



EVANSVILLE ARTS REDEVELOPMENT AREA

C I T Y O F E V A N S V I L L E



DEPARTMENT OF METROPOLITAN DEVELOPMENT
Evansville Redevelopment Commission

February 2, 2010

Intent and Authority

The Evansville Redevelopment Commission (the “Redevelopment Commission”) for the City of Evansville, Indiana proposes to designate and declare a Redevelopment Area (the “Area”) in accordance with Indiana Code 36-7-14 (the “Act”) within the City of Evansville. This document is the Redevelopment Plan for the Area (the “Plan”) and is intended for approval by the Common Council of the City, the Evansville-Vanderburgh County Area Plan Commission and the Evansville Redevelopment Commission. The area needing redevelopment is (1) a menace to the social and economic interest of the City and its inhabitants; (2) it will be of public utility and benefit to acquire the area and redevelop it under Indiana Code 36-7-14. This Plan may be amended in the future as provided in Indiana Code 36-7-14.

Introduction and Purpose

The area around the Alhambra Theatre, colloquially referred to as Haynie’s Corner, has been the focus of many revitalization efforts. Despite valiant efforts to redevelop, the area remains below grade and property values continue to fall. The attrition in property values has numerous causes. Two main causes are a disproportionate number of rental properties that have not had routine maintenance for decades in the area and the lack of major reinvestment needed to bring the current housing stock up to standard. Other factors play a role such as poor infrastructure like sidewalks, utilities, alleys and streets.

Currently, this area is the focus as an Evansville Arts District and the subject of this Redevelopment Area Plan. The Evansville Arts Redevelopment Area Plan will connect all past efforts and plans into one document for the purpose of guiding the future of the area and provide a means to achieve a higher measure of reinvestment. This plan will create concepts and goals to usher and allow new investment opportunities into the area. It will also create an aesthetically pleasing urban residential area where property values increase over time and bring economic stability to the area due to increased neighborhood retail, commercial and business use and high residential standards.

To achieve this, the Redevelopment Area Plan will reinvigorate the existing neighborhood and commercial district through focused development and planned improvements. This plan will be achieved by viewing projects holistically, providing incentives for reinvestment using a traditional, new urbanist neighborhood model, establishing creative flexible zoning, and executing the plan over the long term.

Description of the Area

The Area is located in the City of Evansville, in Pigeon Township, immediately south of the City’s Central Business District. It is approximately 330 acres within a 40-50 block area. Land use is predominately residential with some commercial and other uses (Exhibit C—Current Land Use Map). The residential structures in the area were predominately built prior to 1920 (81%). Many of the homes are larger and have succumbed to multi-unit rental status. This has led to many of these homes falling at or below standard grade.

The condition of a large portion of homes in the area is fair, poor or very poor (Exhibit A—Current Condition Map). The dominant description of the neighborhood condition is declining (66%). There have been approximately 80-100 Code Enforcement razes in the Area since 1997.

Boundary Information

The area bounded by the streets below, which is designated as the Evansville Arts Redevelopment Area, is an area needing redevelopment:

North

Intersection of the northbound lane of Riverside Dr. and Chestnut Street, northeast along the centerline of Chestnut St. to the intersection Third Street, then South along Third Street to the intersection of Cherry Street, then Northeast along the centerline of Cherry Street to the intersection of SE Martin Luther King Jr Blvd. Then southeast then south along the SE Martin Luther King Jr. Blvd's centerline to the intersection of Eighth St. Then South on the Eighth St. centerline to a point directly west of the northwest corner of 200 Washington Ave. (State Pin # 82-06-32-021-087.007-029). Eastward along the north side of the property lines of 200 Washington through 961 S. Morton (State Pin # 82-06-29-023-033.012-029) to a parallel point directly east on the centerline of Morton Ave.

East

Centerline of Morton Ave. south to the centerline of Washington Ave. West along the Washington Ave. centerline to a point parallel to the northeast corner of 621 Washington Ave. (State Pin # 82-06-32-023-082.007-029). South along the east lot line of 621 Washington to the southeastern corner of the parcel, west along the south lot lines of parcels 621 Washington through 601 Washington Ave. (State Pin # 82-06-32-023-082.001-029) directly west to the centerline of Garvin Street. Southward along the Garvin St. centerline to a point parallel to the southeast corner of 523 Monroe (State Pin # 82-06-32-022-038.008-029).

South

Westward along the south parcel lines of 523 Monroe through 323 Monroe (State Pin # 82-06-32-022-036.017-029). Then north on the west side of 323 Monroe to a parallel point on the street centerline of Monroe Ave. Westward along the centerline of Monroe Ave. to the intersection of Culver Dr. and south on the Culver Dr. centerline to the intersection of SE Second St. From the intersection of SE Second St. and Culver Dr., west to the east corner of 1421 SE Second St. (State Pin # 82-06-32-022-034.021-029) continuing westward along the south lot lines of 1421 SE Second St. and 1419 SE Second (State Pin # 82-06-32-022-034.020-029) to a point on the south lot line of 1415 SE Second (State Pin # 82-06-32-022-034.019-029) immediately north of the northeast corner of 1420 Howard (State Pin # 82-06-32-022-044.001-029). Then south along the eastern edge of 1420 Howard through 1524 Howard (State Pin # 82-06-32-022-046.013-029) to a point directly south on the centerline of SE Riverside Dr. From the centerline of Riverside Dr. directly west to the intersection of Howard St and E Riverside Dr continuing south on Howard St to a point that intersects with 5 E Riverside Dr (State Pin # 82-06-31-

022-059.003-029). Thence eastwardly approximately 390 ft to the northeast corner of said parcel then in a counter clockwise direction along said parcel line to a point which intersects the Northeast corner of said parcel with a point on the parcel line of 1525 SE Riverside Dr (State Pin # 82-06-31-022-089.003-29). Then directly West approximately 136 ft to a point on the center line of the northbound lane of Veterans Memorial Parkway.

West

Northwest along the centerline of northbound Veterans Memorial Parkway to a point parallel to the northwest corner of 1305 SE Riverside Dr. (State Pin # 82-06-31-022-056.010-029) then directly west to the centerline of Waterworks Rd. North on Waterworks Rd. approximately 466 ft. to a point east of the southeast corner of 411 SE Riverside Dr (State Pin # 82-06-30-020-091.001-029). Proceeding west then north along the lot line of 411 SE Riverside Dr. to a point where Chestnut St. would intersect with the west parcel line and then northeast to the intersection of the northbound lane of Riverside Dr. and Chestnut St to the point of beginning.

Currently there are two designated redevelopment areas within these boundaries. Goosetown 1, As Amended, and Goosetown 2 are hereby eliminated and made a part of this Evansville Arts Redevelopment Area.

Project Objectives

Definition of "area needing redevelopment" as defined in Indiana Code 36-7-1-3 means an area in which normal development and occupancy are undesirable or impossible because of any of the following:

- (1) Lack of development.
- (2) Cessation of growth.
- (3) Deteriorated or deteriorating improvements.
- (4) Environmental contamination.
- (5) Character of occupancy.
- (6) Age.
- (7) Obsolescence.
- (8) Substandard buildings.
- (9) Other factors that impair values or prevent a normal use or development of property.

By addressing the above listed factors present in the Area, the end result is to re-create mixed income neighborhoods and re-create a public perception of safety in the Area. Increasing property values over time, increasing the number of owner-occupied homes and helping to stabilize the low-to-moderate income families in the area will help to achieve these goals, and re-attracting new, market rate investment including residential, commercial, retail, professional office, and small business over time. This plan will also help to improve the public infrastructure to rival the best neighborhoods and help to beautify the area.

The following specific objectives are to be achieved through the revitalization of the Area:

1. Removal of all structurally substandard buildings and blighting influences in the Area
2. Removal of all adverse physical and environmental influences which are detrimental to the health, welfare, and safety of the City of Evansville and its residents
3. Rehab structurally sound buildings that are in disrepair
4. Infill vacant lots with new homes and appropriate uses
5. Implement Design Guidelines and Standards for the Area, as appropriate
6. Convert income qualified renters into homeowners
7. Attract market buyers locally, regionally, and nation-wide
8. Develop market rate residential and mixed use areas
9. Create appropriate design guidelines for rehab & infill
10. Create enhanced rehab/building code for Area
11. Implement finding of zoning exploration, as appropriate
12. Stabilize existing average and above average housing stock by offering assistance for rehabilitation
13. Restore, upgrade or install public infrastructure as needed such as streets, curbs, gutters, lighting, signage, parks, etc.
14. Strict Code enforcement of all property by focusing on rental, vacant, and abandoned property first

Project Description

To accomplish the project objectives, the City plans to do the following:

- Create a volunteer corps with partnerships with area churches and other service organizations. The City will help these partners by providing and procuring technical help such as work descriptions and bid document preparation and helping to coordinate volunteer workers with a technically skilled crew
- Partner with builders, architects, engineers, designers, landscape architects, trade unions, etc on rehab projects as well as new construction projects
- Seek donations of materials and labor with material men, nurseries, UE, USI, Ivy Tech and other corporate sponsorship
- Create a 'volunteer day' to assist with Area based projects
- Create an architectural and building material salvage program to recycle, reclaim and reuse materials pulled from structures before they are demolished as well as any new materials which may be acquired before demolition, by donation or other means
- Explore overlay or Form-based zoning options for Area
- Create Design Guidelines and install a Design Review Committee
- Target Low-to-Moderate Income (LMI) Grants to LMI owner occupants only, no renters
- Create TIF District to fund an incentive package & pay for infrastructure improvements
- Provide gap-financing and cash incentives to help overcome appraisal differential for HUD's Area Median Income (AMI) families and above, as available
- Provide interest rate buy downs on qualified buyers, as available

- Offer free or reduced cost property for qualified future area owner occupants—vacant lots & rehabable structures
- Continue land banking properties until appropriate use is identified

Acquisition of Real Property in the Area

In connection with the accomplishment of this Plan, the Redevelopment Commission shall include all parcels with the boundaries set forth above on the attached acquisition list (Table 1) and shall follow procedures set forth in Section 19 of the Act.

Estimate of Cost

The anticipated cost estimate for this project which will utilize both public and private funding sources over the course of the 25 year TIF will be at a minimum of \$250 Million dollars. This estimated cost for the total project over 25 years is subject to change as prices and values fluctuate.

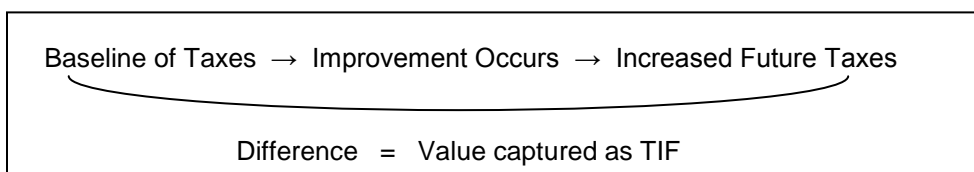
Tax Increment Financing District (TIF)

The Evansville Redevelopment Commission can implement the use of tax increment financing within a redevelopment area under Indiana Code 36-7-14.

Tax Increment Financing, or TIF, districts target blighted areas in order to transform them into viable areas making the community more appealing and attractive in its goal to obtain a better quality of life for its residents. TIF districts are powerful and effective tools that will provide financing for infrastructure improvements in community redevelopment projects which will in turn entice market dollars back into abandoned and dilapidated areas. TIF raises revenues for improvements without raising taxes, offers incentives for businesses and developers and builds communities. The lifespan of a TIF is 25 years from the date it is established.

The TIF works by capturing the additional property tax revenue due to revitalization in a designated area. The base line year (establishing year) tax rate is recorded and anything over that amount is captured as TIF funds and set aside for use in the designated area only. The money collected goes into a special fund and can only be spent on public use projects and improvements within that TIF district boundary. It cannot be used to rehabilitate individual homes. Things like schools, streets, alleys, lighting, gutters, curbs, sidewalks, parks and other infrastructure can be improved with TIF funds. This is not a new tax or an increase in the tax rate but rather the new amount of taxes collected due to the value of property improving.

Example 1—Visual Representation of How TIF Works.



These property tax revenues can be leveraged by the issuance of TIF bonds, the proceeds of which also can be used to promote development in the area. Only taxes on real property, and taxes on depreciable personal property used in industrial, manufacturing, warehousing, research and development, processing, distribution, or transportation related projects, qualify for the use of the TIF mechanism.

NOTE: TIF revenues and TIF bond proceeds are public funds. Therefore, under Indiana law, the expenditure of such monies is subject to certain laws, most notably the public bidding law and the prevailing wage law. Also, the transfer of TIF-financed property to a private company is subject to certain public property disposition laws. The process for creating a TIF is the same as with the establishment of a redevelopment area and can occur simultaneously. Evansville Redevelopment Commission, Area Plan Commission and City Council must approve.

Rights-of-Way

The vacation of rights-of-way in the project area will be minimized, as the objectives of this Plan are to acquire and redevelop already vacant parcels of land and vacant sub-standard structures. Where necessary, bike lanes and other multimodal transportation space may be added to the right-of-way. There may also be a need to expand pedestrian access and reclaim unused pedestrian areas within existing right-of-way.

Statutory Findings

The Plan Area meets the following required findings under Section 15(a) of the Act: (a) Whenever the redevelopment commission finds that:

- (1) an area in the territory under its jurisdiction is an area needing redevelopment;
- (2) the conditions described in IC 36-7-1-3 cannot be corrected in the area by regulatory processes or the ordinary operations of private enterprise without resort to this chapter;
- (3) the public health and welfare will be benefited by:(A) the acquisition and redevelopment of the area under this chapter as a redevelopment project area; or (B) the amendment of the resolution or plan, or both, for an existing redevelopment project area; and
- (4) in the case of an amendment to the resolution or plan for an existing redevelopment project area: (A) the amendment is reasonable and appropriate when considered in relation to the original resolution or plan and the purposes of this chapter; (B) the resolution or plan, with the proposed amendment, conforms to the comprehensive plan for the unit; and (C) except as provided by subsection (f), if the amendment enlarges the boundaries of the area, the existing area does not generate sufficient revenue to meet the financial obligations of the original project.

Amendment of the Plan

This Plan may be amended by following the procedures described in section 17.5 of the Act.

Relation to Comprehensive Plan

The Evansville/Vanderburgh County 2004-2025 Comprehensive Plan provides guidance for the future growth of the city and county. In the Residential Action Plan section, a goal is set to insure an adequate and reasonable supply of safe, affordable, and aesthetically pleasing housing with a variety of housing types in neighborhoods that are recognized as highly valued resources. There are three objectives to encourage the realization of the goal:

Objective 1: Preserve the character and aesthetics of the neighborhood environment by maintaining the number and condition of housing units in stable areas and reversing the rate of housing loss in declining areas.

Objective 2: Preserve the neighborhood environment by minimizing negative impacts on residential areas.

Objective 3: Ensure residential growth occurs in appropriate areas, accommodate future demands on the transportation network, community facilities, and services and utilities, and creates a favorable environment for neighborhood living.

All three of these objectives guide and support the intent of the Evansville Arts Redevelopment Area Plan. The success of the Plan relies on the preservation of neighborhoods and the retention of existing single family homes along with the replacement of newly constructed single family homes. The success also relies heavily on the creation of an attractive neighborhood retail or commercial center to support the neighboring residential areas.

In the Commercial Action Plan the objective is to ensure efficient and appealing commercial development in appropriate areas that minimizes adverse impacts on surrounding property, the road networks and utility system. Below are some policies created to achieve the objective:

- Support the revitalization and redevelopment of older urban core commercial areas that serve residential needs
- Encourage only those commercial uses in or adjacent to residential neighborhoods that primarily serve neighborhood residents.
- Encourage small-scaled, commercial uses that primarily serve neighborhood residents at major intersections or in existing neighborhood commercial centers within residential areas.

The Evansville Arts Redevelopment Plan supports the revitalization of an older commercial area within the urban core. This older commercial area is adjacent to residential neighborhoods and will serve the immediate residents. As part of the Evansville Arts Redevelopment Area Plan, a new special use area will be created to encourage small scale retail and commercial uses along with providing living spaces in some of the structures. Less strain on infrastructure and transportation is an added benefit because they are already available.

Infrastructure in the area may need improving but the creation of TIF district and additional sources of funding will provide funding for these improvements. The Evansville Arts Redevelopment Area Plan will ultimately support the goals of both the residential and commercial sections of the Evansville/Vanderburgh County 2004-2025 Comprehensive Plan.

Appendix

Exhibit B—Evansville Arts Redevelopment Area



