

DEVELOPMENT REVIEW STAFF REPORT
Redevelopment Plan for the Cherry Townhouse Redevelopment Area

DATE: December 29, 2015

PURPOSE: To approve the Redevelopment Plan for the Cherry Townhouse Redevelopment Area.

LOCATION: Along the south side of East Cherry Street between South Thomas Avenue and South Kimbrough Avenue (516 East Cherry Street).

APPLICANT: REthink Capital, LLC

STAFF RECOMMENDATION:

Staff recommends the Redevelopment Plan for the Cherry Townhouse Redevelopment Area be approved.

FINDINGS:

The proposed Redevelopment Plan for the Cherry Townhouse Redevelopment Area is in conformance with the *Springfield-Greene County Comprehensive Plan*, which identifies this area as an appropriate location for medium- or high-density housing.

STAFF CONTACT:

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Senior Planner
417-864-1100

ATTACHMENTS:

Attachment A: Background Report
Exhibit I: Legal Description
Exhibit II: Location Map
Exhibit III: Blighted Area Map
Exhibit IV: Redevelopment Plan

ATTACHMENT A
Background Report
Redevelopment Plan for the Cherry Townhouse Redevelopment Area

Applicant's Proposal:

REthink Capital, LLC has filed an application requesting approval of a redevelopment plan pursuant to Sections 99.300-99.715, RSMo, the Land Clearance for Redevelopment Authority (LCRA) Law, for a redevelopment project generally located along the south side of East Cherry Street between South Thomas Avenue and South Kimbrough Avenue (*Exhibits I&II*). The Planning and Zoning Commission is required by Statute to review the proposed Redevelopment Plan (*Exhibit IV*) for conformance with the City's general plan for the development of the City as a whole.

The purpose of the Redevelopment Plan for the Cherry Townhouse Redevelopment Area is to remove blight and redevelop the area for multi-family residential use. The Redevelopment Area consists of a single 0.184 acre parcel of land. It is occupied by a dilapidated four-unit apartment building that was originally constructed in 1882 as a single-family residential structure. The Plan proposes to demolish the existing structures within the Redevelopment Area in order to facilitate construction of new townhouse style multi-family residential structure that will contain between three and five dwelling units and have a maximum height of three stories. The development will be constructed according to the requirements of the R-HD, High-Density Multi-Family Residential District.

Comprehensive Plan:

1. The *Growth Management and Land Use Element of the Springfield-Greene County Comprehensive Plan* designates the land located in and around the Redevelopment Area for Medium- or High-Density Residential Housing. This land use designation includes all types of multi-family residential housing with densities greater than six dwelling units per acre. The Plan recommends this type of land use be located where there is good traffic access, preferably along arterials and collectors. It also recommends that it be located between low-density housing and non-residential land uses, as well as near high-amenity areas. The Redevelopment Plan satisfies these recommendations by proposing new multi-family residential housing along East Cherry Street (secondary arterial) approximately 200 feet west of South Kimbrough Avenue (secondary arterial). Furthermore, the Redevelopment Area is located in a high-amenity area, given its proximity to the Missouri State University Campus; Downtown; and adjacent commercial uses, churches, parks, and transit services.
2. The *Growth Management and Land Use Element of the Springfield-Greene County Comprehensive Plan* also targets the Missouri State University Campus and surrounding area as a Major Activity Center. One of the Plan's objectives

relating to Activity Centers is to promote additional or new employment, intensified retail business, higher density housing and convenient transit service. The Redevelopment Plan supports this objective by providing new housing adjacent to the Missouri State University campus.

3. The Redevelopment Area is located within the area included in the *Center City Plan Element* of the *Springfield –Greene County Comprehensive Plan*. The Plan mentions the Center City area suffers from physical deterioration and economic obsolescence. It also states that although there are several properties within Center City that have been well maintained or recently constructed, the overall tone is one of an area that could use revitalization and new investment. The Redevelopment Plan addresses those issues by proposing to remove existing blight and redevelop the area into a new multi-family residential development.

Staff Comments:

1. The proposed Redevelopment Plan is one component of the applicant's request to obtain partial real property tax abatement pursuant to the Land Clearance for Redevelopment Law ("Chapter 99, RSMo"). Chapter 99 tax abatement is an economic development incentive used to encourage redevelopment within blighted areas through partial real property tax abatement. Within Council-approved redevelopment areas, the Land Clearance for Redevelopment Authority may authorize partial real property tax abatement for projects that conform to an approved redevelopment plan. Real property tax abatement is based on 100% of the assessed value of qualified new construction or rehabilitation for 10 years.

The applicant is required to submit an application that includes a redevelopment plan as well as a blight report if the redevelopment area is not currently declared a blighted area. The Planning and Zoning Commission's responsibility is to review the redevelopment plan for conformance with the City's general plan for the development of the City as a whole and make a recommendation regarding the same to City Council.

2. The Redevelopment Area is located within the South Central "A" Urban Renewal Area (*Exhibit III*). City Council declared the Area a blighted area in 1964 (Resolution No. 4282) and adopted an Urban Renewal Plan for the Area in 1967 (Resolution No. 4794). The Redevelopment Area continues to exhibit various blighting conditions, such as deteriorated site improvements and insanitary and unsafe conditions. However, the requirements of the Urban Renewal Plan have become obsolete and are impractical by today's standards for new multi-family residential construction in Center City. In order to facilitate redevelopment, the Developer has submitted a new redevelopment plan for the Cherry Townhouse Redevelopment Area, which will replace the existing Urban Renewal Plan within said Redevelopment Area.

3. The Redevelopment Plan is consistent with City policy, which encourages off-campus student housing be constructed near college and university campuses. This may help reduce vehicular traffic by allowing more students to walk and bike to class, as opposed to driving.
4. The City of Springfield and Missouri State University have worked collaboratively on plans to direct university and university-related growth to the northwest towards Downtown. The Redevelopment Plan is consistent with those efforts.
5. The location of the proposed multi-family residential development will offer its tenants convenient access to public transit and pedestrian facilities. The Redevelopment Area is located within two blocks of four City Utilities bus stops and two Missouri State University Bear Line Shuttle stops. The Redevelopment Area is also served by sidewalks and is located adjacent to Missouri State University.

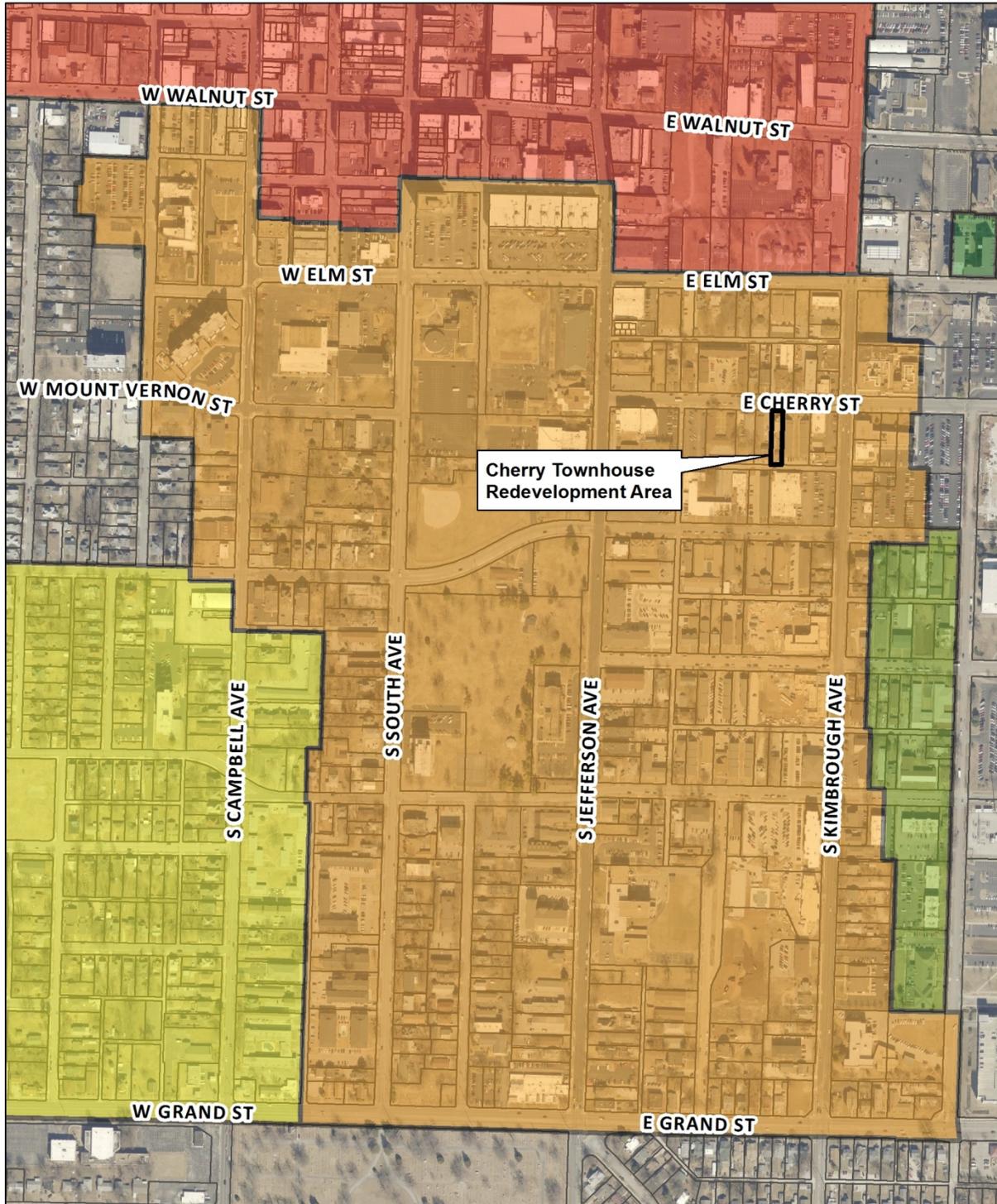
EXHIBIT I
Legal Description
Redevelopment Plan for the Cherry Townhouse Redevelopment Area

THE WEST HALF (W-1/2) OF LOT 73, SOUTHERN ADDITION, CITY OF SPRINGFIELD,
GREENE COUNTY, MISSOURI.

EXHIBIT II
Location Map
Redevelopment Plan for the Cherry Townhouse Redevelopment Area

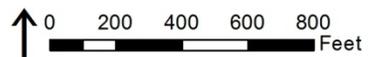


EXHIBIT III
 Blighted Area Map
 Redevelopment Plan for the Cherry Townhouse Redevelopment Area



Blighted Areas (Chapter 99)

- Deep Elm
- Grant Avenue Playground
- Downtown
- (former) SW MO State College
- South Central "A"



12/29/2015

EXHIBIT IV

Redevelopment Plan
Cherry Townhouse Redevelopment Area
Springfield, MO

December 2015

REDEVELOPMENT PLAN

I.	INTRODUCTION	3
II.	BACKGROUND	3
III.	DESCRIPTION OF THE PROJECT	3
	BOUNDARIES OF THE REDEVELOPMENT AREA	3
	THE REDEVELOPMENT	3
IV.	NEED FOR DEVELOPMENT	4
	BLIGHTED AREA	4
	THE REDEVELOPMENT AREA’S ADHERENCE TO THE GROWTH MANAGEMENT AND LAND USE ELEMENT OF THE VISION 20/20 SPRINGFIELD GREENE COUNTY COMPREHENSIVE PLAN	4
	THE REDEVELOPMENT’S ADHERENCE TO THE CENTER CITY ELEMENT OF THE VISION 20/20 SPRINGFIELD GREENE COUNTY COMPREHENSIVE PLAN	5
	CENTER CITY VISION STATEMENT (1-1, CENTER CITY ELEMENT)	5
	ISSUES AND FORCES (2-12. CENTER CITY ELEMENT)	5
V.	REDEVELOPMENT PLAN OBJECTIVES AND STRATEGIES	6
	LAND USE PLAN	6
	OTHER PROVISIONS	7
VI.	PROCEDURE AND CHANGES OR MODIFICATION OF PLAN	8

ADDENDUMS

LEGAL DESCRIPTION	EXHIBIT A
PICTURES OF THE BLIGHTING CONDITIONS	EXHIBIT B
ACTIVITY CENTERS	EXHIBIT C
LINKAGE	EXHIBIT D
SITE PLAN	EXHIBIT E
EXISTING SITE	EXHIBIT F
REDEVELOPMENT AREA WITHIN SOUTH CENTRAL “A” URBAN RENEWAL AREA	EXHIBIT G

Redevelopment Plan

516 E Cherry Redevelopment Area

I. Introduction

REthink Capital LLC, a Missouri Limited Liability Company, has prepared the following plan for the redevelopment of approximately .1837 acres into townhouse-style apartments. The developer proposes to remove the existing deteriorated and dysfunctional structure and replace with three (3) to five (5) units. The units will be leased by-the-bed and will have no more than twelve (12) total bedrooms with no single unit having more four (4) bedrooms.

II. Background

The developer purchased the property at 516 E Cherry in November 2015. The existing structure is approximately 100 years of age and is divided into four (4) residential units. Due to the deterioration of the structure there were no residents in any of the units at the time the developer purchased the property.

According to the Greene County Assessor's website, the structure is 2,684 square feet. Its appraised value is \$85,700 and its assessed value is \$16,290. Its 2015 property taxes were \$884.66.

There is also a separate structure located on the south of the property which is a carport/shed constructed of corrugated metal.

III. Description of the Project

Boundaries of the Redevelopment Area

The Redevelopment Area is located on the South side of Cherry Street between Kimbrough and Jefferson. This street block is almost entirely made up of older multi-family properties and several of the properties are suffering from a lack of capital improvements. The redevelopment area is in a High-Density Multi-Family Residential District (R-HD). The legal description is attached in Exhibit A.

The Redevelopment

The Redevelopment will be suitable to the High-Density Multi-Family Residential District (R-HD). The existing structures will be removed and replaced with new townhouse style apartments.

The redevelopment area is small at only .1837 acres (8,000 square feet), less than the existing lot minimum requirement within the High-Density Multi-Family Residential District of 15,000 square feet; however, it has been certified as a tract of land prior to 1956, so this lot minimum requirement does not apply.

IV. Need for Redevelopment

Blighted Area

The redevelopment area is located within the South Central "A" Urban Renewal Area. This area was declared a blighted area in 1964 then reaffirmed in 1967. It remains blighted today. Further, the Redevelopment Area itself exhibits a predominance of blighting conditions that render the current structure a menace to public health and safety and an economic and social liability. See attached Exhibit B for pictures of the blighting conditions. See Exhibit G for a map showing the Redevelopment Area within South Central "A" Urban Renewal Area.

The redevelopment area is in great need of redevelopment due to its location within the South Central "A" Urban Renewal Area as well as the predominance of blighting factors it exhibits. The structure does not present a reasonably safe environment to be used as a residence in its current condition. For this reason the property was vacant when the developer purchased it in November 2015. Correcting the blighting factors without demolishing the structure simply wouldn't be a feasible investment. Removing the structure and replacing it with multi-family units is the highest and best use and most closely aligns with the objectives of the Vision 20/20 Springfield-Greene County Comprehensive Plan adopted in November 2001.

The Redevelopment Area's Adherence to the Growth Management and Land Use Element of the Vision 20/20 Springfield Greene County Comprehensive Plan

The redevelopment will closely align with many of the objectives of the City of Springfield's Growth Management and Land Use Plan (GMLUP), which is a component of the Vision 20/20 Springfield-Greene County Comprehensive Plan.

Objective 1 (18-7, GMLUP): "The City of Springfield and Greene County should work together to create a future development pattern that is more geographically balanced and compact than past trends."

The redevelopment is investing in growth within Center City. It will remove dysfunctional units that are not providing an adequate housing option in favor of more dense multi-family housing.

Objective 2 (18-7, GMLUP): "Springfield and Greene County should seek sustainable growth by investing in established areas..."

The redevelopment is located within Center City in the West Central Neighborhood. It is also less than half a block from MSU (SMSU). These are some of the most "established" areas within Springfield.

Objective 9 (18-28, GMLUP): "Springfield and Greene County should target several locations as Activity Centers. In those locations, plans, regulations and public investments should promote... higher density housing."

The redevelopment will be removing uninhabitable and dysfunctional units, which are currently no choice at all for safe housing, in favor of new multi-family units. The redevelopment area is located within the MSU (SMSU) Activity Center and is on the edge of the Center City Activity Center. See Exhibit C for a map of the Activity Centers as laid forth in the GMLUP.

Objective 13 (18-46, GMLUP): “The City of Springfield and Greene County should regulate land development consistent with the Springfield Area Land Use Plan.”

According to figure 18-7 within the GMLUP, the redevelopment plan lies within a “Medium or High Density Housing” area.

“Townhouses and all various forms of apartment buildings are included in this category, which has been located where there is good traffic access, between low-density housing and non-residential land uses, and at high-amenity locations such as greenways and parkways. The density is expected to be greater than 6 housing units per net acre (18-48, GMLUP).”

The Redevelopment Area is located on Cherry Street which is a Secondary Arterial providing good traffic access. The Redevelopment area may also be accessed by an alley. It is also located within a few hundred feet of several commercial properties along Kimbrough and a few hundred yards of a park and church along Jefferson Avenue. Furthermore, Downtown, Missouri State University, and Transit Services are within a short walk.

The density of the redevelopment will be approximately 27 units per acre (as many as 5 units within .1837 acres).

The Redevelopment’s Adherence to the Center City Element of the Vision 20/20 Springfield Greene County Comprehensive Plan

The Center City Element of the Vision 20/20 Springfield Greene County Comprehensive Plan defines the redevelopment area as being located within Center City.

Center City Vision Statement (1-1, Center City Element)

“Center City is everybody’s neighborhood; a place to live, work and play. A place where people of all ages, backgrounds and interests are welcome to enjoy a vibrant, dynamic, and growing environment. Center City is an exciting, inviting, livable place. Center City is clean, safe, friendly, and accessible to all (1-1, Center City Element).”

The Redevelopment is removing housing which is not “clean, safe, (or) friendly” and replacing it with by-the-bed residential units which will be “exciting, inviting, (and) livable,” as well as “clean, safe, (and) friendly.” It’s foreseeable that the units will be primarily occupied by students who will likely live, work, and be educated within Center City.

Issues and Forces (2-12, Center City Element)

In Figure 8 on page 2-11 of the Center City Element of the Vision 20/20 Springfield Greene County Comprehensive Plan (See Exhibit D), the Redevelopment Area is identified as being within a neighborhood that is a “Link” between MSU (SMSU) and Greater Downtown.

This area has been identified as an important neighborhood linking two Major activity centers, and presents some suggestions for better “linkage.”

“Least well defined are the paths that psychologically and visually link the residential areas to the commercial or public areas. It may be possible to strengthen these connections with landscaping, lighting, signage, and building placement. Better integration of peripheral housing could support the

businesses, enhance the feeling of living in Center City, and support property values (2-12, Center City Element).”

The Redevelopment will create “better integration of peripheral housing (that) could support the businesses”. There are businesses located within only a few hundred feet of the Redevelopment area, yet the Redevelopment Area is in a High-Density Multi-Family Residential District

The Redevelopment will also do its part to “strengthen these connections with landscaping, lighting... and building placement.” The Redevelopment will be removing antiquated housing, and by nature of new development will be required to abide by all guidelines set forth in the Zoning Ordinance which will improve upon the site’s landscaping, lighting, and building placement (setbacks).

V. Redevelopment Plan Objectives and Strategies

There are two primary objectives of the Redevelopment; (a) to remove deteriorated housing that does not present a safe, clean choice as an environment to live, and (b) to replace with new units to be leased by-the-bed that follow the plans and objectives of the Vision 20/20 Springfield Greene County Comprehensive Plan as set forth in this Redevelopment Plan.

Land Use Plan

A.) Former and Existing Land Use

The Redevelopment Area currently consists of a four (4) unit apartment building that is approximately 100 years old and in unlivable condition. There is also a secondary structure that is a shed/carport.

B.) Proposed Land Use

The proposed land use is for between three (3) and five (5) townhouse-style multi-family units. There will be one (1) structure with a maximum height of three (3) stories. The property will be leased by-the-bed and there will be approximately 8-12 total bedrooms. The Redevelopment will substantially conform to the attached Site Plan in Exhibit E.

C.) Financing

The developer is utilizing conventional financing to finance this project.

D.) Disposition of the Property

No land is proposed to be disposed of within the Redevelopment Area.

E.) Plan for Relocation Assistance

All four (4) units were vacant at the time the developer took ownership of the property. They remain vacant, so no relocation assistance will be necessary.

F.) Redevelopment Schedule and Estimated Date of Completion

- Plans finalized and approved by February 2016
- Demolition and site prep by February 2016
- Construction to begin by March 2016
- Completion of project by June 2016

G.) Taxation

The Developer or its successors in interest may apply to the Land Clearance for Redevelopment Authority for tax relief pursuant to sections 99.700 to 99.715 of the Missouri Revised Statutes, 2000.

H.) Covenants

The Redevelopment Plan shall run with the land for a period of twenty years for the date of final approval (at which point it shall expire and shall be of no further force or effect) and shall, during such time, require the Developer and any successors in interest to redevelop and use the real property within the Redevelopment Area in accordance with the Redevelopment Plan if they wish to benefit from tax relief available under Sections 99.700 to 99.715 of the Missouri Revised Statutes, 2000.

Other Provisions

A.) Compliance with General Plans

As described herein, the Redevelopment Plan complies with the objectives of the Springfield-Greene County Comprehensive Plan.

B.) Compliance with State and Local Law

The Redevelopment Plan shall be implemented in conformance with the requirements of state and local law.

C.) Population Density

The Redevelopment will provide no more than five (5) units located within the Redevelopment Area of approximately .1837 acres (8,000 square feet) for a density of no more than 27 units per acre. The High-Density Multi-Family Residential District (R-HD) zoning allows a maximum of forty (40) units per acre. This would be a maximum of Fifty-Four (54) residents per acre.

D.) Public Facilities

It is not anticipated at this time that the Redevelopment will require any additional public facilities or utilities.

E.) Codes, Ordinances, and Zoning

There is no anticipated change to zoning ordinances or maps, street layouts, street levels or grades, building codes, or ordinances.

VI. Procedure and Changes or Modification of Plan

Upon application by the Developer or its successors in interest, the Redevelopment Plan may be amended or modified by the Land Clearance for Redevelopment Authority with consent of the Planning and Zoning Commission. When the proposed amendment or modification substantially changes the Redevelopment Plan, the City Council must also approve the amendment or modification.

EXHIBIT A
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF GREENE, STATE OF MISSOURI, AND IS DESCRIBED AS FOLLOWS:

The West Half (W-1/2) of Lot 73, SOUTHERN ADDITION, City of Springfield, Greene County, Missouri.

EXHIBIT B
PICTURES OF THE BLIGHTING CONDITIONS











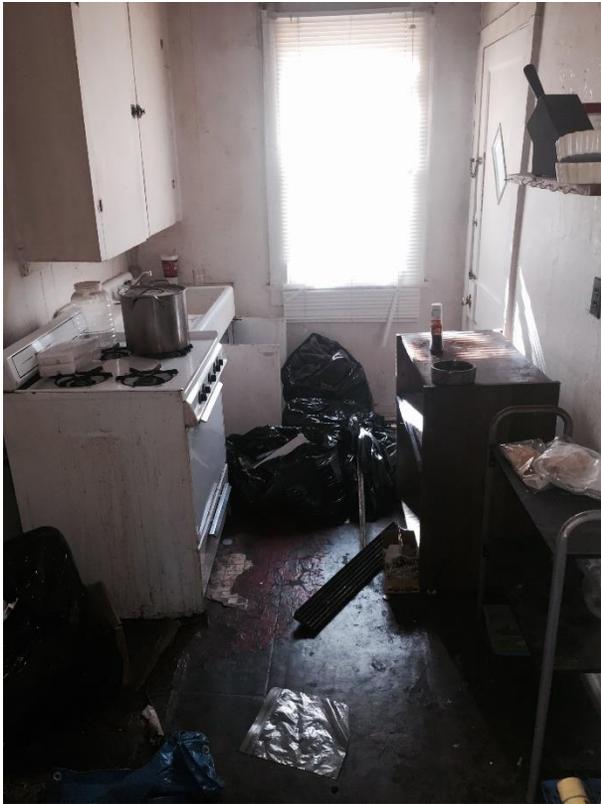
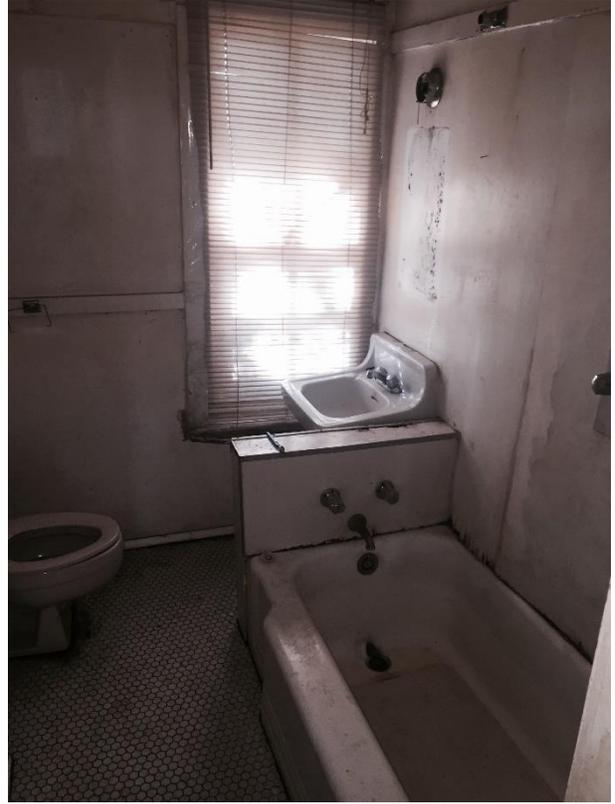
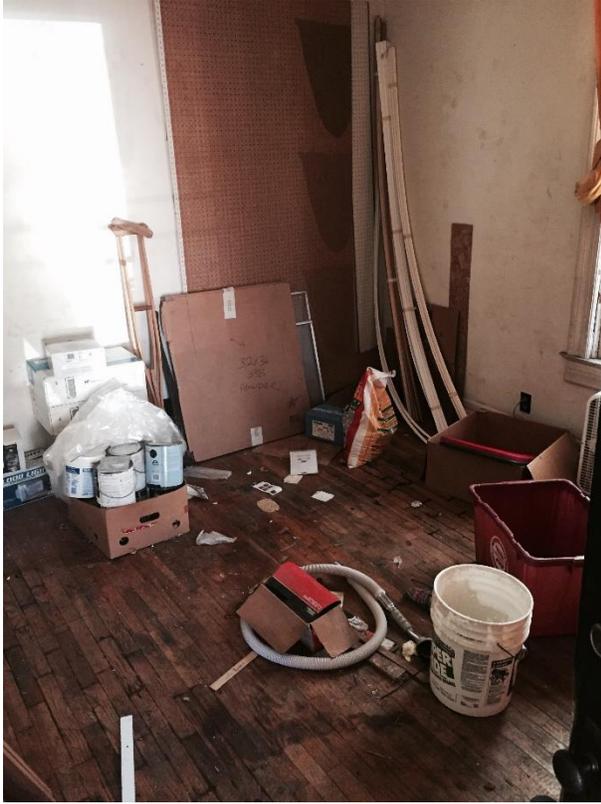




EXHIBIT C ACTIVITY CENTERS

Figure 18.5 of the GMLUP

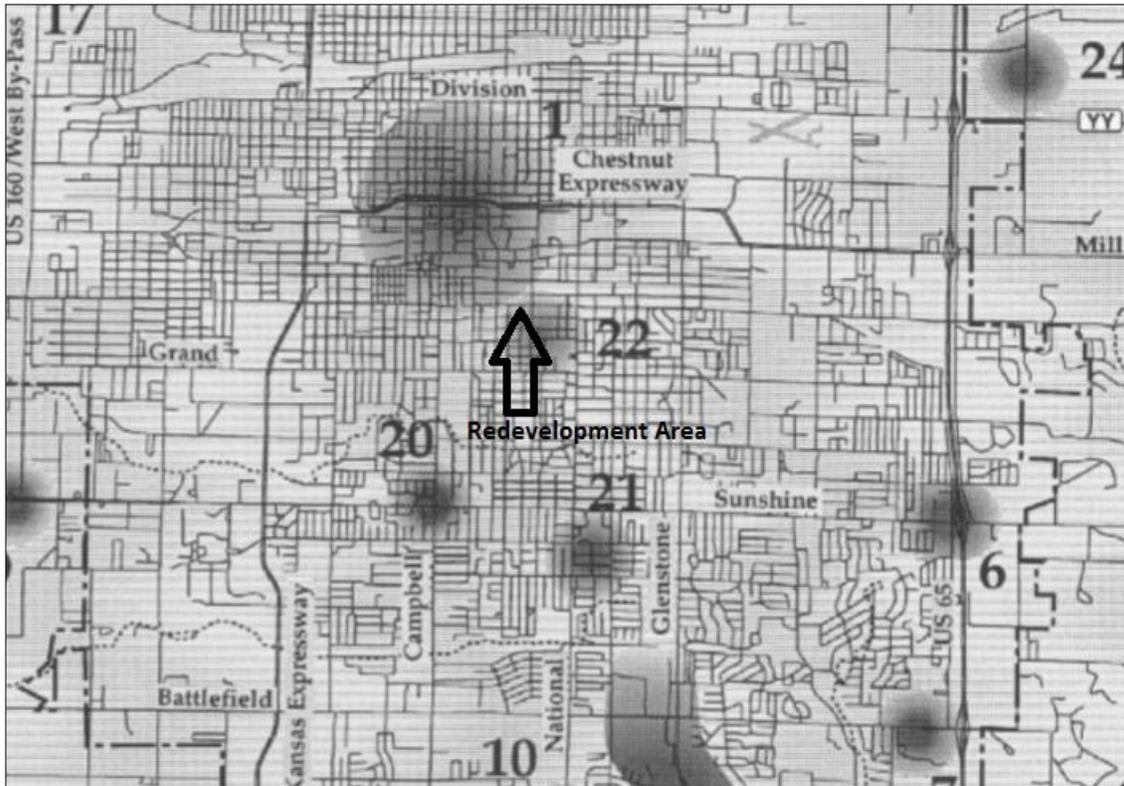


EXHIBIT D LINKAGE

Figure 8 on Page 2-11 of the Center City Element of the Vision 20/20 Springfield Greene county Comprehensive plan

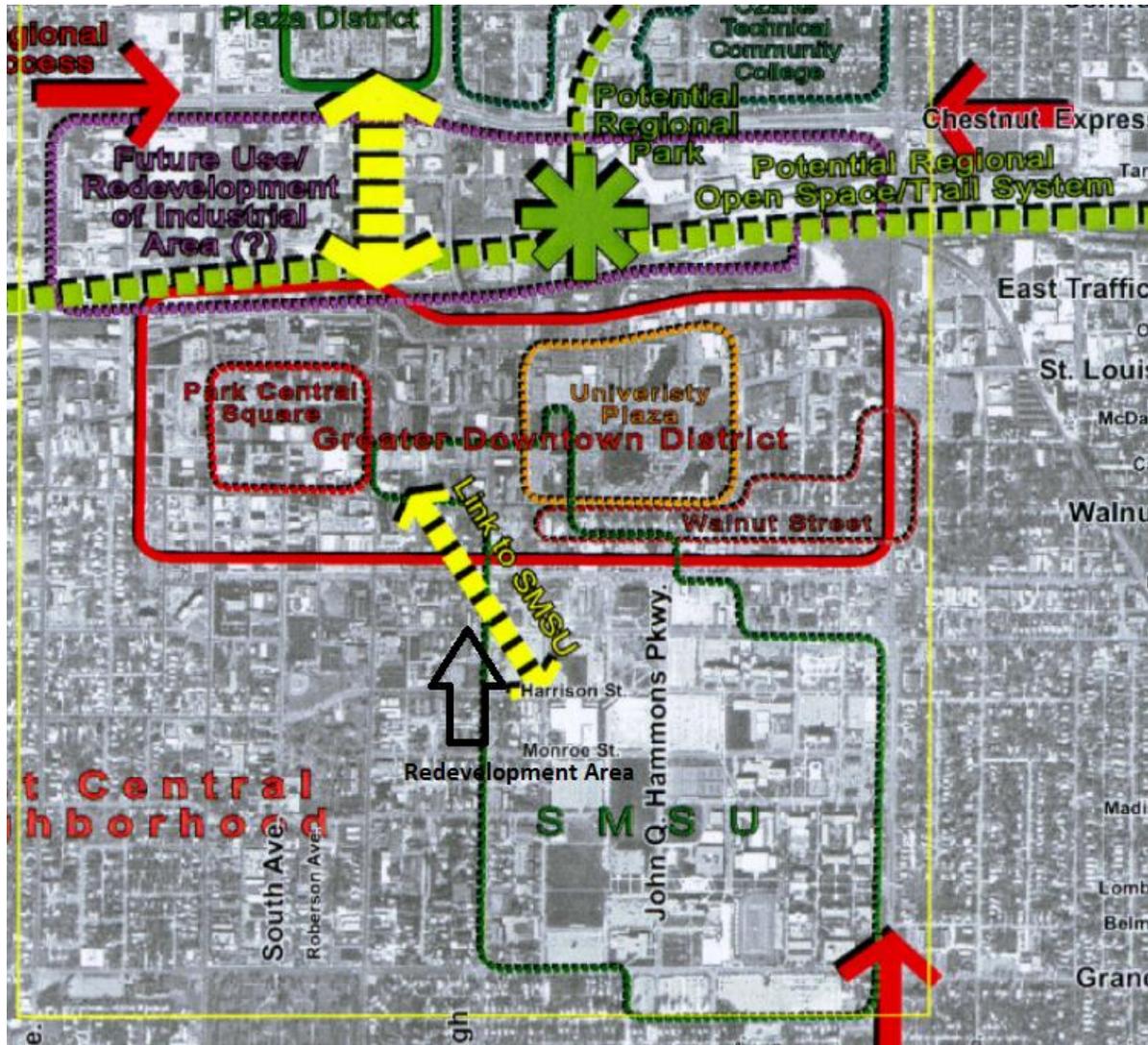
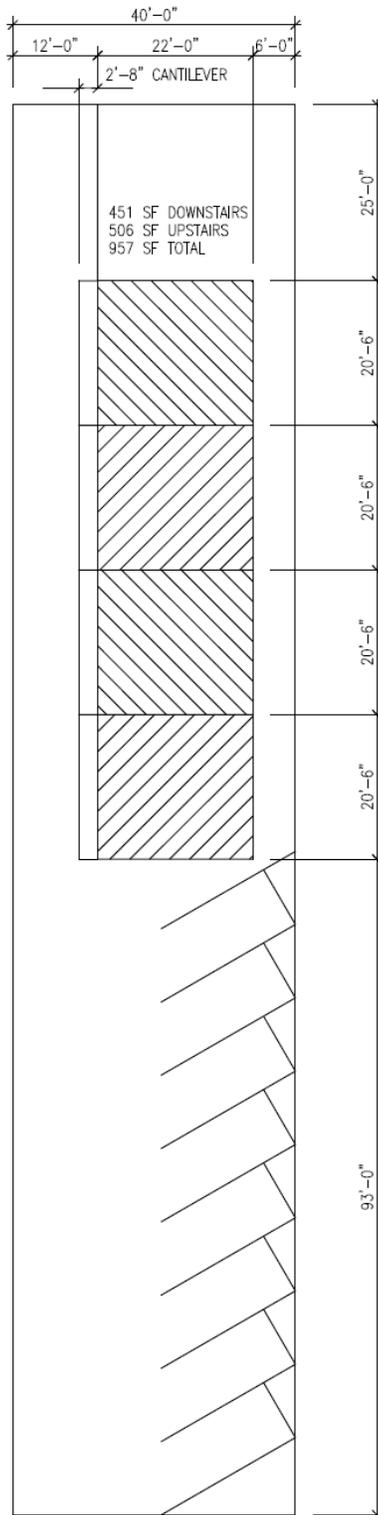


EXHIBIT E

PROPOSED SITE PLAN



516 E CHERRY
1"=20'-0"

EXHIBIT F

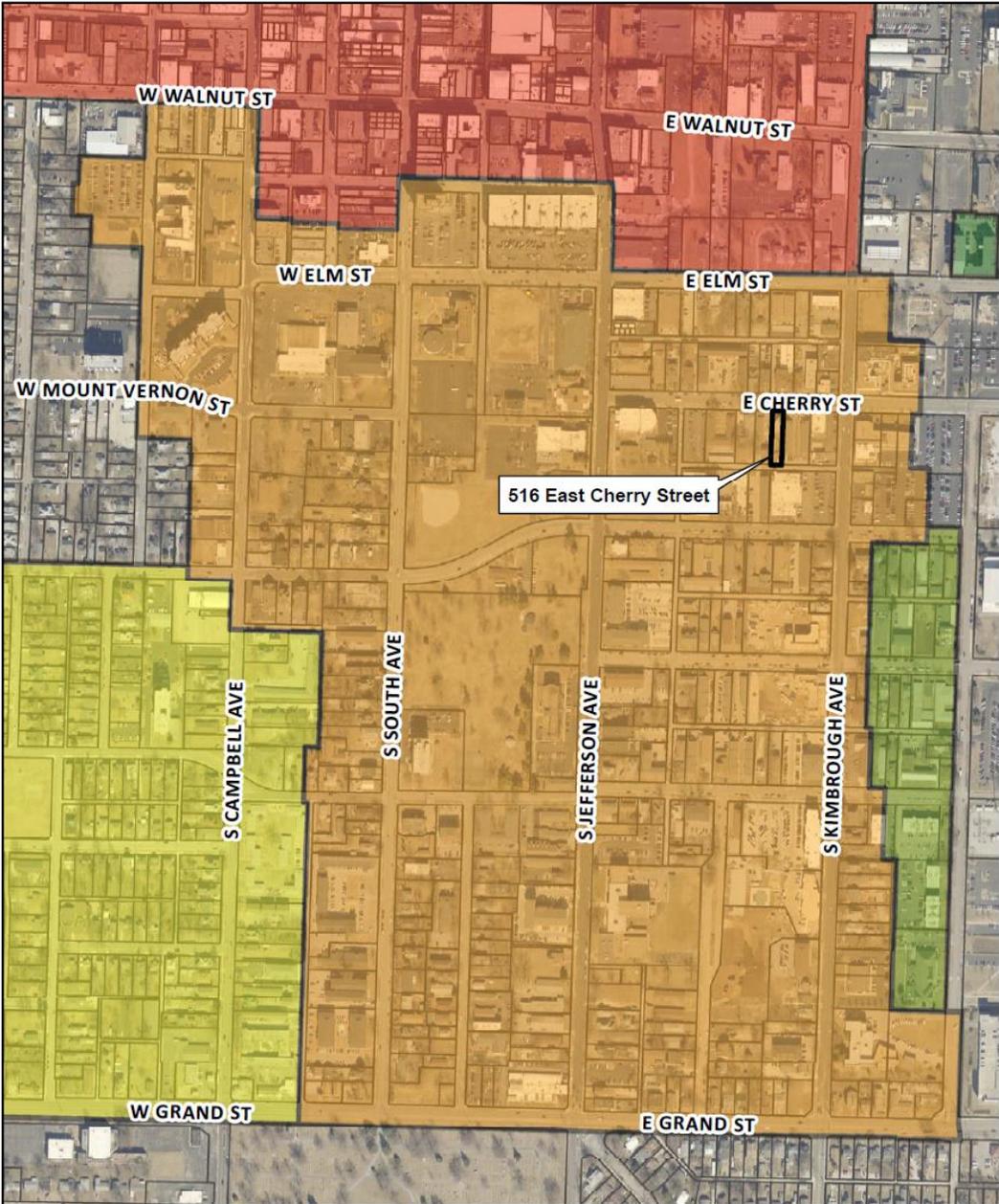
EXISTING SITE MAP

From the Green County Assessor's Website



EXHIBIT G

Redevelopment Area within South Central "A" Urban Renewal Area



Blighted Areas (Chapter 99)

- Deep Elm
- Grant Avenue Playground
- Downtown
- (former) SW MO State College
- South Central "A"



10/14/2015