REVITALIZING COMMERCIAL AREAS ELIGIBILITY REPORT

EXISTING CONDITIONS ANALYSIS AND RECOMMENDATIONS

MAY 2022

INTRODUCTION

In the 2002 Strategic Plan, City Council recognized the impact that declining commercial areas had on the health of the City and its neighborhoods. City Council noted that underutilized, unutilized, and blighted properties were in need of assistance to halt and reverse the disinvestment trend. The Revitalizing Urban Commercial Areas (RUCA) program was established by the Winston-Salem City Council in 2006 as a means of revitalizing commercial areas that were in a state of decline.

With the growing popularity of walkable communities, City Council recognized the importance of small-scale neighborhood commercial districts. These commercial districts were in a varying range of condition with even the most popular in need of some infrastructure improvement. Furthermore, without intervention, these districts would continue to decline or could be lost completely. Reasons for improving the existing urban commercial areas included:

- Revitalized Urban Commercial Areas are accessible. As suburban shopping areas movefurther and further out, the hardship increases on those people who do not drive due to age, economic position, or choice. This affects their ability to find goods and services or reach employment destinations. Our transit system has difficulty providing routes to ever expanding, auto-dominated development.
- Revitalized Urban Commercial Areas can be a symbol of neighborhood health and history. Healthy older commercial areas provide a stronger tax base, jobs for neighborhood residents, the preservation of historic buildings, and may even become tourist attractions, such as the South End in Charlotte. Urban Activity Centers provide a sense of community anda location for public gatherings where neighbors can congregate and hold community events.
- Revitalized Urban Commercial Areas reduce suburban sprawl by concentrating businesses in developed areas where infrastructure already is in place. Smaller commercial areas also have more local/family businesses, which support community projects and provide a stable economic base due to a greater tendency to recycle revenues within the community.
- Revitalized Urban Commercial Areas are part of a walkable community. By
 providing the option of walking to services we also promote the health benefits of
 activity, social interaction, and better air quality through reduced vehicle miles
 traveled.

To identify the specific areas eligible to participate in the program, planning staff analyzed 30 activity centers based on a variety of factors. Activity centers are defined as areas of more

intense, compact, mixed-use development including commercial, office, civic, and multifamily residential uses. Activity centers vary in size and mix of uses and their service areas can range from surrounding neighborhoods to the region.

Factors used to analyze the activity centers included:

- Location: Activity centers within Growth Management Area 2: Urban Neighborhoods were included in the analysis.
- Current use and zoning: Staff evaluated activity centers on the presence of commercial/business uses, residential uses within or on the fridge of the center, and vacant parcels.
- Blighted Status: Staff used a variety of existing conditions to determine if an activity center was blighted. These included:
 - Broken or board up windows and doors
 - Condition of foundations
 - Condition façades
 - Condition of roofs
 - Condition of signage
 - Condition of fencing
 - o Presence of overgrown vegetation and/or trash
 - Presence of junked cars
- Vacancy: Staff surveyed and rated each activity center based on the level of vacant storefronts.

To assess their condition and vacancy level, staff completed field work for all identified activity centers in 2004. A point system was devised for the rating of each commercial area. Activity centers were categorized into four levels based on the completed analysis as well as area plan recommendations and recent public and private investment. Twelve activity centers were recommended as either Priority 1 or 2 centers, eight were recommended as Priority 3 centers, and ten were determined not to be in a state of decline.

CURRENT ANALYSIS AND RECOMMENDATIONS

As of 2020, all funding available for RUCAs has been either dispersed or committed to pending projects. As part of the 2018 Bond Referendum, the Commercial Revitalization of Blighted Areas (CRBA) program, a subsequent program to the RUCA program, was allocated \$2 million dollars to be administered similar to the RUCA program. Approximately \$1.5 million of the CRBA funds remain available.

It was noted to staff by Council Members that the concentrations of commercial blight in need of investment may have evolved in the 14 years since the initial evaluation. At the request of City Council, Planning and Development Services staff have completed a new analysis of commercial areas and provide the following recommendations related to future RUCA funding.

EXPANDED AREAS FOR ANALYSIS

The number of activity centers included in the analysis was increased from 30 centers to 46 centers. Since the initial report, the Legacy 2030 Update and a series of area plan updates have been adopted by City Council that changed the areas designated as activity centers.

After discussion between the Business Inclusion and Advancement Department and planning staff, it was determined that the number of activity centers reviewed for possible funding needed to be expanded to include those within Growth Management Area 3 – Suburban Neighborhoods. In order to better reflect the broader eligible areas and its purpose, the name of the program has been changed to **Revitalizing Commercial Areas (RCA)**.

ANALYSIS FACTORS

Staff reviewed the activity centers based on similar factors as the initial analysis. Existing conditions were evaluated based on site visits performed in early 2021. Activity centers were evaluated based on the following factors:

- Access: Staff reviewed the number of access points to the centers, the number of curb
 cuts, and the presence of streetyards. Details on existing roadways was taken from
 either the 2012 Comprehensive Transportation Plan or the 2045 Comprehensive
 Transportation Plan depending on the availability of information.
- Presence of Alternative Transportation Facilities: Staff noted the presence of or lack of sidewalks, crosswalks, transit service, bus shelters, bicycle routes, and bicycle parking.
- Site Condition: Factors reviewed included presence and condition of signage, vegetation, fencing, trash, graffiti, junked cars, lighting, and tree islands. Staff also noted the condition of parking areas in the activity centers.

 Building Condition: Factors reviewed included presence of broken or boarded up windows and doors; condition of foundations, façades, and roofs; and presence of vacancies.

In addition to the existing condition of activity centers, other considerations were included in determining the overall rating of the activity center including area plan recommendations, existing zoning and land use, crime levels, and investment.

<u>Crime</u>

Crime information was provided by the Winston-Salem Police Department. Total numbers for Part 1 and Part 2 crimes committed on parcels in each activity center between 2018 and 2020 were included in the analysis. The most common crime seen in all activity centers was larceny followed by trespassing.

CRIME TYPES		
Part 1 Crimes		
Aggravated Assault		
Arson		
Burglary		
Homicide		
Larceny		
Motor Vehicle Theft		
Rape		
Robbery		
Part 2 Crimes		
All Other Offenses	Communicating Threats	
Disorderly Conduct	Drugs	
DWI	Embezzlement	
Family Offenses	Forgery	
Fraud	Gambling	
Kidnapping	Liquor Laws	
Pornography	Prostitution	
Runaway	Sexual Offenses	
Simple Assault	Statutory Rape	
Stolen Property	Trespassing	
Vandalism	Violation of City Ordinance	
Weapons Violation		

Investment

Staff included recent public and private investment in the activity centers as part of the analysis. Funding through either the RUCA or CRBA program was noted in the review. Other

investment in the activity centers was determined utilizing construction permits issued between 2018 and 2020.

RATING AND RECOMMENDATIONS

Activity centers were rated on a scale of one to five based on the findings of the analysis. Activity centers were broken into Tiers based on the rating that was received.

Activity Center Tiers		
Recommended Eligible for RCA and/or CRBA Funding		
Tier	Condition Rating	Number of Activity Centers
1	Most In Need	3
2	In Need	13
3	Average	9
Not Recommended for RCA and/or CRBA Funding		
Tier	Condition Rating	Number of Activity Centers
4	Above Average	12
5	Least In Need	9

It is the recommendation of staff that activity centers in Tier 1, 2, and 3 (poor to average condition ratings) be eligible for RCA funding, representing a total of 25 activity centers. An argument could be made to limit eligibility to Tiers 1 and 2; however, it is staff's belief that, by making Tier 3 activity centers eligible for funding, the possibility of such centers falling into a deteriorated state may be slowed or eliminated. The map on the next page, Winston-Salem Revitalizing Commercial Areas, shows the locations of the activity centers and their respective tiers.

Individual written assessments for each activity center are included in this report, as well as individual maps for Tier 1, 2, and 3 activity centers.

