HOUSING AUTHORITY
of the City of Jefferson, Missouri

1040 Myrtle Ave • Post Office Box 1029
Fax 573-635-9680 • Zip Code 65102-1029
573-635-6163/Voice/TDD

Cynthia Quetsch
Executive Director

John S. Pletz
General Counsel

October 26, 2016

Janice McMillan
Director, Department of Planning & Protective Services
City of Jefferson, Missouri
320 E. McCarty St.
Jefferson City, MO 65101

Re: Urban Renewal Plan

Dear Ms. McMillan;

Enclosed is a copy of the proposed Urban Renewal Plan adopted by the Land Clearance Authority on October 25, 2016. Exhibits H and I will be formatted to a more professional appearance but I wanted to get the plan to you as soon as possible.

Section 99.430 RSMo provides that prior to recommending an urban renewal plan to the City Council the Land Clearance Authority must submit the plan to the planning agency for review and recommendations as to its conformity with the general plan for the development of the community as a whole. The planning agency shall submit its written recommendations with respect to the proposed plan to the Land Clearance Authority within thirty days of receipt of the plan for review. Upon receipt of the recommendations, or if no recommendations are received within 30 days, the Land Clearance Authority may recommend the urban renewal plan to the City Council for approval.

Should you have any questions feel free to contact me at 573.635.6163 ext. 216.

Thank you for your assistance in this matter.

Sincerely,

Cynthia Quetsch
Executive Director

COMMISSIONERS

Larry Vincent Chairman | **Penny Rector** Vice Chairman | **Larry Kolb** | **Dennis Mueller** | **Donna White** | **Minnie Word**

EQUAL HOUSING OPPORTUNITY

Housing Authority of the City of Jefferson, Missouri
1040 Myrtle Avenue
P.O. Box 243
Jefferson City, MO 65102

East Capitol Avenue Urban Renewal Area

Urban Renewal Plan

_____, 2016

Housing Authority of the City of Jefferson, Missouri
East Capitol Avenue Urban Renewal Area
Urban Renewal Plan

Table of Contents

Section 1 – Introduction1

A. Forward 1
B. Description and Background of Project Area 1

Section 2 - Blighted Area 3

A. Basis for Area Designation 3
B. Defective or Inadequate Street Layout 6
C. Unsafe Conditions 7
D. Deterioration of Site Improvements 9
E. Improper Subdivision or Obsolete Platting 10
F. Existence of Conditions Which Endanger Life or Property by Fire and Other Causes 11
G. Summary of Blighted Area 12
(1) Economic Liability 12
(2) Social Liability 14
(3) Menace to the Public Health, Safety, Morals or Welfare 15
(4) Conclusion 15

Section 3 - Redevelopment Plan for the East Capitol Avenue Urban Renewal Area 17

A. Introduction 17
B. Qualification of the Area 17
C. Conformance with the General Plan, Proposed Land Use Plan, and Proposed Changes 17
D. Conservation and/or Rehabilitation of Existing Structures 19
E. Acquisition of Property and Preparation for Redevelopment 19
F. Rehabilitation of the Area 20
G. Consolidation of Property and Disposal of Property 20
H. Leveraging Additional Funding for Redevelopment 21
I. Estimated Date of Completion 21
J. Relocation Assistance 22
K. Amendment of Plan 22

Exhibits

Exhibit A - Boundary Map
Exhibit B - Parcel Locator
Exhibit C - Existing Land Use Map
Exhibit D - Streets and Sidewalks
Exhibit E - Existing Conditions Map
Exhibit F - Reported Crimes Since 2008
Exhibit G - Code Violation Citations
Exhibit H - Parcels Exhibiting Blight Factors
Exhibit I - Land Acquisition Map

SECTION 1

INTRODUCTION

A. Forward

The purposes of this plan are to present the findings and condition of blight in the area shown on **Exhibit A, Boundary Map**, and **Exhibit B, Parcel Locator**, for the East Capitol Avenue Urban Renewal Area in Jefferson City, Missouri, and to present the plan for the urban renewal project to mitigate or eliminate the conditions of blight in the area.

Section 99.320(3), Revised Statutes of Missouri, defines a "blighted area" as: "an area which, by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use."

Based upon the findings and the analysis set out in Section 2, the East Capitol Avenue Urban Renewal Area (the "Area") was found to exhibit the conditions that warrant a declaration that it is a blighted area under the Land Clearance for Redevelopment Law, Sections 99.300-99.660, Revised Statutes of Missouri (the "Law").

B. Description and Background of Project Area

The East Capitol Avenue Urban Renewal Area is located within Jefferson City, and it is generally bordered by East State Street to the north, Adams Street to the west, East High Street on the south (including certain parcels on the south side of East High Street), and Lafayette Street on the east. The Area is located along the eastern and southern portion of the City's Downtown area. Parts of the Area are within the Capitol Avenue Historic District which is federally designated on the National Register of Historic Places. The Area consists of 116 parcels and approximately 38.1 acres of land including street and alley rights-of-way and 25.6 acres exclusive of street and alley rights-of-way. Sixty-six percent (66%) or 76 of the 116 parcels within the Area are within the historic district. **Exhibit B** numbers the parcels consecutively beginning at the northwest corner of Adams and State Streets.

Exhibit C, entitled **Existing Land Use**, shows the existing land uses with the Area. The Area is a mix of land uses that includes single and multi-family residential, public/semi-public, commercial, and even industrial land uses. Building architectural styles run a gamut of buildings with no particular style to French Colonial, Mid-19th Century Late Victorian, late 19th and 20th Century Classical Revival, Craftsman, and Art Deco. Many of the single-family homes with the architectural characteristics noted have been converted to commercial or multi-family uses. In most instances, the outward appearance of the structures has not been significantly altered.

The property conditions are rapidly deteriorating in the Area. Many buildings are vacant and a number of properties were deemed abandoned under City ordinance, forcing the City to board up these buildings. Electricity, water, and gas services have been terminated in some buildings. Some of these properties are occupied by individuals illegally.

SECTION 2

BLIGHTED AREA

A. Basis for Area Designation

A land clearance authority may prepare an urban renewal plan under the Law if the area in question meets the definition of a "Blighted Area." Field investigations and analyses undertaken by PGAV Planners found the Area exhibited the requirements necessary for designation under the Law as a Blighted Area. The analysis of existing conditions and evidence of the factors present in the Area are described in detail in this section. The Blighted Area qualification factors present in the Area include the following:

- Defective or Inadequate Street Layout;
- Insanitary or Unsafe Conditions;
- Deterioration of Site Improvements;
- Improper Subdivision or Obsolete Platting; and the
- Existence of Conditions Which Endanger Life or Property by Fire and Other Causes.

The Law, in Section 99.310, RSMo gives the following declaration of policy:

> *It is hereby found and declared that there exists in municipalities of the state insanitary, blighted, deteriorated and deteriorating areas which constitute a serious and growing menace injurious to the public health, safety, morals and welfare of the residents of the state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, necessitating excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, punishment and the treatment of juvenile delinquency and for the maintenance of adequate police, fire and accident protection and other public services and facilities, constitutes an economic and social liability, substantially impairs or arrests the sound growth of communities and retards the provision of housing accommodations; <u>that this menace is beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids herein provided</u>; that the elimination or prevention of the detrimental conditions in such areas, the acquisition and preparation of land in or necessary to the development, renewal or rehabilitation*

of such areas and its sale or lease for development, renewal or rehabilitation in accordance with general plans and redevelopment or urban renewal plans of communities and any assistance which may be given by any public body in connection therewith are public uses and purposes for which public money may be expended and private property acquired; and that the necessity in the public interest for the provisions hereinafter enacted is hereby declared as a matter of legislative determination; and that certain insanitary, blighted, deteriorated or deteriorating areas, or portions thereof, may require acquisition and clearance, as provided in this law, since the prevailing condition of decay may make impracticable the reclamation of the area by conservation or rehabilitation, but other areas or portions thereof, through the means provided in this law may be susceptible of conservation or rehabilitation in such a manner that the conditions and evils hereinbefore enumerated may be eliminated, remedied or prevented, and to the extent feasible, salvable, insanitary and blighted areas should be conserved and rehabilitated through voluntary action and the regulatory process. A municipality, to the greatest extent it determines to be feasible in carrying out the provisions of this law, shall afford maximum opportunity, consistent with the sound needs of the municipality as a whole, to the rehabilitation or redevelopment or renewal of areas by private enterprise.

The underlined portion of the declaration of policy emphasizes that the aids provided with the Law should be used when the menace of a "Bighted Area" cannot be dealt with by the regulatory process of the community and the ordinary operations of private enterprise. The following factors led PGAV to conclude that the conditions menacing the Area are not likely to be remediated through the redevelopment of the Area without the aids provided within the Law:

- The Area contains many buildings of historic significance many of which were single-family residences and many of which have been converted to multi-family use or commercial uses. The cost of restoring these buildings for their original purpose and removing inappropriate exterior elements will be prohibitive without the financial assistance that can be provided through the LCRA Law or other redevelopment statutes that can be overlaid on the Area;

- The age of the buildings in the Area is a contributing factor to the conditions that were found. Of the 106 parcels within the Area with building improvements (there are 123 buildings within the Area) 101 of the improved parcels have structures that are 35 years old or older. The 35-year standard as a measure of potential blighted conditions evolved from Federal urban renewal statutes. It is a recognition that as buildings age, a pattern of deferred mainte-

nance will result and the need for significant repairs will be required. As a National Register Historic District, the majority of the buildings in the Area are much older. Forty-two (42) buildings are over 100 years old and 88 buildings are 90 years old or older.

- The number of deteriorated properties that are owned by parties who are unwilling sellers or where asking prices exceed true market value will likely require the eminent domain powers available via the LCRA Law;

- Vacant parcels, vacant buildings, deteriorated residential and commercial buildings, and parking lots have, in many instances, been in the same condition for extended periods of time, in some cases for years. These poor conditions have caused the City to deem the buildings unfit for occupancy, and incur the costs of boarding the structures shut. This clearly indicates a lack of development or redevelopment in the Area. The lack of cooperation or compliance on the part of the property owners is an indicator that the conditions are not likely to improve and will probably get worse;

- While PGAV was unaware of any environmental investigations that may have occurred in the Area relating to sites or buildings, it is likely that restoration of the buildings (or demolition where necessary) will incur environmental remediation costs due to the presence of lead paint on the exterior or interior of the buildings given their age. The age factor also virtually assures that some of the structures have lead piping and asbestos in pipe wrapping or floor coverings;

- The cost of demolition of some of the structures where rehabilitation may not be financially feasible will create an additional impediment to redevelopment of the Area; and

- The cost of removal of obsolete utilities or the need to construct utilities and other public infrastructure capable of supporting redevelopment are not known at this time, since there are no overarching single or multiple redevelopment project currently identified. It is possible that some level of such costs will be incurred.

The Area is hampered by the significant additional costs associated with rehabilitation or redevelopment activities. Given the factors impacting the Area, it is clear that without the aids provided to the City and the LCRA Law, the Area is not likely to experience growth and development through investment by private enterprise.

This Section documents the conditions that were found to be present in the Area and contains the analysis of how such conditions cause the Area to be a "Blighted Area" according to Section 99.320 of the Law. Blight conditions may be physical, such as "insanitary or unsafe conditions," "deterioration of site improvements" or "the existence of conditions which endanger life or property by fire and other causes," or functional, such as "defective or inadequate street layout" or "improper subdivision or obsolete platting."

B. Defective or Inadequate Street Layout

For a site to be served by a proper and adequate street layout, it should be easily accessible from nearby streets and, for an area of this size, should have an adequate internal network of streets to serve all businesses or residences within the Area. This street network should provide for vehicular access, public transit, pedestrians, bicyclists, service and delivery vehicles, as well as emergency vehicles and equipment. Proper planning for an intuitive flow of automobile traffic decreases the frequency and severity of accidents. In addition, a proper internal street layout allows for pedestrians to move about safely. The design of effective and adequate street layouts must account for both the automobile and the pedestrian, and decrease the conflict points between each.

Summary of Findings:

The streets and alleys of the Area conform to a typical grid layout reflecting the age of the Area and platting for the time over which the Area was developed. While roadways throughout the Area are not inadequate for the land uses that they support, they suffer from a number of deficiencies which represented defects. **Exhibit D – Streets and Sidewalks** depicts the general conditions of street surfaces, sidewalks, and curbs and gutters in the Area. The following are the defective and inadequate conditions observed:

- Street surfaces throughout the Area are generally in good condition; however, as shown on **Exhibit D**, East High Street between Lafayette and Adams Street and Marshall Street between East High and East Capitol Avenue are showing deterioration in the form of fairly extensive surface cracking.

- Sidewalks have been replaced along many of the Area streets but as shown on **Exhibit D**, there are still street segments with deteriorated sidewalks in need of replacement and, in some instances, represent a pedestrian safety

hazard. This is primarily confined to Capitol Avenue between Jackson and Adams Streets and Jackson Street between High Street and Capitol Avenue.

- East Capitol Avenue between Lafayette to Adams and East State Street between Marshall and Jackson have deteriorated curbs and gutters.

C. Unsafe Conditions

Unsafe conditions are evidenced by a lack of proper public infrastructure that would be adequate for ensuring the public's health and safety and the presence of harmful substances and conditions which threaten the health and safety of the public. **Exhibit E – Existing Conditions Map** displays various factors present within the Area. The number of factors in the map legend shows the extent to which those conditions exist based on the number of improved parcels. There are 106 improved parcels with the Area, some with more than one building.

Summary of Findings:

The Area has certain insanitary or unsafe conditions as generally described below. As **Exhibit E** shows, 19 of the 106 parcels demonstrate exterior evidence of unsafe conditions. It is certain that interior inspection of the buildings would reveal further evidence of such conditions, particularly given the number of vacant buildings in the Area (28).

- While some buildings that are unsafe for occupancy are boarded up, there is evidence that some of the buildings have been accessed and the City has noted instances where these properties have been occupied. These buildings have no working utilities and thus present both health and safety hazards for occupancy.

- There are many instances of large older homes that have been converted for multi-family occupancy. PGAV observed multiple instances where secondary access, unit access, or fire escape stairs were built to second floor (and in some cases third floor) levels. Most of these stair structures are constructed of wood. In several instances these stairs were constructed to these upper stories using 4" by 4" vertical wooden posts. Not only does this fail to meet current (or past) building code requirements, its creates stair structures that have considerable "shake" when used. These structures have a serious potential for failure, and carry a risk for collapse when

used by heavier individuals or more than one person. This represents a very serious unsafe condition.

- The number of unoccupied structures with deteriorating siding, soffits, and eaves present a multitude of opportunities for invasion by various types of vermin and birds. During field inspection of the properties many instances were observed of squirrels and birds entering and exiting various openings; in two instances mice were observed entering or exiting. Other evidence of mice (or maybe rats) habitation was observed in the form of droppings in the proximity of probable entry/exit points to buildings or accessory structure. In one building we noted bats hanging under the eaves. City building inspectors have observed feral cats entering and exiting buildings and have observed people feeding cats in and around some buildings in the Area.

- The field inspection of the properties was conducted on an exterior-only basis and thus interior conditions could not be observed first hand. The number of boarded up structures is an indication of interior conditions that prevent occupancy. Given the condition of roofing, siding, soffits, and window frames on many of these properties it is virtually certain that rainwater is entering some of the buildings; thus it is likely that many of these properties are experiencing interior water damage and subsequent mold formation.

- In general, as a neighborhood deteriorates, the incidence of crimes increases. Vacant buildings promote crime because there are fewer residents, businesses owners, and employees to observe unusual or illicit activities. At the time of the PGAV field visits, 34 buildings (nearly 28%) were vacant and many were boarded up. **Exhibit F** provides a map of the reported crimes since 2008 based on the City's police department records. For what is predominantly a residential neighborhood 142 crimes is a significant number that represents an unsafe neighborhood (or is at least perceived to be). In addition, this list filters out all but the most significant ones. What **Exhibit F** shows are crimes that include arson, assault, burglary, robbery, rape, vehicle theft, and theft from persons or property. This data represents an average of 8 crimes per year over the 8-year period that the data covers.

- It was previously noted that many structures have various deteriorated soffits, entryways, and other conditions that provide access to birds and

vermin. Invasion by these animals can quickly create situations wherein significant interior damage with negative environmental implications, combined with significant building deterioration can negate the ability to rehab a property.

- Observation of the properties indicates clear evidence of code violations. The City has cited many properties and the number of boarded up structures indicates that this has been an ongoing problem. City code violation records have been entered into the Springbrook Code and Contact module. Records are also entered in the City's GIS system, but data input is not yet complete. However, with much of the information currently available and based on the latest update of this data, since January of 2011 there have been 175 code violation citations within the Area. **Exhibit G – Code Violation Citations** shows the properties which were cited. Various code violations observed during the field work included fire stair structures improperly constructed, porches and steps in severely deteriorated condition, dilapidated buildings that require demolition, and other unsafe conditions. Some of these are not yet represented in the data base information shown on **Exhibit G**, therefore, the number of violations is likely to be higher.

D. Deterioration of Site Improvements

Deterioration may be evident in buildings with defects in the primary and secondary building components, where the defects cannot be cured in the course of normal maintenance. Primary building components include the foundation, exterior walls, floors, roofs, wiring, plumbing, etc. Secondary building components include the doors, windows, frames, fire escapes, gutters, downspouts, siding, fascia materials, etc. Deterioration may also be evident in buildings with sound primary and secondary components, due to a lack of painting, loose or missing roof tiles, floor or ceiling plates, or holes and cracks over limited areas.

Summary of Findings:

During field investigation, many instances of deterioration to primary and secondary building components, as well as to utilities and paved surfaces (e.g., roadways and parking areas) were observed to be affecting the vast majority of the structures in the Area. The extent of this deterioration is displayed on **Exhibit E**. This map depicts the various factors that were found based on the number of parcels. As indicated on the exhibit, 79 improved parcels have deteriorated site improvements. This represents 75% of the improved parcels. The fact that a very

high proportion of the buildings (72%) are more than 80 years old has accelerated the level of deterioration in Area buildings. Since there were significant occurrences of deteriorated site improvements, only some of those observed are listed below as examples.

Three-quarters of the property demonstrates varying levels of deterioration many of which have been previously described. These include:

- Rotting window and door frames;
- Roofing that is worn or missing shingles;
- Eaves, soffits, and facias that are rotting, missing, or falling;
- Porches, steps, and exterior stairways that are rotting, severely cracked or spalling (in the case of concrete structure); handrailing that is leaning, rotting, or generally unstable;
- Falling or missing gutters and downspouts;
- Exterior walls exhibiting various signs of deterioration including deteriorating siding; bricks and mortar showing signs of step-cracking (sometimes an indicator of foundation issues); and a need for tuck-pointing;
- Sidewalks, driveways, and other paved areas of the parcels that are cracking, spalling, heaving, or sinking; and
- Shrubbery that is overgrown, dead or dying.

Exhibit G depicting code violations is further evidence of the extent to which deterioration of site improvements exists within the Area.

E. Improper Subdivision or Obsolete Platting

Improper subdivision can consist of the platting of a lot or lots with irregular shapes which renders construction of appropriate land uses difficult or impossible or renders the lot or lots in violation of the City's code. Obsolete platting is where the shapes of lots or the arrangement or organization of lots is no longer suited for current, modern, land use and development.

Summary of Findings:

The platting of the Area reflects its age and time at which it was developed. Many of the lots are very narrow and have width to depth ratios of five or six to one. Other lots suggest that they were platted in similar configurations, but the back portions were sold off and consolidated for use by larger buildings in the same block. This has resulted in situations where housing units are on parcels that are

so small as to be undesirable in today's real estate markets, even in older neighborhoods which are being revived in many cities. Although **Exhibit E** notes 5 instances of obsolete platting where narrow easements, unusable lots, and/or flag lots have been created, in fact much of the Area suffers from platting that is not likely to be desirable in the market. In terms of bringing the Area "back to life," the platting scenarios that existed in the Area as it was originally developed present a significant impediment to rehabilitation of some of the most historic housing units. For example, the ability to create off-street parking for these housing units would be impossible without acquisition of adjacent property. Existing yard areas are, in many instances, already too small.

F Existence of Conditions Which Endanger Life or Property by Fire and Other Causes

The existence of conditions which endanger life or property by fire and other causes includes such circumstances as structures in danger of collapse, the lack of modern life safety measures, physical deficiencies which could cause harm, the existence of hazardous conditions that could cause a fire or hinder the suppression of a fire, or potential flooding conditions which could threaten life or property.

Summary of Findings:

- The physical deterioration of Area buildings and many of the factors discussed previously represent situations that are an endangerment to life and/or property. Factors such as deteriorated steps, porches, and exterior stairways that can cause personal injury are numerous. Vacant buildings present situations of illegal habitation or break-ins which are hazardous and represent potential fire hazards. The predominance of building deterioration, pavement deterioration, and other site improvements within the Area represent conditions which endanger life or property by fire and other causes.

- One building is in a state of complete collapse. Although the site is fenced, it represents a danger as an unattractive nuisance, potential fire hazard, and potentially a haven for disease-carrying vermin and could impact the surrounding properties.

- Buildings with falling soffits, facias, and eaves represents hazards to anyone walking the building perimeter.

- Due to their age and design, most of the buildings potentially contain environmentally hazardous asbestos materials, and lead paint. Both lead paint and asbestos, if not properly identified and disposed of, can be harmful or even fatal to persons exposed to them.

- The age of Area buildings also means that building systems, in most instances, do not comply with current City codes or any that may have in effect over the past 20 years. This means that electrical, plumbing (including water heating), and heating systems are most likely deficient, inoperable, and/or hazardous. It was the experience of PGAV that many of these properties may still have knob and tube wiring in at least part of the building and their heating systems may present carbon monoxide risks.

G. Summary Of Blighted Area

(1) Economic Liability

The Area, by reason of both a predominance of each, as well as a combination of, defective and inadequate street layout, unsafe conditions, deterioration of site improvements, improper subdivision, and obsolete platting constitutes an economic liability. The Area, in its present condition and use, is severely underutilized. The conditions described herein are a deterrent to future investment and development in the area. As a result of the building and property deterioration, vacancy, and little investment in rehabilitation and/or redevelopment, the Area is becoming a declining source of revenue for the City and the other taxing districts.

The history of assessed values for Area properties shows that all but 14 of the 116 properties in the area have either declined or have had no increase in value over the 7-year period from 2007 to 2015. In the 14 instances where property increases have occurred, the increases in assessed value are small and started from a small base. Of the properties that increased in value, the percentage of increase only amounted to 8.8% over the seven-year period and only amounted to a total of $262,210. This is an increase of 1.3% per year. In certain instances there are property values that have no value in preceding assessment years. This was the result of certain parcels being subdivided into multiple smaller parcels. This contributes to skewing the data as well.

Overall, even considering the increases attributable to only 14 parcels, the assessed value of the Area has declined 11%. If the 14 properties which increased in assessed value are removed from the list and the 35 properties that have declined in value are considered, the overall decline in assessed value of these parcels is 18.4% or 2.6%

annually; therefore, the properties declining in value are doing so at more than twice the rate of increase of the 14 properties that showed increases. This represents a loss of nearly $778,000 in assessed value for the 35 declining properties over the seven-year period. In terms of dollar value, the amount of decrease of the decreasing parcels is three times the amount of the increasing parcels. Also, it is important to note that the remaining 67 parcels have values that were flat (zero) or had no prior value because they were a subdivision of a larger parcel, that in some instances, was declining in value.

The City as a whole experienced an increase in assessed values over the time frame of nearly 8% and an average annual increase of 1.5% over the same period.

PGAV was of the opinion that in consideration of the condition of some of these properties, the Cole County Assessor will be forced to decrease values of many of the properties further in the 2017 assessment period. Many of the parcels are not worth more than the value of the land and in instances where the condition of the building would require demolition, the cost of demolition is really an offset to the value of the land.

The Area is an economic liability to the City and the affected taxing districts that rely on real estate taxes to provide services to the Area and the City in general. In the instances where the City has been forced to board up the buildings because they are unfit for occupancy, the City has had to incur those costs in the hope that it can collect the costs from the property owners through filing liens or other legal action for collection. These properties are clearly also economic liabilities to their respective owners who must pay the taxes that are levied. The many vacant properties are producing no income or use for their owners. In addition, the vacant buildings are providing no revenue to the utility entities serving the Area.

It should also be noted that economic underutilization is a function of economic liability. Economic underutilization has been recognized by Missouri courts as a blighting factor. The factors outlined in this section contribute to the existing economic underutilization found in the Area. The courts of Missouri have recognized economic underutilization as a blighting condition or one that contributes to blight. This premise was explicitly stated by the Missouri Supreme Court case Tierney v. Planned Industrial Expansion Authority of Kansas City, Missouri, 742 S.W. 2d 146, 151 (Mo.1987). While that case related to Chapter 100 (the Planned Industrial Expansion Authority statute), the definition of "blighted area is not dissimilar to that of the Chapter 99 LCRA Law.

In Tierney at 151, the Missouri Supreme Court stated:

> *...(10) The owners, finally, attack the concept of "economic underutilization" as a basis... They suggest that almost all land could be put to a higher and better use, and argue that the concept of economic under-utilization is so broad as to confer upon the legislative authority and PIEA the unlimited discretion to take one person's property for the benefit of another, contrary to Mo. Const. Art. I, Sec. 28.*
>
> *We do not find the fault or the danger perceived. The concept of urban redevelopment has gone far beyond "slum clearance" and the concept of economic underutilization is a valid one. This is explicit in State ex rel. Atkinson v. Planned Industrial Expansion Authority of St. Louis, 517 S.W.2d 36 (Mo. Banc 1975), sustaining the statutes governing this case. Centrally located urban land is scarce. The problems of assembling tracts of sufficient size to attract developers, and of clearing uneconomic structures, are substantial and serious... We need not repeat all of the evidence which was before the city council tending to show that redevelopment of this area would promote a higher level of economic activity, increased employment, and greater services to the public...*

In other words, the performance of a use below its economic potential is a symptom of a Blighted Area when examining uses that generate economic activity, (i.e., commercial uses). As the court stated in Tierney, urban redevelopment is far more than mere slum clearance, and includes the concept that economic under-utilization may be used as evidence of blight. The economic underutilization of the Area is further evidence that the Area exhibits those factors that qualify it as a Blighted Area and represent an economic liability.

(2) Social Liability

By reason of the predominance of the above mentioned blighting factors, the Area constitutes a social liability to the City and the taxing districts that collect certain taxes in the Area. The Area contains unsafe conditions, potentially hazardous substances, and various fire and building code violations, all of which constitute a social liability.

In addition, the negative trend in property tax collection has an adverse effect on the governmental entities that provide services to the community. The City, which is entrusted with providing police protection, snow removal, and other public services, faces a challenge due to the decline of the Area and, correspondingly, the quantity of taxes that are being generated. The level of crime that has been occurring in the Area

(noted in a previous discussion) also presents a social liability that stigmatizes the neighborhood and represents an outsized cost for police protection for what is a comparatively small area of the City.

Also, most of the districts which levy property taxes in the Area provide social services such as education, recreation, library services, and disease prevention that are integral to a functional society. These districts, which constitute approximately 90% of the total property tax levy in the Area, are adversely affected by the decline in property taxes within the Area. The Area constitutes a social liability due to the decreasing amounts of tax revenue that are being produced by the Area, and the corresponding negative effect that this decrease in taxes has on taxing jurisdictions which provide essential social services.

(3) Menace to the Public Health, Safety, Morals or Welfare

The Area, by reason of both a predominance of, as well as a combination of, defective and inadequate street layout, unsafe conditions, deterioration of site improvements, improper subdivision and obsolete platting constitutes a menace to the public health, safety, morals or welfare. The lack of compliance with existing codes, the other unsafe conditions observed throughout the Area, and the level of crime reinforce the conclusion that the Area is a menace to public health, safety, morals and welfare in its current condition and use.

(4) Conclusion

After consideration and examination of each individual parcel in the Area, the Area, on the whole, is a "Blighted Area," as such term is defined in the Law. The Area meets the requirements for a Blighted Area, exhibiting factors including, but not limited to:

- Defective or Inadequate Street Layout;
- Insanitary or Unsafe Conditions;
- Deterioration of Site Improvements;
- Improper Subdivision or Obsolete Platting; and
- Existence of Conditions Which Endanger Life or Property by Fire and Other Causes.

The preponderance of the Area is therefore found to meet the statutory definition of "blight." (Exhibit H – Parcels Exhibiting Blight Factors)

The Area is a portion of the City which by reason of the predominance of: defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of such conditions which endanger life or property by fire and other causes, or any combination of such factors, constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

SECTION 3

EAST CAPITOL AVENUE URBAN RENEWAL AREA

REDEVELOPMENT PLAN

A. Introduction

This Redevelopment Plan (the "Plan") sets forth below the general description of the plan of action and the program that the Authority proposes to undertake to accomplish the objectives for the Area. Those objectives are to effectively deal with the problem of insanitary, blighted, deteriorated or deteriorating areas within the Area for the establishment and preservation of well-planned neighborhoods of decent homes and businesses and suitable environment for both, for utilizing appropriate private and public resources to eliminate and prevent the development or spread of insanitary, blighted, deteriorated, or deteriorating areas, to encourage needed urban rehabilitation, to provide for the redevelopment of blighted, insanitary, deteriorated and deteriorating areas, or to undertake such of the aforesaid activities or other feasible community activities as may be suitably employed to achieve the objectives of such a program.

B. Qualification of the Area

As is detailed in Section 2 of this document, the Area meets the requirement of the Law that the Area qualifies as a Blighted Area as defined in the Law.

C. Conformance with the General Plan, Proposed Land Use Plan, and Proposed Changes

This Redevelopment Plan encourages growth and the strengthening of the economic health and quality of life in the Area and in proximity to the Area. The Project described in this Plan is designed to assist the Authority through redevelopment to alleviate the blighted or insanitary conditions which currently exist in the Area. This Plan conforms to the general plan of the City of Jefferson approved by the City Council through its zoning ordinances and the Central Eastside Plan adopted on February 20, 2006 by Resolution RS2005-13. One specific objective of the Central Eastside Plan was the reestablishment and revitalization of residential areas, restoring and enhancing the neighborhood fabric where needed.

During the proposed land clearance activities, the initial land use plan for the Area will remain as it is today as shown on **Exhibit C – Existing Land Use** unless otherwise permitted by zoning.

The goal of the Plan is to eliminate the conditions that qualify the Area as blighted under the Law and prepare the site for future development. First, the land clearance for redevelopment activities described below will be undertaken, and once a redeveloper or redevelopers are selected for all or a portion of the Area, additional redevelopment plans or proposals may be submitted by or to the Authority or others to supplement this Plan and to further the redevelopment of the Area. The land uses for the Area ultimately may consist of only one type of land use but will likely result in a combination of several uses or mixed uses, which uses may include residential, commercial, recreational or public use, or the Authority may retain such land for its own use, or any combination of the foregoing, consistent with the objectives of the Plan and the General Plan of the City of Jefferson.

Any use or development of any parcels in the Area that is inconsistent with current zoning will require the rezoning of all or a portion of the Area to the applicable zoning district classification for the City consistent with such use, including but not limited to a planned development district or mixed use district.

All proposed land uses and building requirements in the Area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted and harmonious development of the Area and its environs which, in accordance with present and future needs, will promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development. The Authority will consider, as applicable in connection with the Plan or additional redevelopment, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public and community facilities and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, the prevention of the recurrence of insanitary or unsafe dwelling accommodations, or insanitary areas, or conditions of blight or deterioration, and the provision of adequate, safe and sanitary dwelling accommodations. The initial land clearance projects undertaken in accordance with this Plan will have the effect of eliminating the conditions that qualify the Area under the Law and will pave the way for the Area to be part of a coordinated, adjusted and harmonious development of the community.

D. Conservation and/or Rehabilitation of Existing Structures.

All structures which are in conformance with the land use provisions of this plan and which are economically feasible for rehabilitation should be conserved or rehabilitated. An owner of a property identified to be acquired may retain the ownership, occupancy and use of such property if it is not required for public use and if it is not required for the redevelopment of adjacent properties, provided that the owner enters into a written agreement with the Authority committing and obligating the owner to construct, restore, repair, rehabilitate, occupy and use such property in compliance with the Plan and with City building and occupancy standards and eliminating any and all conditions relative to that property which helped lead to the designation of the Area as blighted. In order to preserve such right, an owner would have to enter into a written contract with the Authority relating to the required rehabilitation, construction or reconstruction of the structure prior to the initiation of action by the Authority to acquire such property, and such rehabilitation, construction or reconstruction would have to be completed in a timely manner as set out in the terms of that agreement. If an owner provides notice of intent to enter into such an agreement but the parties are not able to reach mutually acceptable terms within thirty (30) days after the receipt by the Authority of written notice of the owner's interest in doing so, the Authority may initiate and proceed with any acquisition action with regard to that property.

E. Acquisition of Property and Preparation for Redevelopment.

Redevelopment of the Area which may include land clearance is at the core of the Plan. As necessary or incidental to the proper clearance, development or redevelopment of the blighted areas or to the prevention of the spread or recurrence of substandard or insanitary conditions or conditions of blight, the Authority will attempt to acquire property within the Area as it becomes available from time to time due to tax sales and other opportunities for acquisition whether by purchase, lease, options, gift, grant, bequest, devise, or otherwise. Acquisition may also be undertaken through the exercise of the power of eminent domain to acquire any real property which the Authority may deem necessary for a land clearance project or for its purposes under the Law. The acquisitions may include some or all of the property in the Area and may include any real or personal property or any interest therein, including fee simple absolute title, together with any improvements thereon.

The Authority will consider the acquisition of any or all of the properties identified in **Exhibit I – Land Acquisition Map.**

The Authority may also acquire and clear any property that is dilapidated and deteriorated to such a point that it is not feasible to be conserved and rehabilitated by demolishing structures within the Area as necessary or remove existing buildings, structures, streets, utilities or other improvements within the Area essential to the preparation of Area for development consistent with this Plan. The clearance of the Area will be undertaken in accordance with the provisions of the Law. The Authority may also hold, improve, clear or otherwise prepare the acquired property for redevelopment or urban renewal. In addition, where necessary, the Authority will acquire property within the Area for the purposes of land consolidation and public improvements.

In addition, the Authority may also make or have made all surveys, studies and plans necessary to the carrying out of the Plan, and in connection therewith may enter into or upon any land, building, or improvement thereon for such purposes and to make soundings, test borings, surveys, appraisals and other preliminary studies and investigations necessary to carry out its powers. The Authority may contract or cooperate with any and all persons or agencies, public or private, in the making and carrying out of the surveys, appraisals, studies and plans.

F. Rehabilitation of the Area.

The Authority may, from time to time, rehabilitate or repair existing buildings, structures or other facilities in the Area or undertake any rehabilitation or conservation work to eliminate conditions that qualify the Area under the Law. The Authority may also, from time to time, reconstruct and construct new public improvements throughout the Area.

In connection with the undertaking of the land clearance projects set out herein, the Authority may arrange or contract for the furnishing or repair, by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities or other facilities for or in connection with the land clearance projects, and may take any other actions as permitted under the Law as it deems necessary to fulfill the purposes of this Plan and Project.

G. Consolidation of Property and Disposal of Property.

As the Authority acquires property, the Authority will consider whether to sell, lease, transfer or otherwise make available to developers tracts of land for redevelopment. The Authority will facilitate the complete redevelopment of the Area to address the blighted or insanitary conditions currently existing. The Authority

will work with the City and use the means at its disposal to consolidate property in order to provide a catalyst for complete redevelopment and urban renewal of the Area.

Upon property assembly, the Authority may, from time to time, advertise for additional redevelopment proposals for specific redevelopment sites with the Area. Disposition of the property by the Authority will be in accordance with the provisions of the Law.

H. Leveraging Additional Funding for Redevelopment

The Authority will consider using any funding sources in order to eliminate the conditions that qualify the Area under the Law. To initiate the complete redevelopment of the Area, the Authority will consider development within the Area using any funding sources available. The Authority will work with the City to utilize provisions under the Law or other development or incentive programs to leverage additional funding for the redevelopment of the Area. Such sources may be public or private and may include additional economic development mechanisms and tools as allowed under local, State and Federal laws.

As regards the method of financing, the Plan will be financed through a combination of public and private financing methods, to be determined in greater detail as it is implemented. The Authority may make such expenditures as may be necessary to carry out the purposes of this Plan and Project or otherwise carry out the purposes of the Law, including but not limited to loaning the proceeds of bonds or temporary notes that may be hereinafter authorized to provide for the purchase, construction, extension and improvement of a project by a private or public developer pursuant to a development contract approved by the Authority.

I. Estimated Dates of Completion

The estimated time for completion of the foregoing Plan and Project is 10 years from the date of adoption of the Ordinance approving this Plan. Should the Authority determine that additional activities are required, this time frame may be extended.

J. Relocation Assistance

If any relocation is necessary due to the implementation of this Plan, relocation assistance will be provided per the Authority's relocation assistance plan as

adopted by the Authority from time to time. A feasible method will be provided for those requiring relocation, in compliance with Sections 523.200 - 523.215, RSMo and any applicable State statute or City that may apply.

K. Amendment of Plan

All of the laws of the State of Missouri respecting changes, modifications, or amendments of the Plan shall be complied with. The City Council may amend the Plan upon the recommendation of the Agency. If major changes or modifications to the Plan are necessary, the Agency shall hold a public hearing on the proposed amendment. The Agency may not amend the Plan without approval of the City Council.

APPENDIX

Exhibit A - Boundary Map
Exhibit B - Parcel Locator
Exhibit C - Existing Land Use Map
Exhibit D - Streets and Sidewalks
Exhibit E - Existing Conditions Map
Exhibit F - Reported Crimes Since 2008
Exhibit G - Code Violation Citations
Exhibit H - Parcels Exhibiting Blight Factors
Exhibit I - Land Acquisition Map

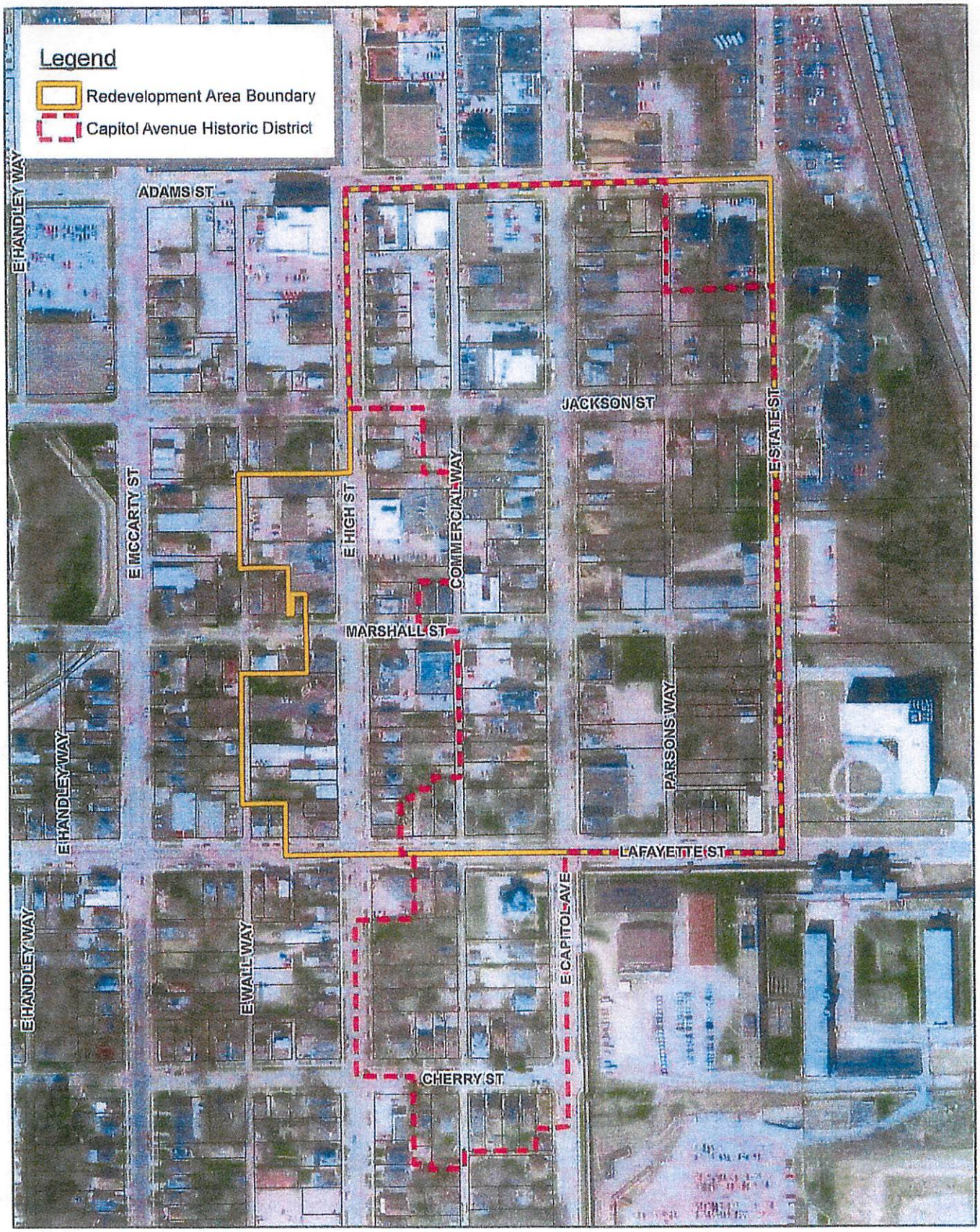

Exhibit A

Boundary Map

East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

June 2016

PGAV PLANNERS

0 75 150 300
Feet

Exhibit B

Parcel Locator Numbers

East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

June 2016

PGAV PLANNERS

0 62.5 125 250
Feet

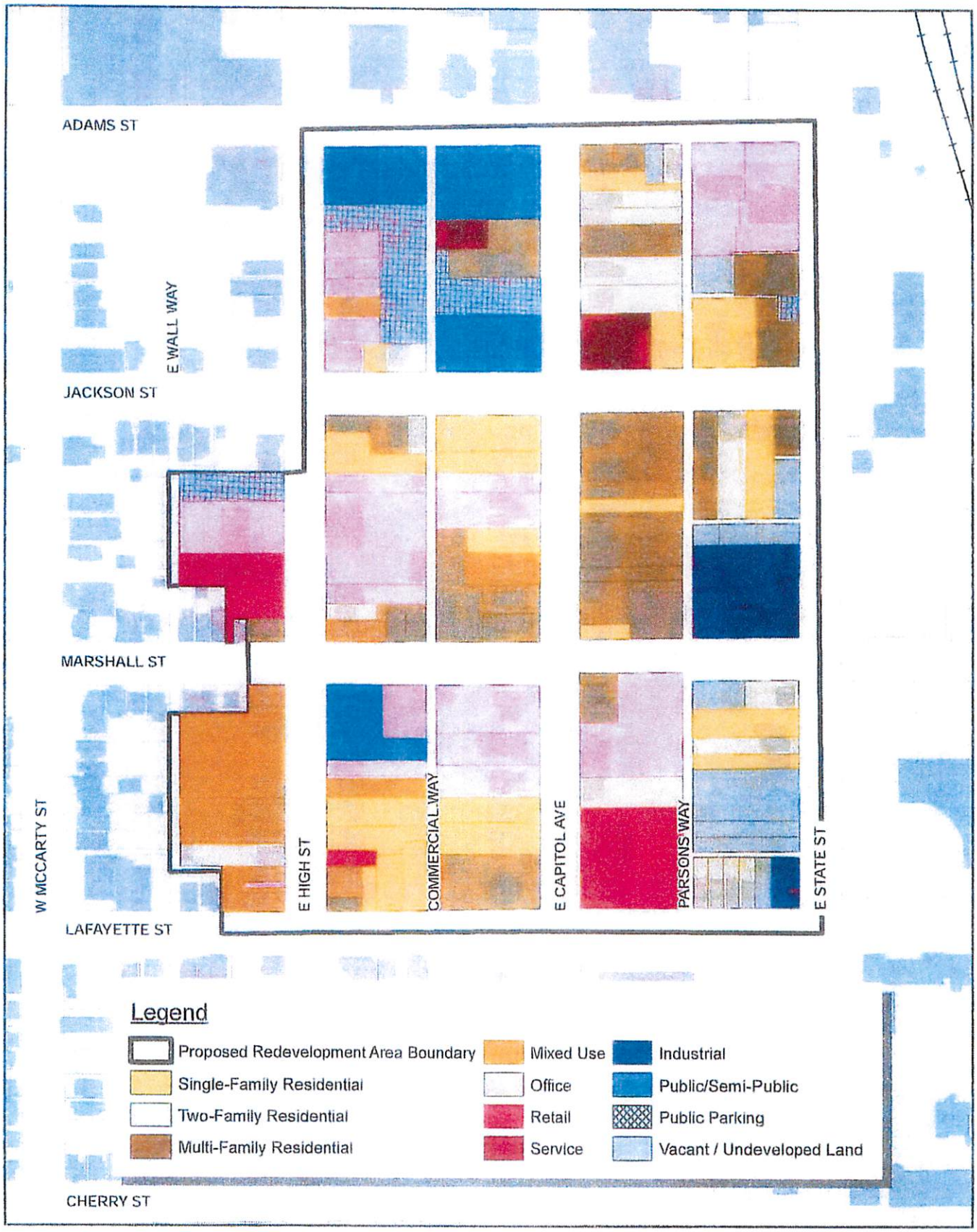

Exhibit C

Existing Land Use

East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

June 2016

PGAV PLANNERS

0 62.5 125 250
Feet

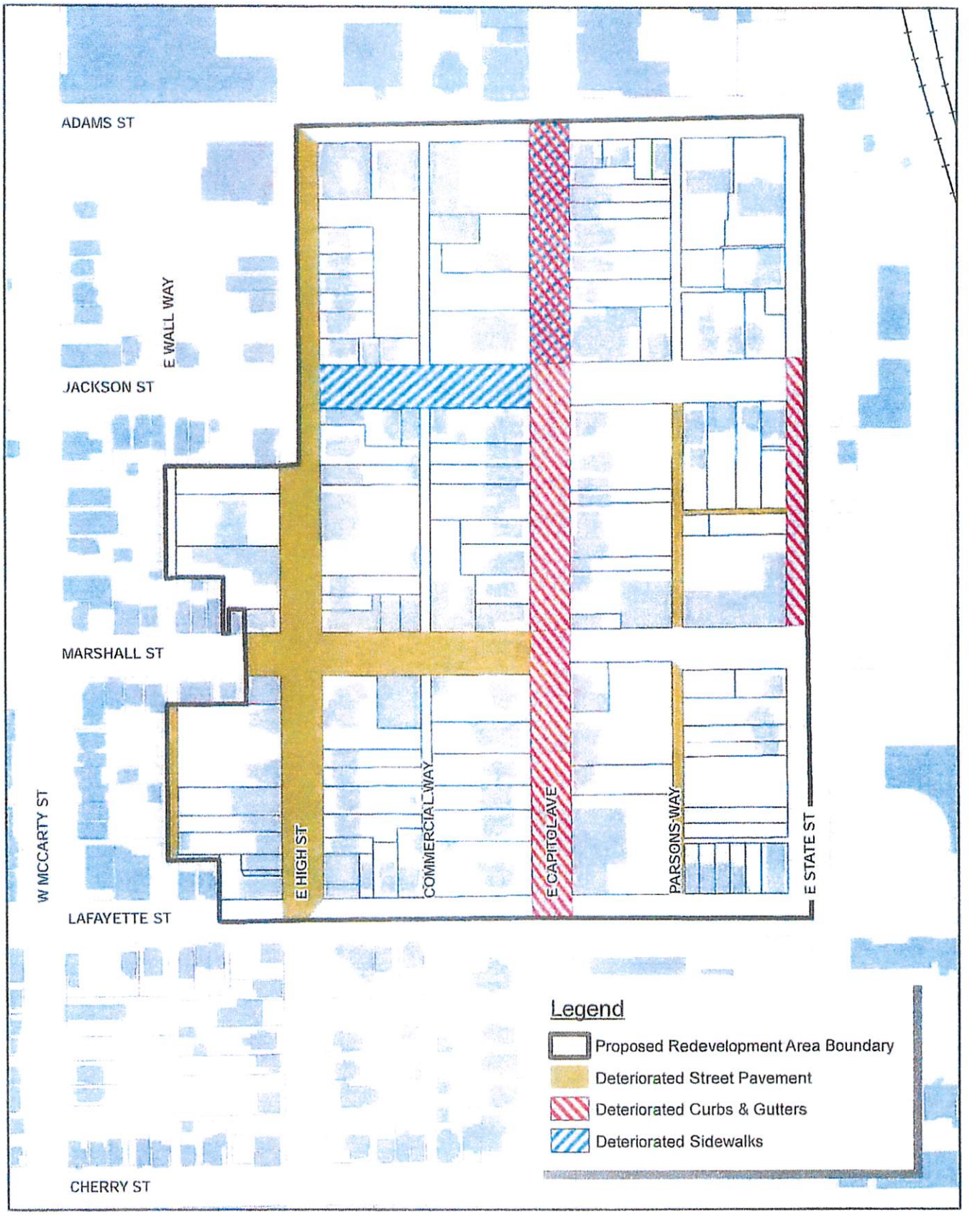

Exhibit 6

Existing Conditions - Streets and Sidewalks

East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

June 2016

PGAV PLANNERS

0 62.5 125 250
Feet

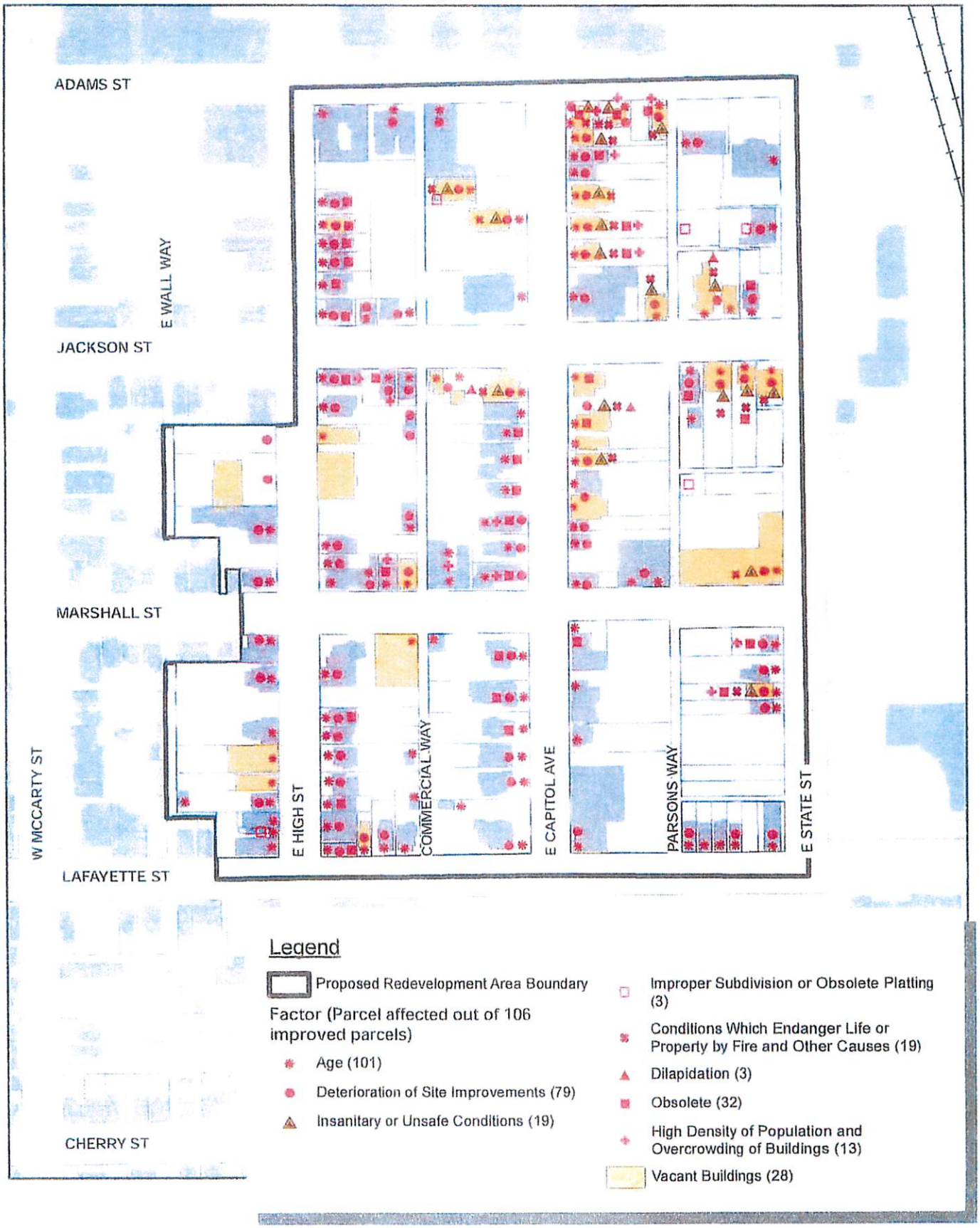

Exhibit E

Existing Conditions

East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

PGAV PLANNERS

June 2016

0 62.5 125 250
Feet

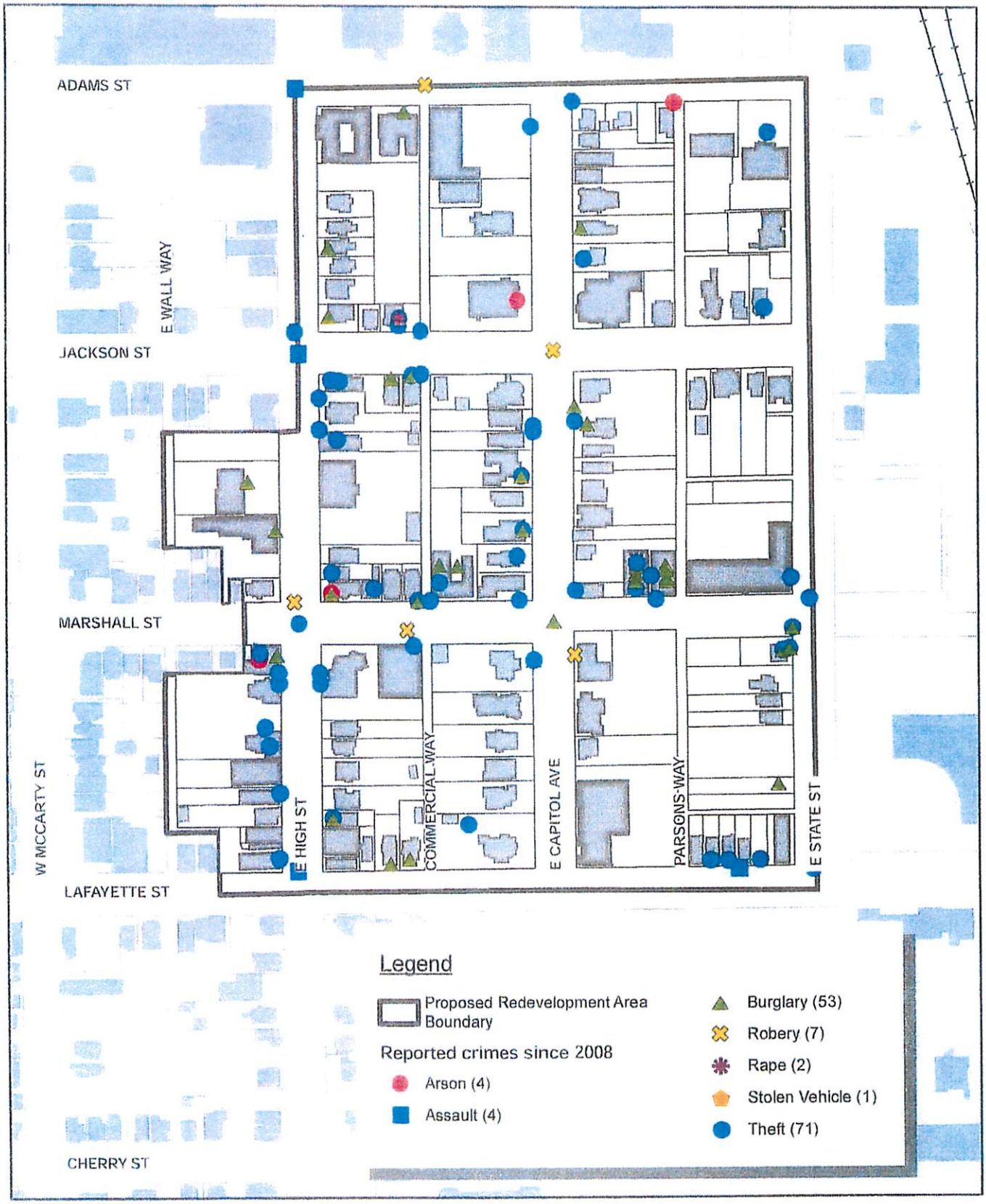

Exhibit F

Reported Crimes Since 2008

East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

PGAV PLANNERS

June 2016

0 62.5 125 250
Feet

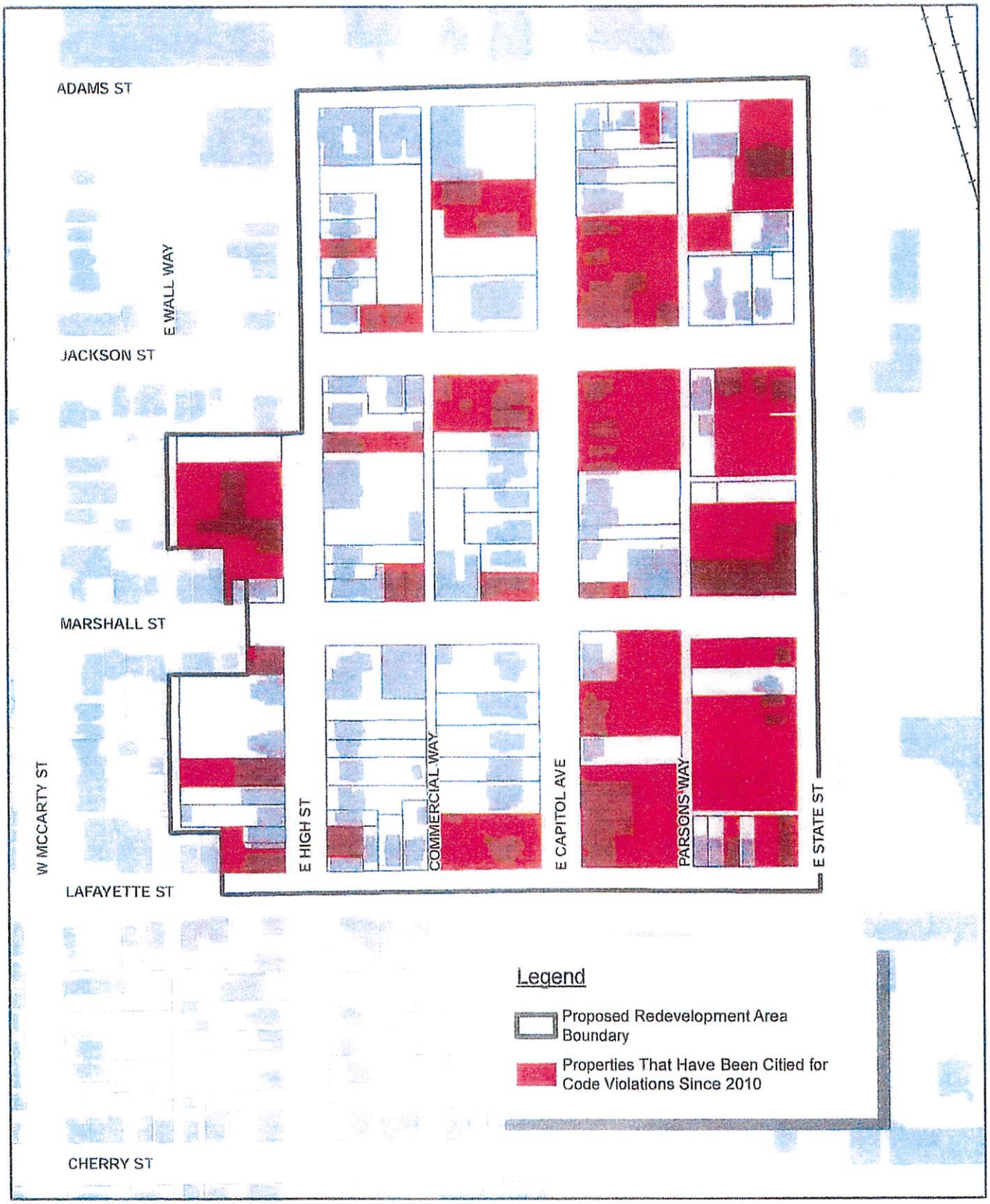

Exhibit G

Code Violation Citations

East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

PGAV PLANNERS

June 2016

0 62.5 125 250
Feet

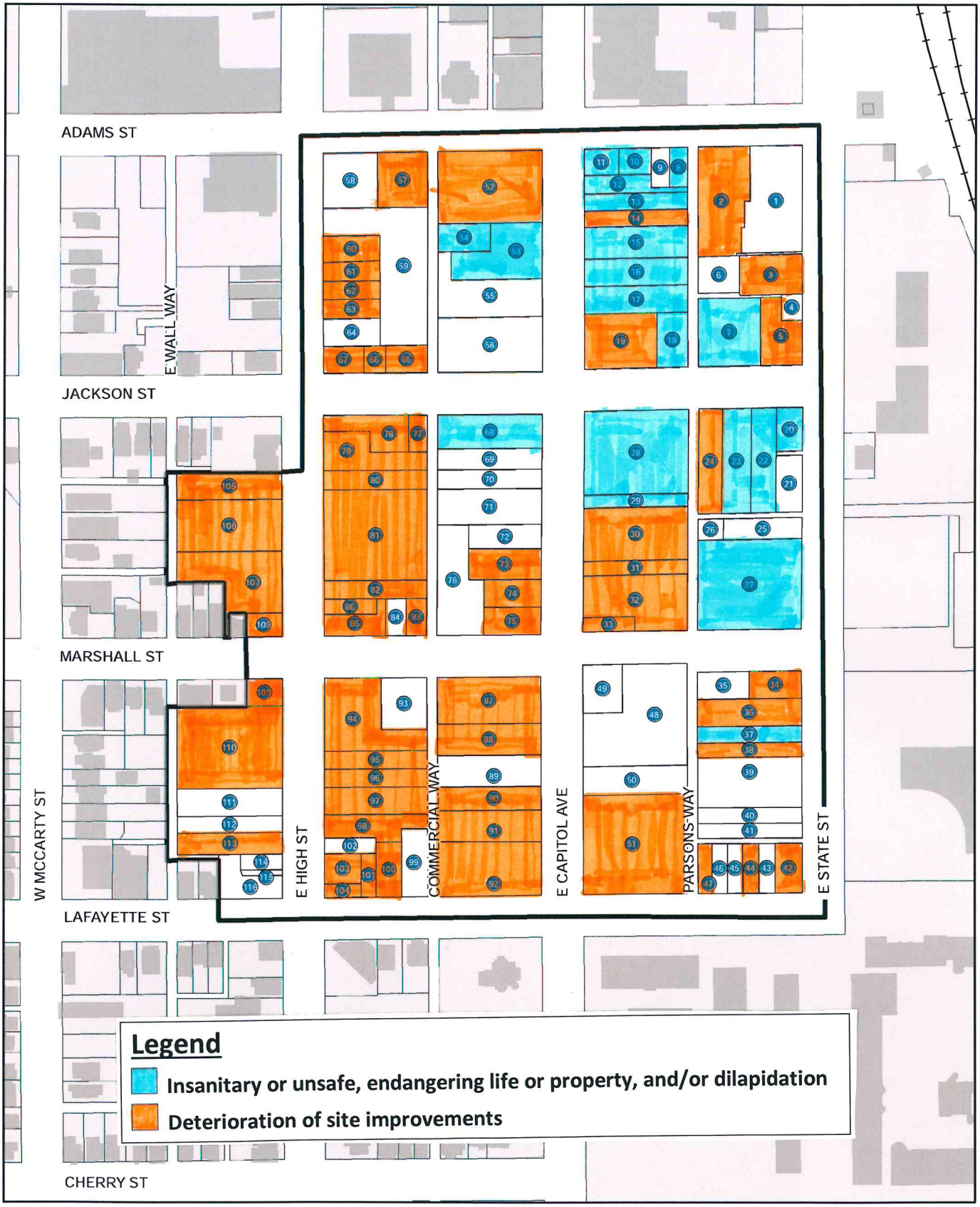

Exhibit H
Parcels Exhibiting Blight Factors
East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

0 62.5 125 250
Feet

Exhibit I
Land Acquisition Map
East Capitol Avenue Redevelopment Area
Jefferson City, Missouri

0 62.5 125 250
Feet