

Information Item

Date: October 13, 2020

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Evan Raleigh, Assistant City Manager
Ken Millett, Office of Business Inclusion and Advancement Director

Subject:

Direction Regarding the Geographic Areas Eligible for the Revitalizing Urban Commercial Area (RUCA) and Commercial Redevelopment of Blighted Areas (CRBA) Programs

Strategic Focus Area: Economic Vitality and Diversity

Strategic Objective: Promote Commercial Development in Economically Disadvantaged Areas

Strategic Plan Action Item: No

Key Work Item: No



In the early 2000s the Winston-Salem City Council recognized the problems and issues associated with declining urban commercial areas and their economic impact on the health of our City and neighborhoods by including the revitalization of such areas in its Strategic Plan. The Council noted underutilized, unutilized, and blighted properties were in need of assistance to change the disinvestment trend.

City Council established the Revitalizing Urban Commercial Areas (RUCA) program in 2006 to help revitalize some of the city's declining urban commercial areas. Reasons cited for developing strategies to improve the existing urban commercial areas were:

- RUCAs are accessible. As suburban shopping areas move further 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. The transit system has difficulty providing routes to ever expanding, auto-dominated development.
- RUCAs can symbolize 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. Urban Activity Centers provide a sense of community and a location for public gatherings where neighbors can congregate and hold community events.
- RUCAs 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.

- RUCAs are part of a walkable community. By providing the option of walking to services the City also promote the health benefits of activity, social interaction, and better air quality through reduced vehicle miles traveled.

When the RUCA tiers were created in the mid-2000s, staff looked at vacancy levels, as well as general property conditions such as broken or boarded up windows and doors; holes or cracks in walls and foundations; decaying facades; leaking or collapsed roofs; broken signage or fencing; overgrown vegetation, junked cars, and/or trash on the property.

All RUCA funds have either been disbursed or committed to pending projects. The subsequent Commercial Revitalization of Blighted Areas (CRBA) program received an allocation of \$2 million from the 2018 bonds and has been administered similarly to the RUCA program. Approximately \$1.5 million of CRBA funds remains available. The attached map shows the areas currently eligible for funding.

Council Member Parmon recently noted to staff that while the eligible areas include commercial intersections and concentrations of blighted properties, many connecting corridors and stretches of commercial properties ineligible. She also noted that because the areas were evaluated many years ago, concentrations of commercial blight in need of investment may have evolved in the subsequent 14 years.

At the request of Council Member Parmon, staff is requesting guidance from City Council as to its interest in re-evaluating the geographic eligibility for property owners to apply for assistance through the CRBA and RUCA programs. Should Council direct staff to do so, Business Inclusion and Advancement will partner with Planning and Development Services to assess and develop recommendations for City Council consideration.