

City Manager's Report

HISTORY

After two unsuccessful infill RFPs in early 2000s the City issued a Request For Proposals Comprehensive Redevelopment of the entire Area in the summer of 2005.

Summer 2006

Area declared a Redevelopment Area and divided into two project areas- Redevelopment Project Area (RPA) 1 and RPA2. The City never formally initiated a project for RPA 2. There was no project for RPA2. City entered into Agreement with Michelson for development of RPA1.

January 2009

Michelson was unable to execute its option contracts with RPA1 property owners, originally scheduled to close in October 2008.

2009

City issued a fourth RFP for the Area in February 2009.

City began working with second developer, United Plaza, in the Summer of 2009.

Summer of 2010

City entered into formal Agreement with United Plaza.

November 2010

United Plaza was unable to execute its option contracts with RPA1 and PRA2 property owners.

RECOMMENDATION

City has reached out to the development community. No developer is interested in the Redevelopment Area at least not as currently defined.

The Area is too large to be redeveloped at one time, as envisioned in 2005. The Area is too expensive for today's economic and lending climate. The Development Team recommends the City reduce the Redevelopment Area in two ways:

1. The City remove RPA2 from the Redevelopment Area. There is no development interest in this area in the foreseeable future.
2. The City remove the properties along Laclede Station Road east of the creek and remove the 7900 block of Thomas and 7900 block of West Bruno because, again, there is no development interest in these areas in the foreseeable future.

In order to consider doing such, the City would need to amend the Hadley Township Redevelopment Plan. Before the City Council could take such action the City would need to convene the Countywide TIF Commission, which would then hold a public hearing, review the information, and then make a formal recommendation for the City Council for consideration.

THE REVISED AREA

No developer has shown commitment to the remaining parcels but interest may exist in smaller areas.

The City needs to further evaluate and refine the remaining Redevelopment Area if we are to work towards improvements to cure the conditions of blight. The Blight conditions in the remaining Area do still exist.

We are working to determine if any serious commercial development interest exists for smaller sections of the Area along and near Hanley Road. Again, no developer has come forward, but the City can continue to try to attract development to smaller areas.

Development possibilities may exist for commercial development of parcels east of Hanley Road.

Should we attract smaller scale development into the area, over the next few years, the City may then be able to address in-fill residential housing within the revised Redevelopment Area.

More than thirty-five properties within the Area are in poor or severely deteriorated condition. Majority of these properties are owned by land speculators.

These structures need to be either demolished or repaired. The City has contacted some owners and encouraged removal of some unoccupied structures.

The City expects all property owners to keep property up to minimum property standards regardless of whether that property is within or outside a Redevelopment Area.