

Opelika Road Redevelopment Plan



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Why a Redevelopment Plan?



- Opelika Road is a well-established business corridor but has suffered incremental decline over time
- Opelika Road connects downtown Auburn to the Village Mall and the eastern city limits.
- Opelika Road has existing infrastructure that can be upgraded to accommodate redevelopment.
- Opelika Road has a number of vacant, outdated and underutilized properties prime for redevelopment.



Why a Redevelopment Plan?



- There is interest in the redevelopment of Opelika Road from the business community and property owners.
- Opelika Road was identified for redevelopment in the recently approved CompPlan 2030.



Opelika Road Corridor



Some Issues...



- Aging Infrastructure
- Utilities
- Drainage
- Streetlights
- Sidewalks
- Landscaping
- Parking
- Land Use
- Public Open Space
- Curb Cuts
- Traffic Flow/Connectivity
- Multi-Modal Transportation
- Driveways
- Signs
- Nonconformities
- Vacant Lots
- Underutilized Property
- Property Maintenance
- Regulatory Impediments



What Will the Plan Include?



- Redevelopment Plan can address:
 - Transportation Improvements
 - Streetscape
 - (Re)development Regulations (including curb cuts)
 - Future Land Use
 - Infill Development
 - Existing Building Redevelopment/Renovations
 - Urban Design
 - Parking
 - Landscaping
 - Branding/Marketing
 - Organization



What is the Planning Process & Timeline?



- Conduct stakeholder meetings to establish overall direction of project (November 2011).
- Develop and issue a request for proposals (RFP) for planning/design services (January 2012).
- Engage planning/design services consultant (March 2012).
- Prepare redevelopment plan (April-July 2012).
- Adopt plan (August-Sept. 2012).
- Implement plan.
 - Engineering plans for public improvements.
 - Development regulations for corridor.
 - Incentives for business (re)development.

How will the Plan be Funded?



- The Capital Improvement Plan includes \$5 Million over 5 years allocated to Opelika Road redevelopment (FY's 2011-2015).
- Commercial Development Incentive Program has been approved and specifically targets Opelika Road.



What About Interim Projects?



- How will we handle applicants desiring to use the Commercial Development Incentive Program in the interim planning period?
- Engage design firm to:
 - Assist in the development of enhanced design standards under the Commercial Development Incentive Program.
 - Collaborate with businesses desiring to utilize the Commercial Development Incentive Program.
 - Assist in review of redevelopment projects seeking assistance under the Commercial Development Incentive Program.



Commercial Development Incentive Program

Performance –Based Tax Rebate Program



Phillip Dunlap
Economic Development Director



Amendment 772



- Amendment 772 is the state-enabling legislation that would allow the creation of this incentive program.
- Permits the governing body of a municipality to grant public funds to any individual, firm, corporation or other business entity, public or private, for the purpose of promoting the economic and industrial development of the county or municipality.
- Approved by Alabama voters on November 2, 2004 and ratified by the State Legislature.

A Performance Based Tax Rebate Program would allow the City to create...



- A recruitment tool to assist existing businesses and new businesses. The incentive can be used with small or large projects.
- An incentive that may be used to attract new businesses to existing vacant buildings or land along key commercial corridors. Existing businesses may also benefit with financial assistance to renovate their facility.

A Performance Based Tax Rebate Program would allow the City to create...



- Rebates to assist with specific costs such as new facades, enhanced landscaping, demolition costs, or new interior renovations.
- A major incentive program to redevelop Opelika Road or to incentivize the development of key commercial areas including, but not limited to, South College, Downtown, Ogletree Village, etc.

Examples



Downtown – Ware Jewelers



Opelika Road – Niffer's Restaurant

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Examples



Ogletree Village Expansion – Beef O’Brady’s



South College Street – Former Dyas Toyota/Nissan

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Advantages of a Performance-Based Tax Rebate Program



- No incentive will be granted unless taxes are generated. If the project does not generate revenue, it will not have the opportunity to receive revenue. There is no front-end injection of cash.
- Allows the City of Auburn, by contract, to have architectural review of a proposed project through the use of the Commercial Development Authority.
- None of the sales taxes which the City of Auburn provides to Auburn City Schools will be subject to rebate.

Requirements to Receive a Tax Rebate



- The rebate amount is based on hard costs that must be spent by the company and verified by City Staff.
- The company must agree to architectural review through the Commercial Development Authority as part of the contract for the incentive.

Requirements to Receive a Tax Rebate (cont.)



- The rebate amount may be capped annually and for a specific amount of time. This will ensure the City retains the majority of sales taxes generated for its general fund.
- Rebates will be earned by performance and are not transferable. If a project which received an incentive closes, or otherwise changes ownership, the rebate will be terminated.

Requirements to Receive a Tax Rebate (cont.)



- Prior to granting a rebate, the Economic Development Department will evaluate each project, through the use of a detailed application process which will require the following:
 - Formal letter requesting the need for the incentive.
 - Architectural drawings which will show the proposed facades.
 - Letter confirming other financing or equity commitment to the project.
 - Financial statements.
 - Résumés of principals.
 - Resolution of corporation or business involved in the project authorizing the principals to enter into the rebate contract.

Requirements to Receive a Tax Rebate (cont.)



- The approval process requires:
 - Completed application with a positive recommendation from the City Staff for the rebate after thorough financial analysis.
 - Recommendation for the rebate after facade approval from the Commercial Development Authority.
 - Advertisement of a Public Hearing for the project a minimum of 7 days prior to the City Council Meeting.
 - Public Hearing at the City Council Meeting to consider project specifics.
 - Adoption of a funding Ordinance.