the 1940's.

The area started to change to more commercial and industrial land uses in the 1940's and 1950's. The area saw a rise in the mining of sand and gravel as Phoenix boomed during the post World War II era of the 1950's.

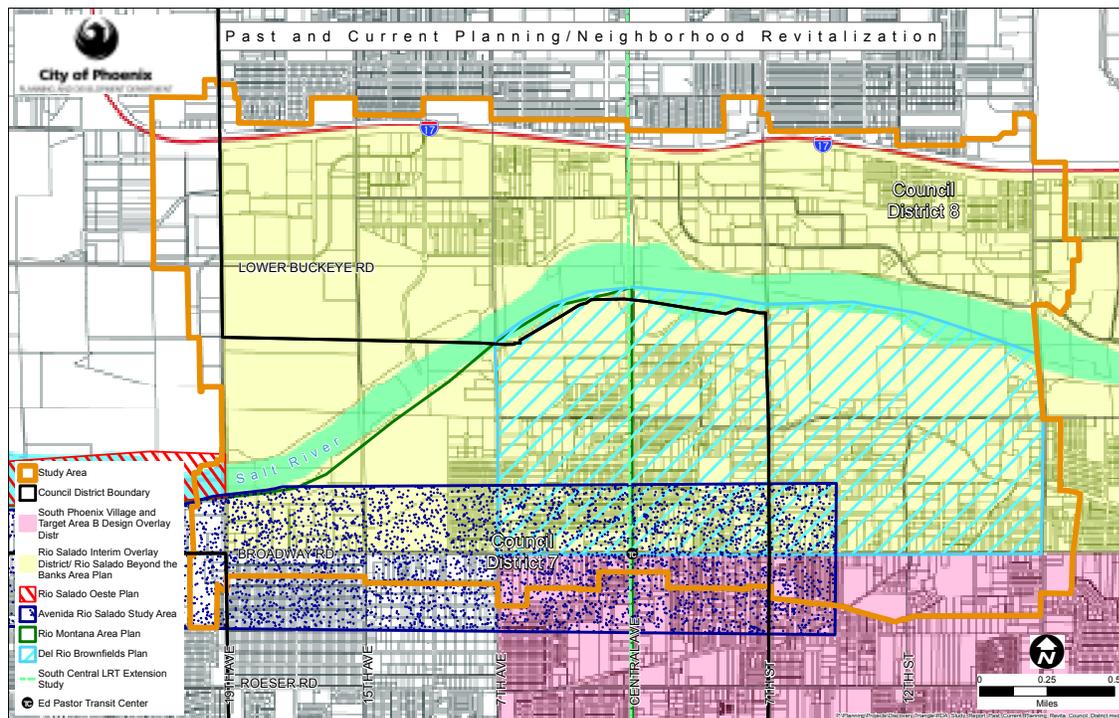
The area today still has many of the original residential subdivisions, as well as the addition of commercial and industrial land uses. Seventh Avenue and Seventh Street continue to provide access to downtown and South Phoenix amenities for area residents.



## RSRDA Past and Current Planning / Revitalization Efforts

The Rio Salado Redevelopment Study Area has been the focus of past and current planning related projects and revitalization efforts. The following list captures these efforts:

1. South Mountain Target Area B Redevelopment Plan
2. Rio Salado Oeste Plan
3. Rio Salado Habitat Restoration Project
4. Rio Montana Area Plan
5. Rio Salado Interim Overlay
6. Rio Salado Beyond the Banks Area Plan
7. Del Rio Brownfields Plan
8. Avenida Rio Salado Study Area
9. South Central Phoenix Corridor Alternatives Analysis



The **South Mountain Target Area B Redevelopment Plan** was adopted by the Phoenix City Council in 1980 and is bound by variable parcels north of Broadway Road to Elwood Street, Southern Avenue to the south, 7<sup>th</sup> Avenue to the west and 24<sup>th</sup> Street to the east. The redevelopment plan provides a framework for the stabilization, development and redevelopment of the area and to meet the Arizona Revised Statutes 36-1417.

The **Rio Salado Oeste Plan** is a combined effort between the City of Phoenix and the Federal Government to restore approximately 1,500 acres of riverine habitat throughout

a 8-mile study area by returning the river channel to a more natural state by grading and terracing the channel from 19th to 83rd Avenues.

The **Rio Salado Habitat Restoration Project** is a federally funded plan/project that developed a master plan to restore nearly five miles of native wetland and riparian habitat along the banks of the river. The plan developed strategies to restore the blighted river corridor with the first segment of the project opening on November 5, 2005.

The **Rio Montana Area Plan** was adopted by the Phoenix City Council in 2000 and is bound by the Rio Salado to the north, South Mountain Park to the south, South Central Avenue to the east and 27<sup>th</sup> Avenue to the west. This plan focuses on preserving the rural character of the area, the natural desert and open space, encouraging pedestrian and equestrian activities, sense of community and economic development.

The **Rio Salado Interim Overlay District** was adopted by the Phoenix City Council in 2002 and is bound by the centerlines of Interstate 17/Interstate 10 on the north, 19th Avenue on the west, 32nd Street on the east and Broadway Road on the south. The overlay district is designed to control open, outdoor land uses and other uses in order to have a positive impact on the Rio Salado Habitat Restoration Project and add to the long-term value of adjacent land.

The **Rio Salado Beyond the Banks Area Plan** was adopted by the Phoenix City Council in 2003 and is bound by Interstate 17 (I-17/Maricopa Freeway) and Interstate 10 (I-10) to the north, Broadway Road to the south, 32nd Street to the east and 19th Avenue to the west. The plan identifies goals and policies to guide development decisions for an area beyond the banks of the Rio Salado, and to complement the Phoenix Rio Salado Habitat Restoration Project.

The **Del Rio Brownfields Plan** was adopted by the Phoenix City Council in 2012 and is bound by 7th Avenue to the west, 16th Street to the east, Salt River (Rio Salado) to the north, and Broadway Road to the south. The primary objective of this plan focuses on the environmental remediation and redevelopment of three brownfield sites.

The **Avenida Rio Salado Study Area Plan** is a partnership between the City of Phoenix, Arizona Department of Transportation and the Federal Highway Administration. The plan focuses on the study and design of increasing vehicular traffic along Broadway Road from 7<sup>th</sup> Street to the future 202 South Mountain Freeway/67<sup>th</sup> Avenue. Construction will begin in segments during 2014.

The **Valley Metro South Central Phoenix Corridor Alternatives Analysis** is a 24-month study that evaluates several high-capacity transit options. The study area is bound by 7th Avenue on the west, 7th Street on the east, Washington Street on the north, and Baseline Road on the south. Options for the corridor include light rail, bus rapid transit and modern streetcar, to determine which transit mode and route serves the community best. The study is scheduled to be finalized in 2014.

## RSRDA Overview

(Note that the information in this section relates to the entire Study Area.)

### Demographics

According to the 2010 Census Summary File 1, there are 6,224 people residing in the Study Area and 2,037 housing units. Of the 6,224 residents, 82.6% identify their race as Hispanic or Latino.

Population, Ethnicity, Housing Units Rio Salado RDA 2010 Census Summary File 1		
Custom Report selected from "Block" or "Block Group" Scale Geography in GIS		
Subject	Total	
	Number	Percent
<b>POPULATION (April 1, 2010)</b>		
Total Population (April 1, 2010)	6,224	100.0%
<b>ETHNICITY</b>		
Hispanic or Latino (of any race)	5,139	82.6%
Not Hispanic or Latino (of any race)	1,085	17.4%
- Not Hispanic or Latino (White Race)	594	9.5%
<b>HOUSING UNITS</b>		
Total Housing Units	2,037	100.0%
Occupied Housing Units	1,681	82.5%
Vacant Housing Units	356	17.5%

Source: City of Phoenix Planning & Development, Maricopa Assoc. of Governments (MAG) & U.S. Census Bureau et al. "Census Summary File 1 Redistricting Data from "Block" Scale Geography." Washington, D.C. April 1, 2010.  
Date Created: December 18, 2013

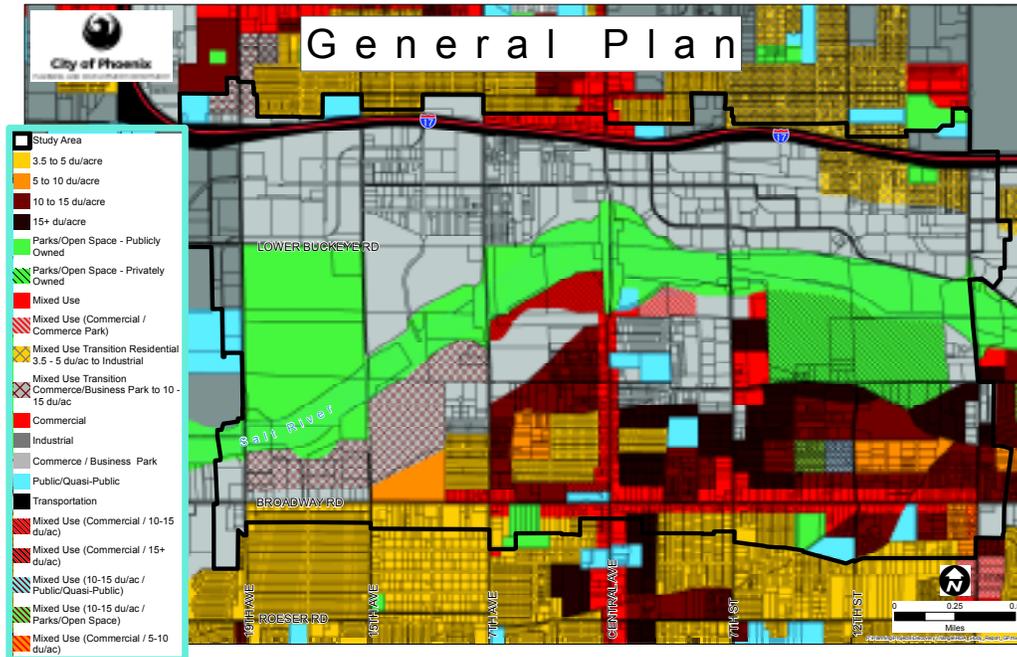
According to the 2007-2011 American Community Survey, the median household income for the Study Area is \$23,056. The median housing unit value is \$111,300 and the median housing rental cost is \$713.00 per month.

Household Income, Housing Value and Rent Rio Salado RDA 2007-2011 Census American Community Survey 5-Year Report		
Custom Report selected from "Block Group" Scale Geography in GIS		
Subject	Total	
	Number	Percent
<b>HOUSEHOLD INCOME</b>		
Households	2,781	100.00%
Median Household Income	\$23,056	
- < Less than \$25,000	1,277	45.92%
- \$25,000 to \$49,999	836	30.06%
- \$50,000 to \$99,999	610	21.93%
- \$100,000 to \$199,999	45	1.62%
- > Greater than \$200,000	13	0.47%
<b>HOUSING</b>		
Median Housing Unit Value	\$111,300	
Median Rent	\$713	
Total Housing Units	3,201	100.00%
Total Occupied Housing Units	2,781	86.88%
Total Vacant Housing Units	420	13.12%
- Owner Occupied Housing Units	1,419	51.02%
- Renter Occupied Housing Units	1,362	48.98%

Source: City of Phoenix Planning & Development Research Team, Maricopa Assoc. of Governments (MAG) & U.S. Census Bureau et al. Census American Community Survey (ACS) 2007-2011 (5-Year) Report from Block Group Scale Geography. Washington, D.C. July, 2013.  
Date Created: December 18, 2013

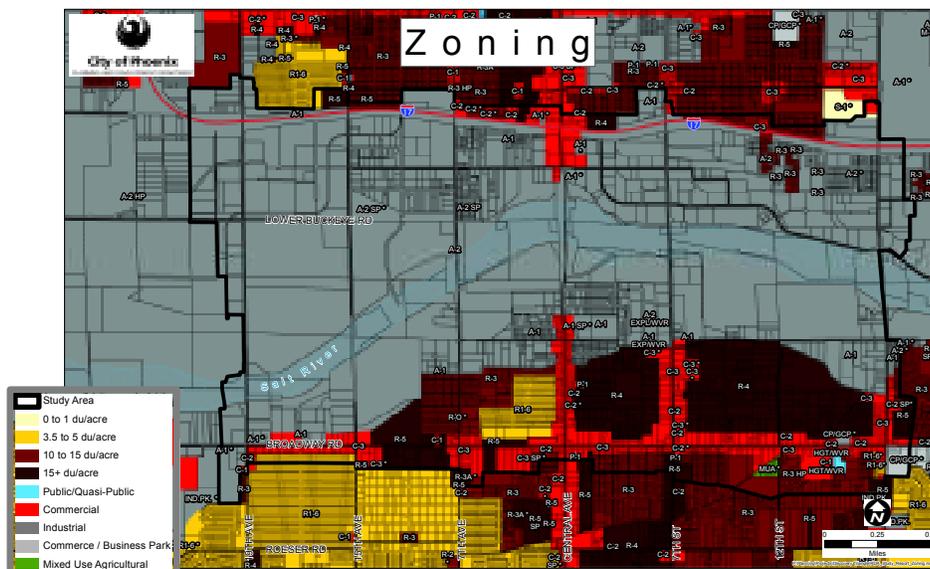
## Land Use

The General Plan land use map below shows a mix of residential, commercial, and industrial land uses within the Study Area. The map also shows parks/open space, public/quasi public and transportation designations in the Area. Interstate-17 is located along the northern boundary of the Study Area and the Ed Pastor Transit Center is located at the northwest corner of Central Avenue and Broadway Road. Both serve as transit corridors for the area.



## Zoning

The zoning within the study area varies from single-family and multi-family residential to commercial, commerce park, and industrial zoning districts. There is a predominance of industrial zoning in the area with over 2,500 acres of land zoned A-1 (Light Industrial) or A-2 (Heavy Industrial). This translates to uses consisting of warehousing, manufacturing, storage, mining and sand and gravel pit operations.



## Area Conditions

### Property Conditions Summary

Qualifying factors of blight were determined through an in-person, visual analysis of the exterior of properties in the Study Area. The following describes a number of conditions found on a preponderance of the properties in the Study Area that qualify as blighted conditions.

Fences in disrepair: Fences and screening walls must be structurally sound. Fence and wall materials must be constructed from consistent materials and must be maintained so that they are free from deterioration.

Trash/debris: Property owners are responsible for keeping their property free of junk, litter, and debris.

Outside storage: Outside storage of personal property at residentially zoned properties is limited to the rear yard behind the primary structure only. Any building or landscape materials for use on the property, machinery, appliances or parts/auto parts may not be visible from beyond the boundaries of a residentially zoned property.

Un-paved commercial parking: Vehicle parking surfaces on non-residential lots must be finished and maintained according to City Code specifications. Unfinished and dirt parking surfaces are not permitted.

Unmaintained vegetation: Property owners are responsible for keeping their properties free of weeds, tall grass, tumbleweeds, shrubs, trees, palm fronds, and other dead or dried vegetation.

Inoperable vehicles: Vehicles that do not operate legally and safely cannot be placed on a property in a way that allows them to be seen from beyond the property boundaries.



This examination was limited to an on-site visual inspection of the property's exterior condition and is not a detailed engineering or architectural analysis, nor does it include a building's interior condition. The intent is to document obvious indications of blighted conditions within the Study Area.

### **A.R.S. Conditions Survey**

The following conditions were found to be present in this Study Area and meet the Arizona Revised Statutes requirements of Blighted conditions in a Redevelopment Area:

#### Faulty lot layout in relation to size, adequacy, accessibility or usefulness

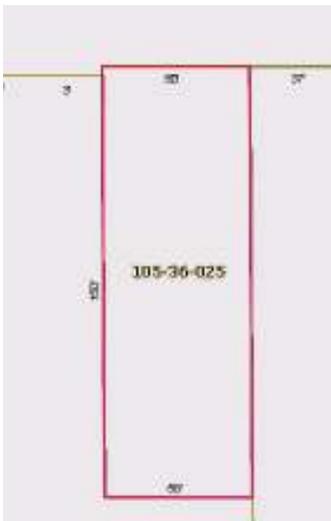
Several properties in the Study Area were observed to have faulty lot layout. Faulty lot layout can be observed on properties that are long, narrow, or irregularly shaped, lots that are inadequate in size, and lots with configurations that are impractical or results in misused or unused land.



**Irregularly Shaped Lot**



**Narrow Lot**



**Narrow Lot**



**Irregularly Shaped Lots**

Unsanitary or unsafe conditions

Unsanitary or unsafe conditions arise when a property falls into disrepair. These conditions include severely cracked or uneven surfaces for pedestrians, trash/debris, vandalism/graffiti, and the existence of hazardous conditions or materials. These conditions were observed within the Study Area, including several former landfill sites and a rock and gravel quarry.



**Vandalism/Graffiti**



**Trash/Debris**



**Landfill**



**Quarry**

Deterioration of site or other improvements

A majority of blighted properties within the Study Area demonstrate conditions of site deterioration. These conditions include evidence of lack of general site maintenance, unpaved commercial parking lots, deteriorated roofs, walls, fencing, lighting, fences, gates, and deteriorated parking surfaces/curbs/partial foundation concrete.



**Deterioration of Site**



**Partial Concrete Foundation**

## Analysis and Conclusion

### Analysis

While redevelopment areas in Phoenix have historically focused on neighborhood revitalization, the Rio Salado Redevelopment Area is focused on economic development – namely, stimulating capital investment and fostering the growth of employment-generating uses. Through this strategy, the City hopes to create jobs and business opportunities for the benefit of Phoenix residents, Phoenix employers and the region's economy. Based on this strategy, the DTDC focused on including specific areas and parcels that are positioned for investment while also meeting the requirements of the RDA statute. These include large parcels, groups of contiguous parcels with common ownership, City-owned parcels, areas suitable for commercial or industrial development, and vacant or underutilized parcels that could accommodate employment-generating uses. In order to protect existing neighborhoods, the DTDC also attempted to avoid including large areas of residential properties. The resulting boundary recommended by the DTDC is depicted in Attachment A, and represents an area with potential for job creation, capital investment and business opportunity.

### Findings

Upon DTDC's property analysis, a predominance of the properties within the proposed Rio Salado Redevelopment Area (Attachment A) are affected by one or more of the blight conditions criteria as defined by ARS §36-1471. Based on the analysis described in this Report, the City Council can find that a) one or more slum or blighted areas exist in the municipality, and that b) the redevelopment of the area is necessary in the interest of the public health, safety, morals and welfare of the residents of the municipality. These findings enable the City Council to designate the Area as a Redevelopment Area.

# Attachment A

