

NEIGHBORHOOD REVITALIZATION

* * * * *

The city's approach to neighborhood revitalization is to spur redevelopment, incentivize more economic activity in key areas, encourage repurposing of tracts, and do other things that will positively impact the performance outcomes agreed to at the Council's June 2019 study session on neighborhood revitalization. The city's approach is NOT to articulate a **Grand Plan** by which the city controls each property in distressed areas. Rather, the city seeks to partner with existing neighborhood associations, potential developers, and other local stakeholders to provide resources that 'jump start' existing entities and organically stimulate local revitalization and redevelopment in ways that collectively result in the recovery of neighborhoods.

DECATUR, ILLINOIS NEIGHBORHOOD REVITALIZATION— Framework and planning context:

Section One: The City of Decatur's "roadmap" for neighborhood revitalization is a framework for more specific City Council actions, and spans the next several years; it is incorporated into the City Council's 2019-2021 Strategic Plan. The multiple strategies are in four groups:

1. **Repurposing land, and land uses**
 - a. Increase the rate of building demolition
 - b. Create or join a land bank to sell and develop vacant properties
 - c. Accumulate land under city-ownership for new development
 - d. Create new/enhanced neighborhood anchors & destinations
 - e. Step-up code enforcement and inspect troubled rental properties
 - f. Recruit more private investment by streamlining and simplifying codes, easing side lot transfer & creating targeted incentives for the urban core

2. **Deploying new technologies and upgrading infrastructure in target areas**
 - a. Expand broadband fiber network in the urban core
 - b. Set aside portions of annual infrastructure budgets for new sidewalks, street lighting and roads in the urban core
 - c. Include space on a new "Decatur App" allowing citizens to record videos that could help law enforcement
 - d. Greater use of technology to aid public safety (police data analytics, surveillance cameras in urban core, body cams, etc.)

3. **Incentivizing people to remain in the urban core, or move there, by improving access to various services**
 - a. Work with the school district/library to improve educational access and urban core workforce training/retraining programs
 - b. Improve access to odd-time public transit routes to help job retention
 - c. Expand access to low/moderate income health facilities
 - d. Expand access to low/moderate income In-fill housing
 - e. Use targeted tax freezes or abatements; & repurpose DCFC, CICD, etc.
 - f. Take the lead in opening a small business incubator in the target zone

4. **Be more effective at leveraging private investment in the urban core**
 - a. Block-by-Block Program; privately fund homestead programs
 - b. Recruitment of workers to the urban core with incentives, easier loans and redevelopment of whole blocks selectively cleared and prepared
 - c. College debt repayment incentives to retain talent in Decatur
 - d. Fund retail/hotel/housing studies to encourage investment
 - e. Use an OZ advisor to help recruit investors to eligible projects

Section Two: The city's 2010 "Sustainable Decatur" plan includes the following approved strategies as they relate to neighborhood revitalization:

1. Focus on urban infill incentives and development projects
2. Adopt sustainable neighborhood design practices
3. Promote community supported agriculture (CSA) in distressed neighborhoods
4. Promote perennial bioenergy crops to improve the environment and create jobs

Section Three: The Urban Institute, and others, have articulated the following principles and practices for "Place-Based Neighborhood Revitalization":

PRINCIPLES:

- Asset-based
- Matched to localized neighborhood conditions & context
- Leverage, or build-upon, existing on-ground capacity to deploy capital
- Generate economic & social benefits for entire community, not just developers
- Build Civic Infrastructure

PRACTICES:

- Concentrate resources to achieve a lasting impact
- The following initiatives all increase property values, but must be locally contextualized:
 - Urban Greening
 - Demolition of derelict buildings
 - Brownfield remediations
 - Housing rehab/renovation and repurposing

- Streetscapes and ‘place-making’ (trails, boulevard improvements, public art, lighting, etc.)
- Where there is inadequate Civic Infrastructure, local government can stimulate it

DEFINITION OF CIVIC INFRASTRUCTURE:

Civic Infrastructure is the foundation or platform that enables individuals and communities to develop a sense of shared responsibility, manage their differences, and form a common understanding of the public good. It is the fabric that allows people to solve their own community problems in partnership with government, business, and community-based organizations.

DECATUR, ILLINOIS NEIGHBORHOOD REVITALIZATION—Action steps and current plans:

Section One: Since the June 2019 Neighborhood Revitalization Study Session, staff has taken the following actions based on directions and guidance given by the City Council:

1. Completed the transfer, closing and recording of 726 Macon County Trustee Lots
2. Met with the newly formed Central Illinois Land Bank, and tentatively agreed to develop an intergovernmental agreement bringing Decatur into the organization so that the Land Bank can be used as a mechanism for repurposing and redeveloping vacant and surplus lots owned by the city. Final council action is still pending.
3. Increased the rate of derelict housing demolitions.
4. Created a tentative agreement for creation of an urban garden project in the Torrance Park neighborhood, with the Community Environmental Council.
5. Met with potential contractors interested in redeveloping and upgrading the Greenwood Apartments on South Main Street.
6. Updated and finalized an agreement with developers of the Crossing Healthcare Campus for infrastructure improvements (all on city right-of-way) following completion of current building construction projects (King, Marietta & Orchard).
7. Made progress negotiating a new street scape project scope for improvement of U.S. 51 between Eldorado and Pershing, as it passes through key urban core areas.
8. Through the city’s FY 2020 budget, added more infrastructure projects in the Target Area for street, water, sewer and sidewalk improvements. The multi-year plans already approved by the City Council as part of its budget include almost all infrastructure work categories, in the Target Area, except broadband expansion.
9. Selected the former nursing home near the Staley Museum as this year’s major CDBG demolition project, with an alternative project in the 700 block of West Wood.
10. Council tentatively approved a vacant and foreclosed property registration program during budget deliberations (final adoption still pending at a future council meeting).
11. Updated the city website to include a section just for neighborhood revitalization.

Section Two: Regarding other strategies approved by the governing body last year, city staff continues to:

a) examine alternatives for a new small business incubator in the warehouse district immediately north of the central business district;

b) evaluate best locations to assemble and clear a large-tract area somewhere in the Target Area for a land repurposing project;

c) discuss ways to partner with DPS 61 and the Southside Neighborhood to make improvements around the planned Johns Hill School project area, now that DPS owns all the public space between Johns and Whitmer Streets;

d) study ways to partner with Habitat for Humanity to enlarge and beautify their East Wood Street property by transferring surplus lots owned by the city;

e) examine the best ways to improve access to employment for those in the urban core by adding selective point-to-point bus services in off-hours;

f) develop a rental housing inspection and licensing program;

g) look at incentive programs that will encourage more in-fill and redevelopment projects in the urban core; and

h) work to develop a housing rehabilitation and renovation matching grant program that is not subject to HUD restrictions for some or all urban core neighborhoods.

Section Three: At its February 10, 2020 study session, the City Council made the following revitalization-related decisions, subject to final ratification at a future regular council meeting:

1. Approved a multi-year broadband extension plan for broadband enlargement that directly serves the city's neighborhood revitalization objectives by bringing more cable supporting ultra-high speed access into the urban core.
2. Made changes in the city's demolition policies and processes to accelerating the rate of building demolitions through the adoption of a policy that allows free removal of certain derelict structures without placing liens, and an ordinance amendment that increases recovery of insurance proceeds from burned-out and damaged structures.
3. Adopted policies for disposing of surplus properties (including lots acquired through the transfer of Macon County Trustee tracts) so these lots can be used more productively and returned to the tax rolls. They are grouped into four categories:
 - a. Small, stray single lots that are best suited for sale or other gift/transfer to adjoining property owners. To facilitate this, staff has developed a draft side-lot ordinance and policy (attached) for council review
 - b. Concentrated numbers of lots, all in close proximity, clustered in such a way that it may be possible for the city, with minimal additional land assembly, to put together a large contiguous tract that can be cleared and completely repurposed by a future developer

- c. Locations where two, three or four lots owned by the city are adjacent and, taken together, form a developable parcel
- d. Lots that include a structure that can be renovated or rehabilitated

The City Council agreed that lots in categories “c” and “d” above be first offered to local neighborhood entities that are legally enabled to engage in land transactions, before they are offered to the Central Illinois Land Bank.

- 4. Agreed to create a new tax increment financing (TIF) district which includes land in and adjacent to the City Council’s Target Area to assist the city in realizing its revitalization goals. The proposed new TIF district advances several revitalization and city objectives, including:
 - a. Make TIF inducements available to developers operating in the warehouse district immediately north of downtown
 - b. Make TIF inducements available to developers interested in investing in Fairview Plaza
 - c. Make it easier to redevelop and repurpose the Durfee School property at Oakland and Grand when this school closes later in 2020
 - d. Put the MEDA building and the Civic Center in the TIF district
 - e. Put the Old Kings Orchard neighborhood into the proposed TIF district so TIF proceeds can be used to augment a local rehab/renovation grant program
 - f. Without creating a separate TIF district downtown (in addition to the one proposed here, shown on the enclosed map), give the city the ability to carve out all or a section of the central business district and move it into a new TIF, since the Old Town Development TIF district expires in 2023
- 5. Agreed to work with existing neighborhood entities to create multi-neighborhood community development corporations (CDCs) legally empowered to buy and sell land, employ staff, enter into contracts, etc.; and then designate one of these to act as a Community Development Housing Organization (CHDO) for the entire urban core area of Decatur. In this way the city can take advantage of funding for CHDO’s available through HUD which, the city has not been able to access for 10 years.
- 6. Decided to waive bonding requirements connected to vacant and foreclosed property registrations, as requested by the City Council last November.