

## **2013 Whiting Redevelopment Plan Update Information Sheet**

### **Overview**

All municipal agencies develop and maintain a number of various plans. These plans serve as roadmaps to guide officials in the decision making process for future years. It is not uncommon for a plan to project as far as 20 years into the future. It is also good public policy for government agencies to periodically amend their existing plans to account for changing conditions. In the summer of 2013, the Whiting Redevelopment Commission (WRC) began the process of amending their Redevelopment Plan to outline a strategy for future growth throughout the city. **This is the 6<sup>th</sup> Amendment to the WRC Plan since its original adoption in 1997.**

There are two major changes to the revised Plan:

- The creation of the Stadium District
- The creation of the Boulevard Business Corridor (TIF) Allocation Area

Both of these new plan components are consistent with the City's Comprehensive Master Plan and the previous versions of the WRC Plan. Both of the Plan's components are also discussed in more detail later in this document.

It is also common practice, that when amending plans of this type, that the WRC identifies all "potential" future acquisitions that may be needed to facilitate the plan. These properties are then placed on the WRC Acquisition List. Placing properties on this list ensures that the property owners are properly notified that their properties have been placed in a proposed development area and allows them due process via the public hearing. This entire process also ensures transparency and allows the WRC to hear both consenting and objecting viewpoints.

This Acquisition List is typically updated when the WRC Plan is revised. An important note is that **this is the 6<sup>th</sup> Amendment to the WRC Plan Acquisition List since its original adoption in 1997. Hundreds of properties have been on the acquisition list since 1997 and this revision will simply add additional properties to the list.**

It is very important to understand that placing a property on the Acquisition List in no way guarantees that the property will actually be acquired by the City or that a development of any kind will occur at the site. It only identifies all the properties within a proposed development area and the

potential for future development. If properties are indeed acquired, the process will can span several years.

It is also very important to note that projects like these almost always increase the value of the properties within the development area. The areas within the new plan components have been experiencing declining property values and have a significant number of properties that are classified as non-conforming uses. A non-conforming use is a structure that is no longer acceptable in a specific zoning area. A good example is a building constructed for commercial use that exists in a residential area or vice versa.

State statute allows greater flexibility for the City to engage property owners that are placed on the WRC Acquisition List, and also allows the City to utilize Eminent Domain powers to acquire properties where necessary. Using Eminent Domain is never the desired method for acquisition of properties, but the process is a fair and reasonable solution to resolve disputes.

## **Acquisition Process**

The process to acquire properties is set by state statute. In general, the process is as follows:

- The City is approached by or makes a formal request to a property owner to acquire a property
- Two certified appraisals must be obtained for all properties above \$25,000 in value
- The City will offer to acquire the property for the average of the two appraisals
  - A property owner will have the opportunity to obtain a 3<sup>rd</sup> appraisal if they so desire at their own expense
  - The City will typically agree to use the 3<sup>rd</sup> appraisal to increase the offer price if all requirements have been met
- A purchase agreement for willing sellers is signed and a closing is set
- Other factors:
  - The City recognizes that there are many long time property owners who have been model citizens and good property owners that own properties that may need to be acquired by the City
  - The City will work with each of these property owners to determine the best course of action for both parties
- For properties that are derelict or non-conforming, a process to discuss disputes will be established and all reasonable attempts to resolve will be made before proceeding with Eminent Domain

- In most cases, the acquired property will then be demolished soon after acquisition
  - There may be some instances where the property is held until additional properties have been acquired, but this will not be the norm

## **Relocation Assistance**

Mayor Stahura has publicly stated that he will do everything he can to assist a property owner who has consistently maintained their property and has proven to be a good neighbor. This assistance can range from deferring the acquisition of a property, finding a new place of residence, providing relocation expenses, or other options to make the transition more palatable for the property owner involved. The City will also work with a property owner to determine the timing of all sales. A related project that is one of the primary goals of the Stadium District Plan is to begin the process of constructing new senior citizen housing as soon as possible. This will give our residents over the age of 55 another relocation option. This facility would be privately owned and operated. This project has been long requested by seniors in our community to allow them to transition to a more maintenance and worry free living arrangement. It will also allow seniors who have been historically forced to relocate out of town due to the lack of such housing, the opportunity to stay in Whiting.

In the case of senior citizens in good-standing, the City will also explore options to acquire and pay for their property today, but allow the person to stay in their home until they can no longer do so.

But without hesitation, the City will aggressively pursue the acquisition of properties that have been poorly maintained and are not viewed as assets to the neighborhood. These types of properties have contributed to increased criminal activity and lower property values and it is in the community's best interest that they are acquired and demolished as soon as possible.

## **Boulevard Business Corridor (TIF) Allocation Area**

The development of the Boulevard Business Corridor has been historically identified as a significant opportunity to expand the city's tax base and to provide new commercial opportunities for the entire Whiting-Robertsdale Community. The area, which extends from Schrage Avenue through Atchison Avenue (the Plan addresses the Whiting City Limits only), has the potential to become a true retail corridor largely because of the high volume

of traffic associated with the state highway route. This area has not seen any major investment for decades due to the unusual and inconsistent land use that has occurred over the past 100 years and the lack of open, developable space. A 2014 project to reconstruct Indianapolis Boulevard from Schrage to the state line will serve as a springboard to showcase new investment opportunities along this route. To stimulate an environment for this new investment, it is anticipated that some properties would need to be acquired. This process is driven by a series of factors including; private investment, suitable location, willing sellers, demand and City participation.

The estimated time horizon for this project is long term in nature. There is no immediate interest in the development of this area and it is likely that a realistic project would not begin for 3 to 10 years after approval of the Plan. **There is also no funding currently allocated or expected to be allocated in the near future to this project.**

### **The Stadium District**

The Stadium District is the area east of the Schrage Avenue alley and north of 121<sup>st</sup> Street. The properties in this area include some of the oldest in the community. While many of the properties within the area are well kept and well maintained, many of the properties are in disrepair and many more are being utilized as low quality rental units. Former commercial buildings along 119<sup>th</sup> Street have also been converted to housing or rental units by investors over the past decades before more stringent zoning codes were adopted. These conversions have contributed to lower property values across the entire district. Also, several high volume police call properties exist within the District boundaries.

The primary goals of the Stadium District Plan are to increase property values by removing blight, provide for needed senior citizen housing, add new commercial venues along 119<sup>th</sup> Street, and to provide for future residential opportunities. Secondary goals would be to attract new amenities to compliment the new Lakefront Development such as children's activity centers, additional recreational attractions and possible museums.

This project is very near term and is expected to begin in early 2014, but the final phases will be determined by market factors such as demand and investor interest. While the project will begin soon, it is possible that the final phases will not be completed for 3 to 10 years from the approval of the Plan. In general, the initial focus will be to identify a location for the senior housing development and the acquisition of the properties near 119<sup>th</sup> Street

and Front Street. Because of limited funding, it is anticipated that the acquisition of Center Street will be in the final phases, or last in line.

The City is allocating TIF Funds to begin the acquisition process as early as January 2014.