An Introduction to Georgia’s Urban Redevelopment Act

(O.C.G.A. 36-61-1)
Urban Redevelopment Act
(O.C.G.A. 36-61-1)  Origin 1955
Do not confuse this law with the Urban Redevelopment Powers Act

(O.C.G.A. 36-44-1 et seq.)
Origin ca. 1985

O.C.G.A. 36-44-1

• Authorizes tax increment financing

• Requires a referendum
Who can Use the Urban Redevelopment Act?

- Cities
- County
- City and county jointly (through intergovernmental agreement)
Promising Uses for the URA
Deteriorated or vacant downtown properties
Badly sited or nuisance activities
Obsolescent facilities
Old plants and schools
Abandoned textile mills
Slums
URA provides extra support for enforcing building and nuisance codes
Deteriorating intown neighborhoods
Declining or underutilized commercial corridors.
Declining or underutilized commercial shopping centers.
To Use the URA a Community Must Declare the existence of “Slum and Blight”

- “Slum and blight” designation is a matter of local legislative determination
- Data backing this designation is not specified in the Act
- It is important to draw rational boundaries!
Redevelopment Powers Authorized under the URA

- Similar to redevelopment powers of DDAs
- Ability to buy sell and assemble property for redevelopment purposes
- Expanded public financing options available to local governments (revenue bonds, fees and taxes)
- Act promotes public private partnerships because it permits long term intergovernmental contracts
How do we build wisely upon an existing community?
Urban reclamation can be a way to build wisely upon the community.
Tifton URAAC Recommendations

Vision

- Multi use
- More profitable
- Flexible zoning with design guidelines
- Respect Sense of Place
- Improved utilitarian infrastructure
- Best traffic flow
- Green space
- Pedestrian friendly
- Healthy tax base
- Minimal vacant property
- Buildings should be historically correct or new buildings should be appropriate
- Tifton’s vision should be the standard model for Smart Growth
Defining Your Community Vision for the URA

- Plan should start with problem identification and a vision
- URAs can address a wide range of housing, commercial, industrial, public facility and infrastructure revitalization activities or combinations thereof
- A URA Plan is a physical master plan with teeth
- A URA Plan allows the imposition of conditions more specific than existing land use regulations.
Develop a Clear Vision using drawings and renderings
The First Legal Step

Adoption of a resolution by the city or county finding that:

- one or more slum areas exist, and
- the rehabilitation, conservation, or redevelopment of such area is in the interest of the public health, safety, morals, or welfare of the residents of the city or county.
What’s next?

• Hold a public hearing
• Adopt a plan, providing for:
  - A feasible method for the relocation of families who will be displaced into decent, safe, and sanitary housing within their means,
  - Conformity with the general plan of the city or county, and
  - Maximum opportunity for the rehabilitation or redevelopment of the area by private enterprise.

Designate an entity to implement the URA Plan
Four Options for Designating a Redevelopment Entity

- Local Government
- Housing Authority
- Downtown Development Authority (DDA)
- “Urban Redevelopment Agency”
Required Components of an Urban Redevelopment Plan (URP)

- any proposed land acquisition
- Structures to be demolished or moved
- Proposed improvements
- zoning and planning changes (land uses, maximum densities, building requirements)
• relationship of the URP to specific local objectives (appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements.)

• relocation assistance strategy for displaced residents
Property Purchase and Disposition under the Act

- Sale of property acquired under the act need not be to the highest bidder
- Competitive RFP’s may be solicited and evaluated
- Bidder’s qualifications and the desirability of their concept plans may be considered
- Conditions related to URP must be attached to deeds and will run with the land
City can attract interested and sensitive developers with a URA marketing plan.

The City of Smithville now offers 1.25 acres of land for development within the newly declared tax free Enterprise Zone. Bids will be received at City Hall until May 15, 2005.

The City of Smithville seeks qualified developer to submit proposals for mixed use development within the city’s recently designated Urban Redevelopment Area. Developer must show evidence of comprehension of Quality Growth strategies and willingness to...
URA Provides Flexible Revitalization Alternatives

“A municipality or county may sell, lease, or otherwise transfer real property in an urban redevelopment area or any interest therein acquired by it and may enter into contracts with respect thereto, for residential, recreational, commercial, industrial, or other uses or for public use.”
URA Plan must Encourage Private Sector Participation

“A municipality or county shall, to the greatest extent . . . afford maximum opportunity, consistent with the sound needs of the municipality or county as a whole, to the rehabilitation or redevelopment of the urban redevelopment area by private enterprise.”
URA Must Give Current Property Owners a Chance to Participate!

“... Within 30 days after being so notified, the owner of the property shall have the option of notifying the municipality or county, in writing, of his willingness and intention to rehabilitate and maintain the property in accordance with the urban redevelopment plan.”
Plan Must Be Sensitive to Housing Displacement

“...provide reasonable assistance for the relocation of families displaced from an urban redevelopment area, to the extent essential for acquiring possession of and clearing such area or parts thereof to permit the carrying out of the urban redevelopment project”
The designated development entity can create affordable housing for displaced residents in a five mile radius of designated Urban Redevelopment Areas.
Tools in Georgia's Arsenal

Downtown Development Law
Urban Redevelopment Law
Redevelopment Powers Act – Tax Allocation Districts
Enterprise Zones
Opportunity Zones
City Business Improvement Districts
Community Improvement Districts
Brownfield Reclamation
Livable Cities Initiative
Raising Money With Tax Exempt Bonds

- Redevelopment entity may issue tax exempt bonds to be repaid with profits from the urban redevelopment project. May be secured by mortgages on property within the district.
- Bonds issued under this Code section shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.
- Bonds can be retired from sources such as grants, loans and other revenues.
Ability to Waive Local Development Regulations

“... to plan or replan, zone, or rezone any part of the municipality or county or make exceptions from building regulations”

A city could allow for cottage development, narrow streets, mother in law suites...

Or continue to build out upon its historic plan.
Some Success Stories
Fitzgerald

*Slum Clearance, Infill Development and Housing Rehabilitation*
Hinesville Quality Growth Resource Team
Hinesville - Making a Commitment to Quality Growth

- Make Memorial Drive the primary entry from Ft. Stewart to Downtown.
- Close Memorial Drive at Liberty Center and use a traffic circle with monument to route traffic smoothly to General Stewart Way and General Screven Way.
Dalton

Hispanic Neighborhood Revitalization
Suwanee

“Build to suit” Neighborhood Character Areas
Duluth
Town Center – Village Green
A URA plan can lead to flexible zoning that allows multiple uses and less parking demand while incorporating incentives for profit.
Develop and encourage ample well lit, landscaped and managed parking that provides a safe, secure and clean area for business and residential.
Continue to develop and expand a healthy tax base with minimal vacant property while encouraging new buildings that are historically correct and restoration of historic buildings as a part of the fabric of the City while showcasing them as examples of well maintained property utilizing covenants and restrictions.
Encourage mixed use development with cafés and food stores in the neighborhood
Scrape’ le Crape’
Stay tuned for the details…