

FINDINGS OF NECESSITY REPORT



CITY OF
SAN LUIS
A R I Z O N A



Executive Summary

Introduction

The purpose of this report is to provide the determination for a Finding of Necessity pursuant to ARS §36-1473 for the establishment of a Redevelopment Area to address blighted conditions within the downtown San Luis, Arizona area. Blight includes visual conditions, as well as non-visual conditions, such as platting, title issues, and crime. This statute provides local governments the authority to designate a Redevelopment Area to revitalize it based on findings of blight conditions.

State Law requires a legislative determination by the municipality's governing body that, as a result of the presence of factors enumerated in the definition of "blighted area", the area is a detriment to the health and vitality of the community. Thus it requires the use of the municipality's redevelopment powers to correct those conditions or prevent their spread.

Arizona Revised Statutes ARS §36-1471 defines a blighted area as:

An area, other than a slum area, where sound municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following: a dominance of defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; diversity of ownership; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; improper or obsolete subdivision platting; and the existence of conditions that endanger life or property by fire and other causes.

A required first step in the establishment of a Redevelopment Area is a Finding of Necessity, adopted by the governing board of the municipality. There must be a confirmation the predominance of properties in a study area contains blighted conditions to allow a government to undertake the formation and adoption of a Redevelopment Area Plan. This is done to reverse these conditions and facilitate the revitalization and enhancement of a specific community area. This report provides a summary of the blight assessment and details the scope and extent of blight conditions within the proposed Downtown San Luis Redevelopment Area.

J2 Engineering and Environmental Design and Matrix Design Group were contracted by the City of San Luis to assess and evaluate blight conditions in the City's downtown area pursuant to the Arizona Revised Statutes listed above. Properties within the study area were visually assessed during an on-site field survey for the following blight factors:

- Unsanitary or unsafe conditions
- Deterioration of site or other improvements
- Conditions that endanger life or property
- Obsolete subdivision platting
- Inadequate street layout
- Faulty lot layout

This data was validated through an aerial survey using a combination of the 2019 aerial imagery provided on the Yuma County Assessor’s website and Google Maps. Other non-visual blight conditions were assessed, including crime. This information is provided to the San Luis City Council as evidence the downtown area includes enough properties showing blight conditions, constituting a predominance of blight, as outlined in state law, to invoke the need for a Redevelopment Area.

This Finding of Necessity report provides the documentation, statutory/field analysis results, and blight determination relative to the downtown San Luis area concluding work may begin on the formation of an RDA. Based on the conclusions of this Finding of Necessity Report, the Mayor and City Council may pursue the future development and implementation of a Redevelopment Area Plan, defining land uses, design elements, policies, and other actions and strategies facilitating reinvestment, revitalization, and sustainable growth in the downtown San Luis area.

Conclusion

According to the review of blighted areas in the downtown San Luis study area, this report recommends the City of San Luis should pursue a Redevelopment Area designation for the downtown San Luis area based on the high percentage of properties impacted by blighted conditions. This report recommends the San Luis City Council accept the blight designation for the area and establish a Redevelopment Area to revitalize and redevelop this important community area.

The following chapters of this report demonstrate a number of properties in the study area contain blight conditions, substantially in excess of the predominant (50%) measure in State Law. The San Luis study area contains 293 parcels, of which 201 parcels (68.6% of the total parcels) are considered blighted for at least one blight factor, as well as 72.2% of the total land area determined to be blighted. The most common blight factor in the study area is “Unsanitary or Unsafe Conditions”, representing 39.59% of all parcels and 47.54% of the total land area. Other major blight factors negatively affecting the study area are “Deterioration of Site (37.2% of parcels and 26.56% of the total land area) and “Parking on a Surface Other Than Asphalt or Concrete (36.8% of parcels and 47.1% of the total land area).



Chapter 1 Background and Community

Introduction

As an implementation recommendation of the San Luis 2040 General Plan, the City of San Luis is pursuing the establishment of a Redevelopment Area (RDA) and the adoption of a Redevelopment Area plan addressing economic and neighborhood decline in the downtown San Luis area.

The first step in establishing an RDA is the assessment of the level of blight within the downtown area based on this findings of necessity report. Arizona Revised Statue (ARS) §36-1473 defines two (2) specific findings of necessity that the governing body of a municipality must adopt to establish a Redevelopment Area. First, the governing board (city council) must find that one or more blighted areas exist in the community, and second, the governing board must find that redevelopment of the area is in the best interest of public health, safety, morals, or welfare. Blight includes visual conditions, such as deteriorated buildings, overgrown weeds, and graffiti, as well as non-visual conditions, such as lot access, parcel configuration, and a prevalence of crime. This report details the extent of blight conditions within the proposed Downtown San Luis Redevelopment Area.

Formal approval and adoption of a findings of necessity analysis and report is the required first step for a municipality to establish a Redevelopment Area. The following information is provided as evidence for the Mayor and City Council entailing the Study Area contains a dominance of blight.

Purpose

This report documents, assesses, and analyzes the level of blight conditions currently in the downtown San Luis area. The primary purpose of the report is to reach a conclusive determination regarding the need to establish a Redevelopment Area to reverse blighted conditions within the downtown San Luis area.

Arizona Revised Statutes §36-1471 grants redevelopment authority to Arizona municipalities with the intended purpose of fostering revitalization, reuse, and reinvestment in areas of communities experiencing decline due to effects of blight conditions. Municipalities generally uses redevelopment as a revitalization tool when conventional planning techniques are unable to address the oftentimes complex, unique, and multi-faceted nature of variables that cause decline in important areas of their communities.

Report Organization.

The blight assessment, findings, and final determination are presented in three (3) chapters, as detailed below.

Chapter 1 Overview and Background provides a summary of the general conditions of the downtown area, an overview of blight and its impacts, and an outline of the RDA process, economic development tools unique to redevelopment areas, as well as relevant community demographics, and existing plans and studies specific to downtown

Chapter 2 Assessment Results outlines the methodology utilized to assess the blight conditions in the downtown area, how the blight assessment was conducted, and documentation of the results of the field assessment of blight conditions in downtown San Luis. The chapter concludes with a determination regarding those blight conditions and the need to pursue an RDA designation.

Chapter 3 Conclusion and Next Steps summarizes the assessment conclusions and next steps for the City of San Luis.

Background

The downtown area is the heart and historic origin of San Luis, the focal point of community pride, past and present. Reflecting the importance of downtown San Luis to the community's identity, community discussions have focused on the need to revitalize the area to ensure its safety, stability, vitality, and attractiveness well into the future. Based on significant community input, the San Luis 2040 General Plan established goals, policies, and actions related to the assessment of blight conditions to enable the future adoption of an RDA and RDA plan ("Plan") to guide revitalization of this critical asset.

Many properties and buildings in the downtown area are well maintained; however, quite a few need attention and care. Once vibrant and active areas have declined over time to include concentrated areas of vacant property, deteriorating commercial buildings, under-performing businesses, and other visible elements of blight. Lack of parking and landscaping in some areas also creates irregular and visually unappealing residential and commercial streets. In some residential areas, blight conditions combine to undermine residents' sense of safety and, ultimately, to negatively impact community health, property values, financial investments, and tenancy rates. The decline of downtown residential and commercial areas has been sustained, significant, and measurable. This has signaled the need for focused community resources to be made available and for pointed actions to eliminate blight conditions and facilitate revitalization.

Study Area Boundaries

The Study Area boundary generally encompasses those properties north of the international border between the United States and Mexico, west of 4th Avenue, south of Caesar Chavez Boulevard, and east of the Main Canal. The Study Area comprises approximately 211.84 acres and 295 parcels.

Overview of Blight

To establish a Redevelopment Area Plan and utilize the significant economic development and revitalization tools provided by state law, a municipality must first demonstrate that a predominance of properties within the subject area exhibits conditions of blight, such as deteriorating buildings, graffiti, unscreened outdoor storage, junk, and other blight conditions. There are many conditions not related to blight that can and do impact the vitality of any area, such as economic conditions or population characteristics. However, because many blight conditions are visible, they generally have the most significant impact on an area in discouraging investment and growth and thwarting revitalization efforts and initiatives.

Blight:

Something that impairs growth, withers hope and ambition, or impedes progress and prosperity.

Definition of Blight - American Heritage Dictionary of the English Language, 4th edition.

State law establishes what property and building conditions constitute blight. Blight conditions within the Study Area were assessed pursuant to ARS §36-1471, which identifies nine (9) blight factors. The nine (9) blight factors include the following:

- **Dominance of defective or inadequate street layout** includes street layouts and roadways that are incapable or inadequate at handling traffic flow. Conditions include inaccessible parcels and / or confusing or unsafe traffic patterns.
- **Faulty lot layout** includes parcels that are either inadequate in size and / or shape, or properties that are inefficient in supporting appropriate use of land.
- **Unsanitary or unsafe conditions** include environments that may be harmful to human health and safety. Conditions include uncontrolled solid waste, evidence of homelessness, excessive animal droppings, and storage of items with little or no economic value other than salvage.
- **Deterioration of site or other improvements** includes physical property conditions that detract from the overall appearance. Conditions include general deterioration from age and weathering, unmaintained property, and major repairs unattended.
- **Diversity of ownership** includes buildings that are split between two or more parcels with different property owners, making it difficult to redevelop structures.
- **Tax or special assessment delinquency** exceeding the fair value of the land includes any financial burdens linked to the property.
- **Defective or unusual conditions of title** includes any conditions granted in a title that may make the property unmarketable or difficult to redevelop.
- **Obsolete subdivision platting** includes areas that are poorly subdivided, making proper development difficult. Conditions include unproductive and / or inaccessible parcels.

- **Conditions that endanger life or property** includes properties that contain conditions that pose threats to life or properties by fire, contamination, or other causes. Conditions include vacant buildings, excessive junk, blocked entrances, code violations, structural damage, and higher than normal crime rates.

All factors are not required to be assessed. “Diversity of Ownership”, “Tax or special assessment delinquency” and “defective or unusual conditions of title” were not assessed. As documented in later in this report, a predominance of blight conditions is identified in the redevelopment area and the omitted factors are not necessary for the San Luis City Council to designate a redevelopment area.

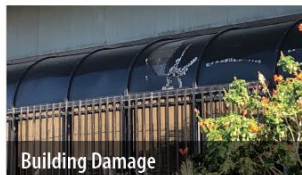
(Refer to Chapters 2 and 3 of this report for more detailed information pertaining to the determination of blight, field-verified blight conditions in the Study Area, and regulations related to the processes and requirements of establishing a Redevelopment Area Plan.)

Impacts of Blight

Blight conditions, ranging from abandoned or vacant properties to debris and graffiti, have a multitude of negative impacts on quality of life. These conditions diminish property values across a large area and compromise the health, safety, and welfare of residents and businesses. Over the long-term, deterioration and blight contribute to a neighborhood’s instability and result in decreased private investment and concomitant loss in tax revenue that supports community services. The outcome is often a cycle of decline with long-lasting impacts. Examples of blighted conditions are shown below.



Inoperable Cars



Building Damage



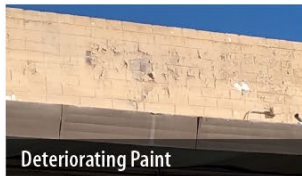
Unpaved Driveway



Fence Damage



Graffiti



Deteriorating Paint



Overgrown Weeds



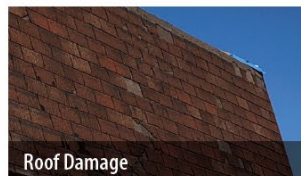
Vacant Building



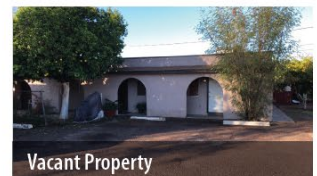
Trash/Debris



Damaged/Incomplete Sidewalks



Roof Damage



Vacant Property

Statutory Authority

This report constitutes the first component of a deliberate, City-initiated process to establish the proposed Downtown Redevelopment Area with a designated central business district and to create and adopt a Downtown RDA plan to guide revitalization. Arizona Revised Statutes Title §36 grants municipalities the authority to designate RDAs in areas of communities impacted by significant blight

conditions. This assessment reveals blight conditions impact more than a predominance of properties in the Study Area.

Arizona Revised Statutes ARS §36-1471 defines a "blighted area as:

An area, other than a slum area, where sound municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following: a dominance of defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; diversity of ownership; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; improper or obsolete subdivision platting; and the existence of conditions that endanger life or property by fire and other causes.

Provided in this report is a summary of the blight assessment and details of the scope and extent of blight conditions within the proposed Downtown San Luis Redevelopment Area. A Finding of Necessity, as outlined in ARS §36-1473, is a required first step a municipality must approve and adopt before establishing an RDA. A Finding of Necessity is required to confirm a predominance of properties in a study area contain blighted conditions and therefore a municipality may proceed with the formation and adoption of a Redevelopment Area Plan to reverse blight conditions and facilitate revitalization and enhancement of a specific community area.

The finding of blight is a legislative determination by the municipality's governing body that, as a result of the presence of factors enumerated in the definition of "blighted area," the area is a detriment to the health and vitality of the community requiring the use of the municipality's redevelopment powers to correct those conditions or prevent their spread. In some cases, the factors enumerated in the definition are symptoms of decay, while at other times they are the cause of the problems. This report examines these factors to determine whether the factors indicate a deterioration that threatens the entirety of the community.

Arizona Revised Statutes §36-1473 requires municipalities to conduct and adopt a Finding of Necessity study prior to creating an RDA. This ARS states:

- A. *A municipality shall not exercise any of the powers conferred on municipalities by this article until its local governing body adopts a resolution by a two-thirds vote finding both of the following:*
 - 1. *One or more slum or blighted areas exist in the municipality.*
 - 2. *The redevelopment of that area, or areas, is necessary in the interest of the public health, safety, morals, or welfare of the residents of the municipality.*

This report provides the documentation, statutory/field analysis results, and the blight determination relative to the downtown San Luis area concluding a predominance of properties in downtown San Luis contain blight conditions; therefore work may begin on the formation of the RDA. Based on the conclusions of this Finding of Necessity Report, the Mayor and City Council may pursue the future development and implementation of a Redevelopment Area Plan, defining land uses, design elements,

policies, and other actions and strategies facilitating reinvestment, revitalization, and sustainable growth in the downtown San Luis area and establish a central business district.

Economic and Infrastructure Development Tools

The economic and infrastructure development tools available to Arizona cities for redevelopment purposes include federal and state tax abatement programs and are summarized below.

Government Property Lease Excise Tax Program (GPLET)

One of Arizona's available redevelopment tools is the GPLET program. The goal of the program is to help reduce the operating cost of a redevelopment project by replacing real property tax with an excise tax. The program can be used for up to eight (8) years but requires the land and buildings be transferred to a government entity and leased back for private use. GPLET excise taxes are computed on a per-square-foot basis and relative to use type. GPLETs are available only for those properties that are within designated redevelopment areas and the community's designated central business district.

Opportunity Zones

An important federal program that has been used recently by other municipalities to spur redevelopment investment is the Opportunity Zones Program. The Tax Cuts and Jobs Act passed that was enacted into law on December 22, 2017, added Opportunity Zones (OZ) to the tax code. These zones were created to spur economic development by providing tax benefits to private investors who invest new capital in new development, redevelopment and businesses operating one or more OZ. The Opportunity Zones for San Luis were established in 2018, generally focused on the downtown area and the area north of downtown.

The Opportunity Zone Program allows investors in specified census tracts to receive preferential tax treatment. Opportunity Zones are economically distressed portions of a community where new investment, under guided conditions, may be eligible for preferential tax incentives. Opportunity Zone Census Tracts are nominated by the Governor of each state and then certified by the U.S. Treasury Department.

The Opportunity Zone designation, combined with the adoption of the RDA and RDA plan creates a highly favorable investment climate for downtown San Luis. The net return on investment results vary by state, but in general, Opportunity Zone investments are typically projected to be 30% higher than traditional investments.

Community Demographics

The demographic characteristics of an area can significantly impact the presence of blight in a specific area. An analysis of demographic information establishes the baseline character of an area and provides context to the study. Demographic conditions such as poverty, unemployment, and housing tenure (own versus rent) can increase blight conditions within an area.

The key demographic indicators used in this comparison are detailed below. They include median age, high school attainment, median household income, population below the poverty line, median home value,

housing tenure, and cost-burdened population. Data utilized for this comparison was obtained from the 2013-2017 American Community Survey 5-Year Estimates and calculated using an average of the twenty-seven overlapping census tracts. This demographic analysis compares the downtown area with the larger planning area for San Luis and the six jurisdictions of:

- City of Yuma
- City of Somerton
- City of Nogales
- Yuma County
- City of Douglas

Demographic Data and Comparison Analysis

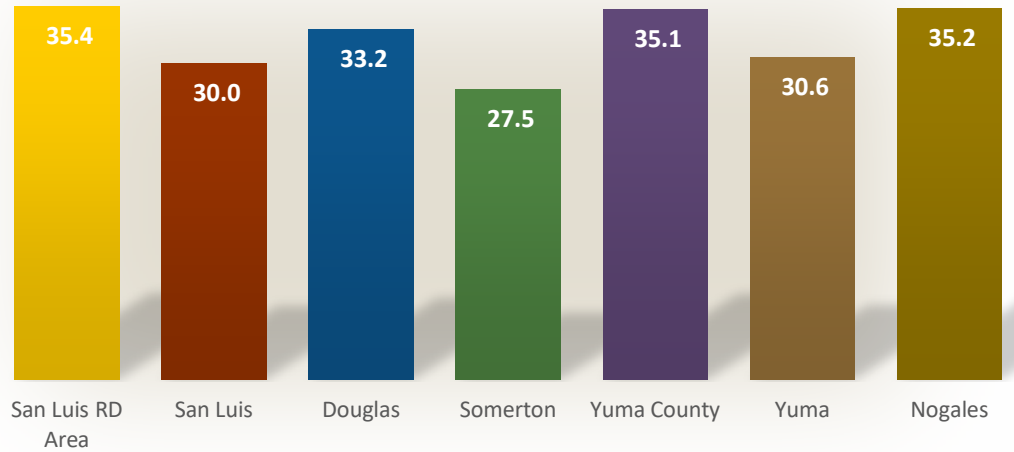
The comparative demographic analysis of the downtown area to the previously listed cities and counties is provided below.

MEDIAN AGE

Median age is the age at the midpoint of the population. Half the population is older than the median age and half of the population is younger. The median age within the downtown San Luis area is 35 years old, 5 years older than the larger San Luis community. The downtown San Luis area shares the median age of 35 years old with Yuma County and Douglas, all leading other comparison cities by 5 years except for the City of Douglas at 33 years.

By way of comparison, in 2018, the median age of the population of the United States was 38.4 years, slightly older than the 35.4-year median age of the Study Area. The City of San Luis is reflecting current national trends toward an aging population, as more and more baby boomers retire. The aging population in the United States means society is going to have to find a way to adapt to the larger numbers of an aging society. An older population will have significant impacts on numerous communities. Changes in Social Security, employment, and the age of retirement will have to adapt if the population continues to age along this trend line.

Median Age

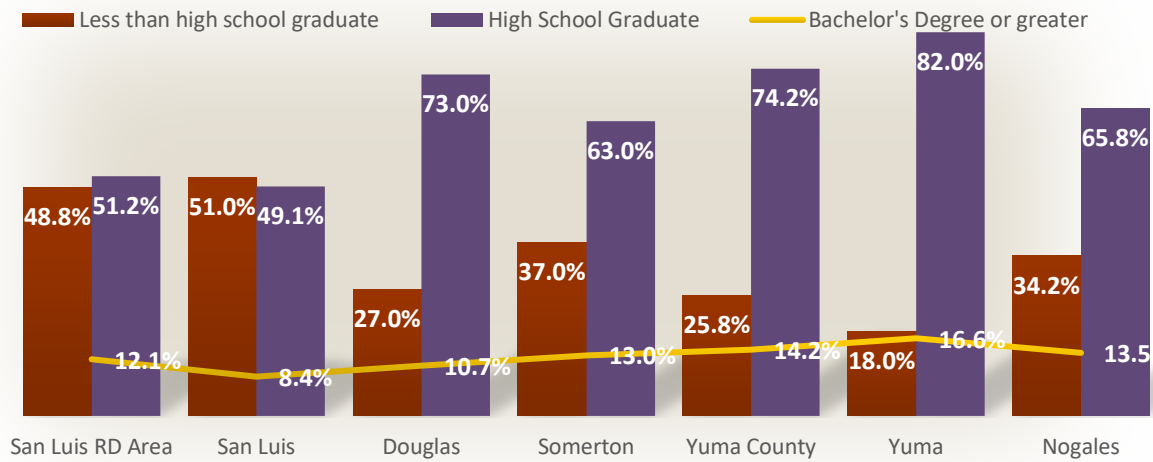


EDUCATIONAL ATTAINMENT (AGE 25 AND OLDER)

Educational Attainment refers to the percentage of the population over 25 years old and older who have received less than a high school diploma, attainment of their high school diploma or equivalent education certification, and that of the population with a bachelor's degree or greater. Educational attainment is described as the highest level of education an individual has completed. This is distinct from the level of schooling an individual is currently attending.

The downtown San Luis area has nearly the highest percentage of the population not attaining a high school diploma when compared to other cities in this analysis. The City of Yuma has the highest percentage of its population with a bachelor's degree or greater at 80%, and the highest percentage of its population attaining high school graduation at 18%. By way of comparison, 50% of the population in the downtown San Luis area has attained a High School diploma, showing 11% of the population.

Educational Attainment (Age 25 and Older)

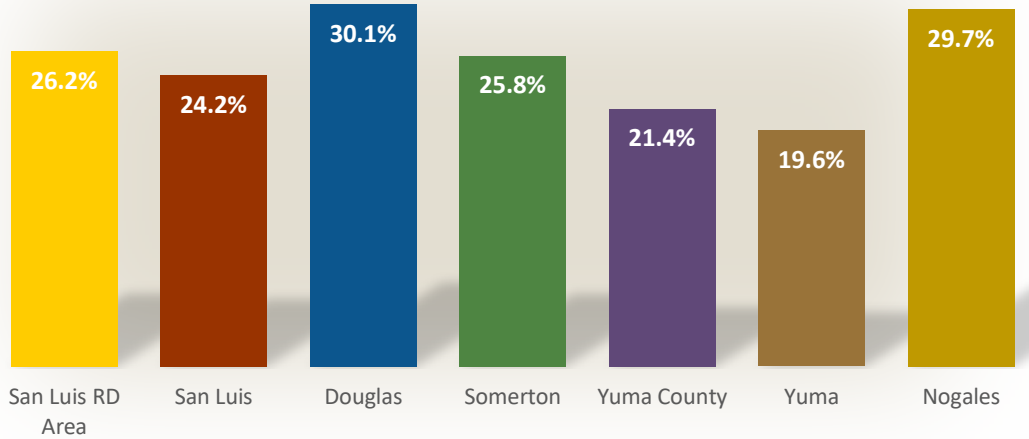


POPULATION BELOW POVERTY LINE

Following the Office of Management and Budget's (OMB) Statistical Policy Directive 14, the Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is poverty-stricken. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty. The official poverty thresholds do not vary geographically, but they are updated for inflation using the Consumer Price Index (CPI-U). The official poverty definition uses money income before taxes and does not include capital gains or noncash benefits (such as public housing, Medicaid, and food stamps).

In this comparison, Douglas and Nogales have higher rates of Population Below the Poverty Line at 30.1% and 29.7% respectively. The City of Yuma and Yuma County had the smallest percentages out of the comparison group at 19.6% and 21.4%. The downtown San Luis area, larger City-wide numbers, and Somerton area formed the midpoint group, all around the 25% mark. Nationally, Population Below the Poverty Line was 9.2% in 2019, significantly lower than all comparison jurisdictions within this section. The closest jurisdictions to the national percentage of the population below the poverty line are the City of Yuma and Yuma County, both nearly double the percentage. San Luis and Somerton are almost three times larger than the national percentage.

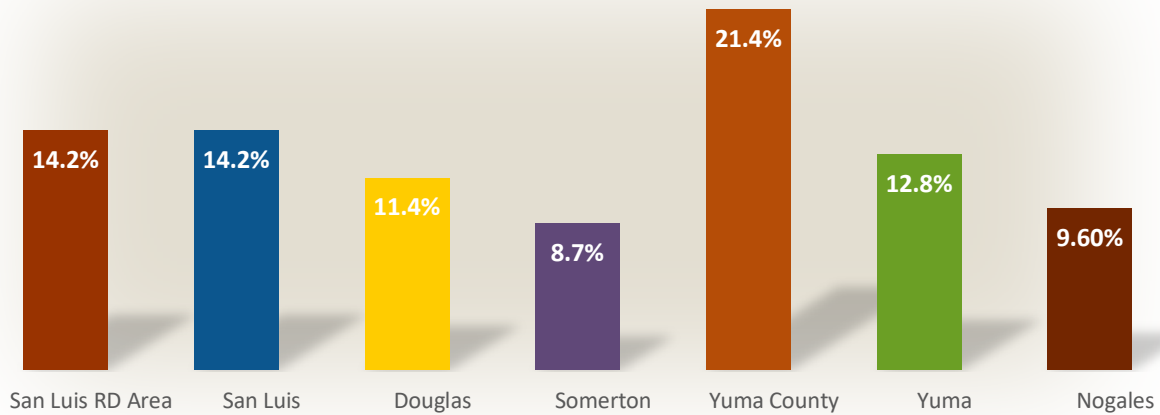
Population Below the Poverty Line



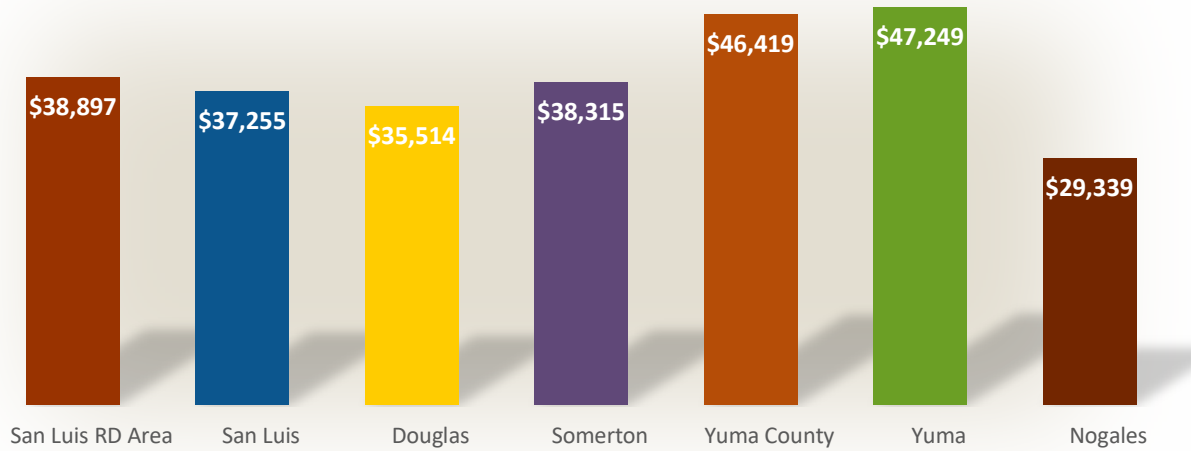
UNEMPLOYMENT RATE

The Unemployment Rate represents the number of unemployed people as a percentage of the civilian labor force. The comparison jurisdictions, including San Luis, range in unemployed percentages from 20-30%. The downtown San Luis area and the larger San Luis communities have similar unemployment rates, at 26.2% and 24.2%. The current unemployment rate for Arizona (at the time of this study, September 2021) is 5.7%, and the national unemployment rate is 4.8%. All Study Area jurisdictions have significantly higher unemployment rates nationally than with the State of Arizona.

Unemployment Rate



Median Household Income



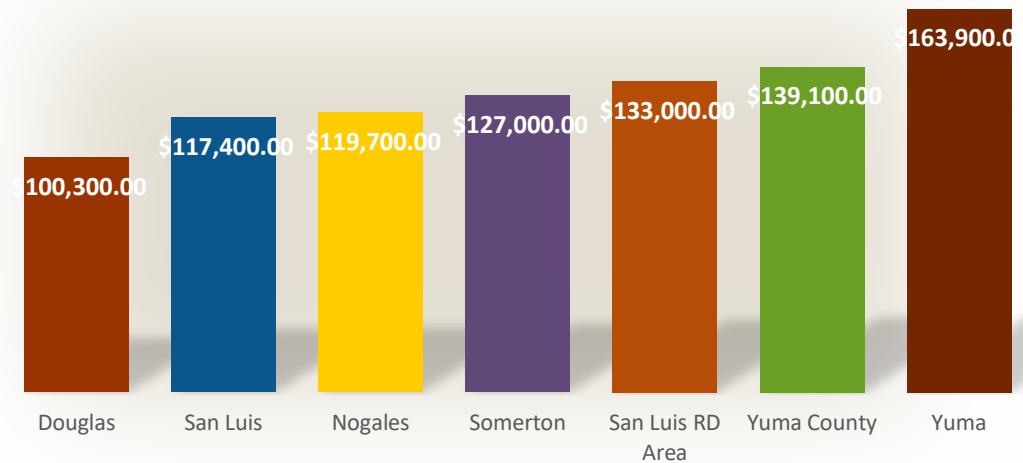
MEDIAN HOUSEHOLD INCOME

The median household income is the amount that divides the income distribution into two equal groups, half having incomes above the median, and half having incomes below the median. The median household income includes the income for all individuals which reside in a single household. The City of Yuma and Yuma County are the highest of all the comparison jurisdictions with Median Household Income over \$45,000. San Luis, the downtown San Luis, Douglas, and Somerton all have similar Median Household Incomes between \$35,000 and \$40,000. Nogales has the lowest Median Household Income below \$30,000. All comparison communities used here are significantly below the national Median Home Income of \$62,843.

MEDIAN HOME VALUE

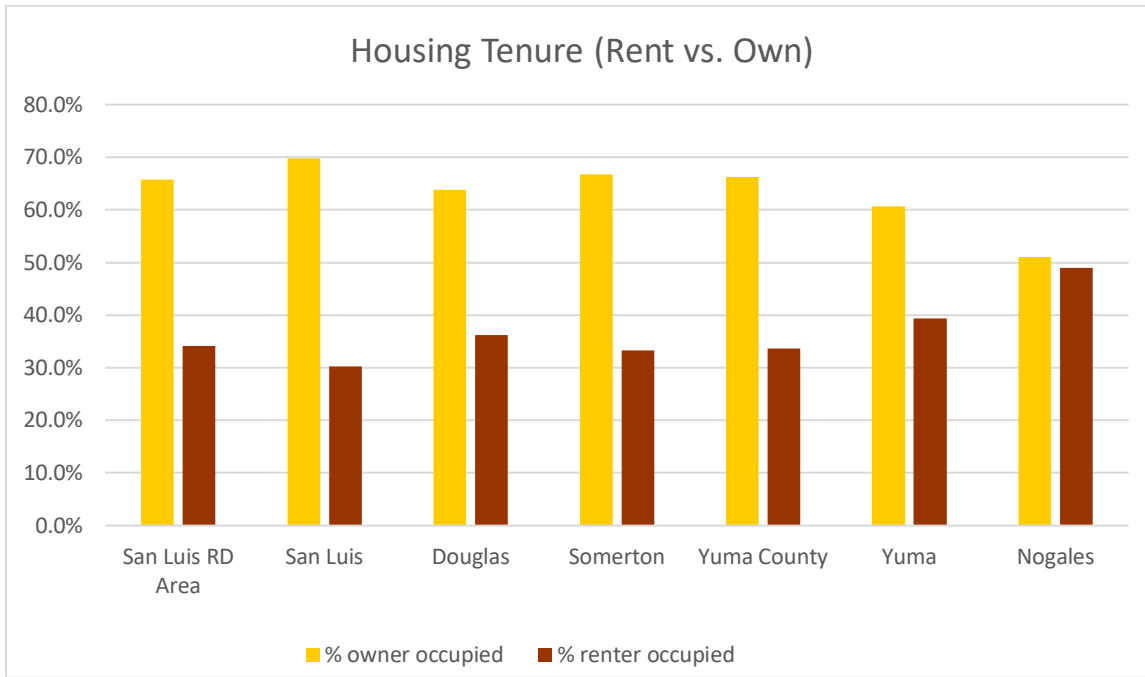
The median home value divides the value distribution into two equal parts: one-half of the cases falling below the median value of the property (house and lot) and one-half above the median. Median value calculations are rounded to the nearest hundred dollars. The downtown San Luis area exceeds the Median Home Value for greater San Luis. The national Median Home Value in 2015-2019 was \$217,500, significantly higher than the highest comparison jurisdiction by \$57,500.

Median Home Value



HOUSING TENURE

Housing Tenure refers to the amount of owner-occupied and renter-occupied housing units in the Study Area. A housing unit is owner-occupied if the owner, or co-owner, lives in the unit, even if it is mortgaged, or not fully paid for. A cooperative or condominium unit is "owner-occupied" only if the owner or co-owner lives in it. A housing unit is occupied if a person or group of persons is living in it at the time of the census or survey or if the occupants are only temporarily absent, for example, on vacation. Combined with other factors, lower homeownership and higher renter-occupied homes often correlates with economic challenges in an area. The City of San Luis has the largest percentage of owner-occupied units and the smallest percentage of renter-occupied units. Downtown San Luis, Somerton, the City of Yuma, and Yuma County have similar owner-occupied and renter-occupied percentages. The City of Nogales has nearly an even split between owner-occupied and rental-occupied units.



HOUSING AFFORDABILITY

San Luis RD Cost Burdened Households	
Less than 20%	35.5%
20%-30%	29.4%
30%-35%	9.1%

San Luis Monthly Owner Costs as a Percent of Household Income
 Source: 2017 American Community Survey 5-Year Estimates

Comparing median household income to home values in the city helps measure housing affordability. The above figure lists the percentage of income that homeowners in San Luis spend on housing. Homeowners are considered “cost-burdened” when they spend more than 30% of their income on housing costs, including mortgages. Additionally, homeowners are considered “very cost-burdened” when they spend 35% or more on housing costs. In 2017, 11.8% of homeowners in San Luis were cost-burdened and 33.2% were very cost-burdened. These numbers indicate almost half of all homeowners in San Luis are cost-burdened at some level.

Relationship to Existing Plans

Several existing plans support the community's vision for downtown San Luis. This vision, as well as the existing plans' stated goals will influence the RDA plan and help guide revitalization efforts. The San Luis 2040 General Plan, in particular, makes several specific recommendations regarding the revitalization of this important community core area, including the formal designation of the downtown as a Redevelopment Area and creation of a comprehensive RDA plan. The 2040 General Plan, local transportation plans and studies, and relevant regional plans are presented below as part of the broader planning framework supporting revitalization and the City's future vitality.

San Luis 2040 General Plan

Downtown San Luis has historically been the cultural center of the community. As the City has grown and expanded, most new development has occurred in high-growth areas to the north and east of the city center. The Downtown area has experienced very little new development over time resulting in its revitalization and redevelopment being a key component of initiatives for economic enhancement identified in the San Luis 2040 General Plan. More specifically, the General Plan contains the following goals and policies that support the development and adoption of Redevelopment Area and RDA plan:

- Policy E-10.1 Explore opportunities to establish a redevelopment area within the downtown area
- Policy E-10.2 Develop a downtown master plan that provides a vision for downtown redevelopment. The Downtown Master Plan should:
 - Conduct a development suitability assessment for the downtown area
 - Identify target areas for redevelopment
 - Prioritize infrastructure improvements that facilitate development
 - Provide strategies for redevelopment
 - Identify funding mechanisms to implement the Master Plan
- Policy E-10.3 Ensure downtown San Luis is a focus area in future planning initiatives, including the Parks and Recreation Master Plan, Transportation Master Plan, and Active Transportation Master Plan.
- Policy E-10.4 Establish a Downtown Reinvestment District to help fund future infrastructure and beautification projects
- Policy E-10.5 Conduct a market feasibility study for downtown San Luis
- Policy E-10.6 Foster strong relationships and partnerships with community organizations in revitalizing downtown
- Policy G-1.2 Encourage land uses that would contribute to the revitalization and redevelopment of the downtown area

- Policy G-8.2 The City of San Luis should evaluate the projects and programs in its Capital Improvements Program based on their location in relation to the City’s designated growth areas.

- Downtown Growth Area

The Downtown Growth Area covers the historic original townsite for the city at the international border crossing at San Luis I Port-of-Entry and is the cultural and historic heart of San Luis. This area is characterized as a compact lot, main-street scale development comprised of a mixture of uses including retail, financial, medical, office, civic, education, restaurants, and entertainment uses.

The overall growth objective for this area is to support revitalization and redevelopment of the area and infill development in a manner that advances the land use, economic development, and growth policies of this plan. This area is intended to be enhanced as a vibrant, walkable, mixed-use community hub, attracting people for shopping, work, recreation, and socializing. The Downtown Growth Area is intended to accommodate higher density/intensity land uses and be comprised of a complementary balance and mixture of uses contributing to a complete community focal area. The Downtown Growth Area is intended to be a unique blend of housing, shopping, and entertainment. – San Luis 2040 General Plan

City of San Luis Small Area Transportation Study

The purpose of this study was to inventory the existing conditions and characteristics of the roadway network in San Luis and to identify potential areas of improvement. The Study promotes a “Complete Streets” approach to the future development of multimodal facilities and suggests San Luis is ideal for walking and bicycling due to its small geographic area and the large volume of pedestrians and bicyclists crossing the U.S.-Mexico border on a daily basis. The Study makes the following general recommendations for bicycle and pedestrian facilities:

- Improved crosswalks
- Pedestrian signals at major intersections
- Improved curb cuts at crosswalk locations
- Pedestrian amenities such as landscaping for shade
- “Bulb outs” or pedestrian refuge areas in appropriate locations
- Pedestrian crossing between Main Street and 1st Avenue
- Bicycle lanes on Main Street and Juan Sanchez Boulevard
- Other low-volume, low-speed roadways as shared vehicle-bicycle facilities

ADOT Binational San Luis Transportation Study, 2013

The ADOT Binational San Luis Transportation Study (BSLTS), 2013, was a joint effort by the City of San Luis, Ciudad de San Luis Rio Colorado, and the Arizona Department of Transportation (ADOT). The primary goal was to prepare a long-range multimodal transportation plan that addresses the most critical current and future transportation issues for the cities of San Luis, Arizona, and San Luis Rio Colorado, Sonora, Mexico. The Study focused on updating the San Luis Small Area Transportation Study to provide

an integrated transportation plan specifically addressing travel demands for all modes of travel to reflect changes in population and the economic interdependency of the two cities, the resurgence of the maquiladora industry, the opening of San Luis Commercial Point of Entry II, and changes to future land uses considered in the San Luis 2040 General Plan. The ADOT Binational San Luis Transportation Study objectives included:

- Enhance the mobility and connectivity of the transportation system at the international, regional, and local levels
- Address pedestrian and bicycle needs
- Determine the viability of current and planned bicycle and pedestrian infrastructure
- Enhance connectivity between modes of travel: vehicular, transit, bicycle and pedestrian
- Identify funding sources and strategies
- Enhance communication with the advisory committee and the public

The BSLTS focused on students, employees, and recreational users of the international border crossing and identified the need for sidewalk connectivity and bicycle lanes, as well as other facilities near and surrounding the “core activity area”. The BSLTS identified examples of unsafe pedestrian crossings and low-cost intersection improvements involving restriping pedestrian crosswalks. Three (3) key, short-term recommendations relating to bicycle and pedestrian facilities are highlighted:

- Conduct a study to address pedestrian safety and mobility throughout the city. Potential improvements could include pedestrian signal crossing locations and devices and/or pedestrian refuge islands
- Conduct a study to review and research bicycle users' travel patterns
- Review and research pedestrian and bicycle amenities specific to the needs of San Luis Rio Colorado

Yuma Metropolitan Planning Organization (YMPO) - Regional Transportation Plan (RTP)

The Yuma Metropolitan Planning Organization (YMPO) is a nonprofit metropolitan planning organization for the Yuma region. YMPO develops and implements the Regional Transportation Plan (RTP) with the overarching goal of developing a multimodal transportation system in the organization’s service area. Jurisdictions that makeup YMPO are the City of Yuma, Yuma County, the Cocopah Indian Tribe, the Town of Wellton, the Quechan Indian Tribe, the cities of San Luis, Somerton, and the Arizona Department of Transportation (ADOT). The RTP is a coordinated system of capital-intensive roadways projects, transit improvements, and pedestrian/bicycle facilities needed through 2041. The core mission of the RTP is to minimize impacts to society and the environment while providing for enough capacity and transportation choices to ensure the region’s economy continues to grow.

YMPO 2018-2041 Regional Transportation Plan

The 2018-2041 Regional Transportation Plan applicable to the City of San Luis provides the following:

City of San Luis – Over two million pedestrians annually cross the U.S./Mexico border at San Luis POE I, giving the downtown area of the City of San Luis the highest level of pedestrian activity in the region. In 2015, the San Luis Street improvement project was completed, which included pedestrian improvements. The project included rerouting San Luis POE traffic away from the busy business district, which has significant pedestrian and bicycle traffic. POE traffic was moved to two local roads that were converted to one-way streets to relieve some of the traffic congestion and enhance safety.

By rerouting vehicle traffic from the San Luis POE away from Main Street, access to businesses along Main Street was improved to better accommodate pedestrians and bicyclists. It also allowed for additional parking, benches, new pavement, pavement striping, and landscaping.

ADOT installed the first pedestrian-activated signalized crosswalk in Yuma County, located at the intersection of US 95 (Main Street) and Urtuzuastegui Street. This special type of traffic light, known as the Pedestrian Hybrid Beacon, is a system of indicator lights and signs that controls vehicle traffic to assist pedestrians in safely crossing a major street or highway at a marked crosswalk that does not have a standard traffic signal.

Chapter 2 DETERMINATION OF BLIGHT

Within this chapter the determination of blight will be looked at in the following ways:


- Blight Assessment Methodology
- Blight Assessment Results and analysis
- Blight Determination for the downtown San Luis Area

Blight Assessment Methodology


The process of assessing blight in the Downtown San Luis area was programmatically divided into steps to thoroughly analyze blight conditions for this Finding of Necessity. The first step in assessment was the review 2020 imagery provided by the Yuma County Assessor’s website and Google Maps. This aerial survey allowed for examination of portions of properties that were inaccessible from an on-site field

**Downtown San Luis
Blight Assessment**

APN: 77537192



Site Address: 766 N MESA ST
 Description: Commercial
 Lot Size: 5750 sq ft
Blighted parcel



[Assessment](#)

General

Assessed On: 6/28/2021 12:00:00AM For Sale or Lease: No
 Vacant: No

Blight Factors



Unsanitary or Unsafe Conditions: Yes - Deteriorating or damaged Building(s) and/or Structure(s), Excessive Outdoor Storage, Inadequate on-site parking to serve the use, Interior furniture in exterior areas of property

Deterioration of Site or Other Improvements: No

Conditions that Endanger Life or Property: No

Slum Conditions: No

[Photos](#)

survey and assisted in the development of the Downtown San Luis RDA boundary. This boundary was established based on areas that appeared to have blight conditions and needed improvement within downtown San Luis and the areas surrounding downtown. The on-site field survey of the entire Redevelopment Area was conducted between June 28 and 29th, 2021. The field survey team used the Fulcrum app while on-site to photograph and record the blight assessment for each parcel. If the parcel was identified as containing one or more blight conditions, the surveyor recorded the property as blighted with a description and photograph of the blight condition. This process was performed on each parcel assessed.

Figure 3-1 provides an example of the result of the on-site field survey assessment. Blight

Figure 3-1

assessments recorded in Fulcrum were instantly uploaded to a cloud-based online server compatible with ESRI ArcGIS.

Upon completion of the field and aerial visual surveys, the Fulcrum data was exported to a geodatabase. After running checks for errors or omissions and correcting any issues, this data was mapped in ESRI's ArcGIS ArcMap to review and to calculate the scope of blight throughout the entire Redevelopment Area.

After the field and aerial surveys were completed to assess visual blight, frequency of crime, and active code violations were examined in the downtown area. Average crime rates (crimes per 1,000 people) for the five years between 2016 - 2021 were obtained from census tracts and the City of San Luis Police Department.

Blight Assessment Results

As detailed in Chapter 2, of this Finding of Necessity Report, a "blighted area" is an area where a predominance of properties within an area contains any of the following conditions (ARS §36-1471):

- Dominance of defective or inadequate street layout
- Faulty lot layout in relation to size, adequacy, accessibility or usefulness
- Unsanitary or unsafe conditions
- Deterioration of site or other improvements
- Diversity of ownership
- Tax or special assessment delinquency exceeding the fair value of the land
- Defective or unusual conditions of title
- Improper or obsolete subdivision platting
- Existence of conditions that endanger life or property by fire and other causes.

Results of the assessment were analyzed in two ways:

Parcel Number Calculation. The percentage based on the total number of blighted parcels in relation to the total number of parcels within the redevelopment area.

Parcel Square Footage Calculation. The percentage based on the total square footage of blighted parcels in relation to the total square footage of land within the redevelopment area, excluding public rights-of-way.

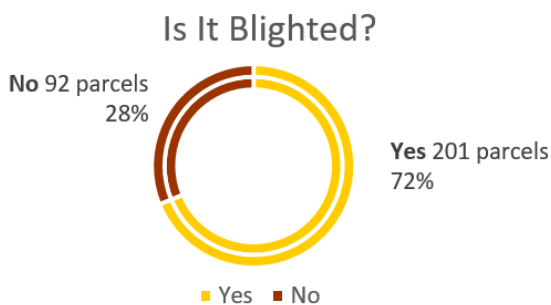


Figure 3-2 displays the total amount of blight assessed within the redevelopment area and includes the number and percentage of parcels with at least one (1) blight factor. The subsections following, detail each category of blight condition in the redevelopment area.

Figure 3-2

Number of Factors	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
0	107	36.52%	59.6	27.29%
1	106	36.18%	118.8	54.40%
2	52	17.75%	80.1	36.68%
3	17	5.80%	17.3	7.92%
4	7	2.39%	9.9	4.53%
5 or more	4	1.37%	4.8	2.20%
Parcels with at least 1 Blight Factor	186	63.48%	118.8	54.40%

Table 3-1

Blight conditions were measured based on the specific building, site, or other property conditions further detailed in the following sections. Some of the blight conditions established by Arizona Revised Statutes were measured in multiple ways. As an example, the “Unsanitary and Unsafe” condition was measured by:

- Parking on a Surface Other than Asphalt or Concrete
- Refuse Debris, and Junk,
- Overgrowth Weeds, Unkept Landscaping,
- Animal Droppings, and Unrestrained Animals, Feral Cats or Dogs.

The presence of these blight conditions contributes to a structure being unsafe or the condition of a property considered to be unsanitary. If measured in another instance, a similar condition could be categorized as Deterioration of Site or Other Improvements, given the actual field condition present as recorded by the field analyst. These broad interpretations of how state law can interpret a site, as highlighted above, became focus areas for this portion of the Downtown San Luis Redevelopment Area Plan. The three main categories formed as follows:

- **Unsanitary or Unsafe Conditions**
- **Deterioration of Site or Other Improvements**
- **Conditions that Endanger Life or Property**

All properties in the potential redevelopment area were assessed for the presence of eighteen (18) blight conditions provided in the below. As can be seen from Table 3-1, 63.48% of the parcels within the redevelopment area include the presence of at least one (1) blight factor, in excess of the required predominance of the area (50%) being blighted as required by Arizona Revised Statute.

The eighteen measured factors are listed as follows:.

1. Parking on Surface Other Than Asphalt or Concrete
2. Refuse, Debris and Junk
3. Overgrowth Weeds, Unkept Landscaping
4. Excessive Outdoor Storage
5. Graffiti
6. Junk and Abandoned Vehicles
7. Deteriorating or Damaged Building(s) and/or Structure(s)
8. Deteriorating or Damaged Fence or Wall
9. Evidence of Over Occupancy and Overcrowding
10. Interior Furniture in Exterior Areas of Property
11. Inadequate On-site Parking to Serve the Use
12. Evidence of Homelessness
13. Animal Droppings
14. Damaged or Incomplete Sidewalk
15. Deteriorated or Damaged Parking Surface
16. Inadequate or Incomplete Connection to the Street
17. Inadequate Stormwater Drainage Detention of Conveyance
18. Unrestrained animals, Feral Cats or Dogs

Table 3-2 below provides the number and percentage of properties impacted by the three (3) broad blight categories established through the categories in state law and the focus of this blight assessment. The downtown San Luis area meets the definition of a “blighted area” for two of the three broad redevelopment area plan categories established under state law. These findings contribute to the required blight Finding of Necessity in the establishment of the redevelopment area for this area.

Number of Blighted Parcels by Blight Factor

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Unsanitary or unsafe conditions	116	39.59%	103.83	47.54%
Deterioration of site	109	37.2%	58	26.56%
Conditions that endanger life or property	2	1%	0.51	0.23%
TOTAL	226	77.13%	162.34	74.34%

Table 3-2

The following subsections record some of the more notable blight conditions found within the redevelopment area.

1. Inadequate or Incomplete Connection to the Street

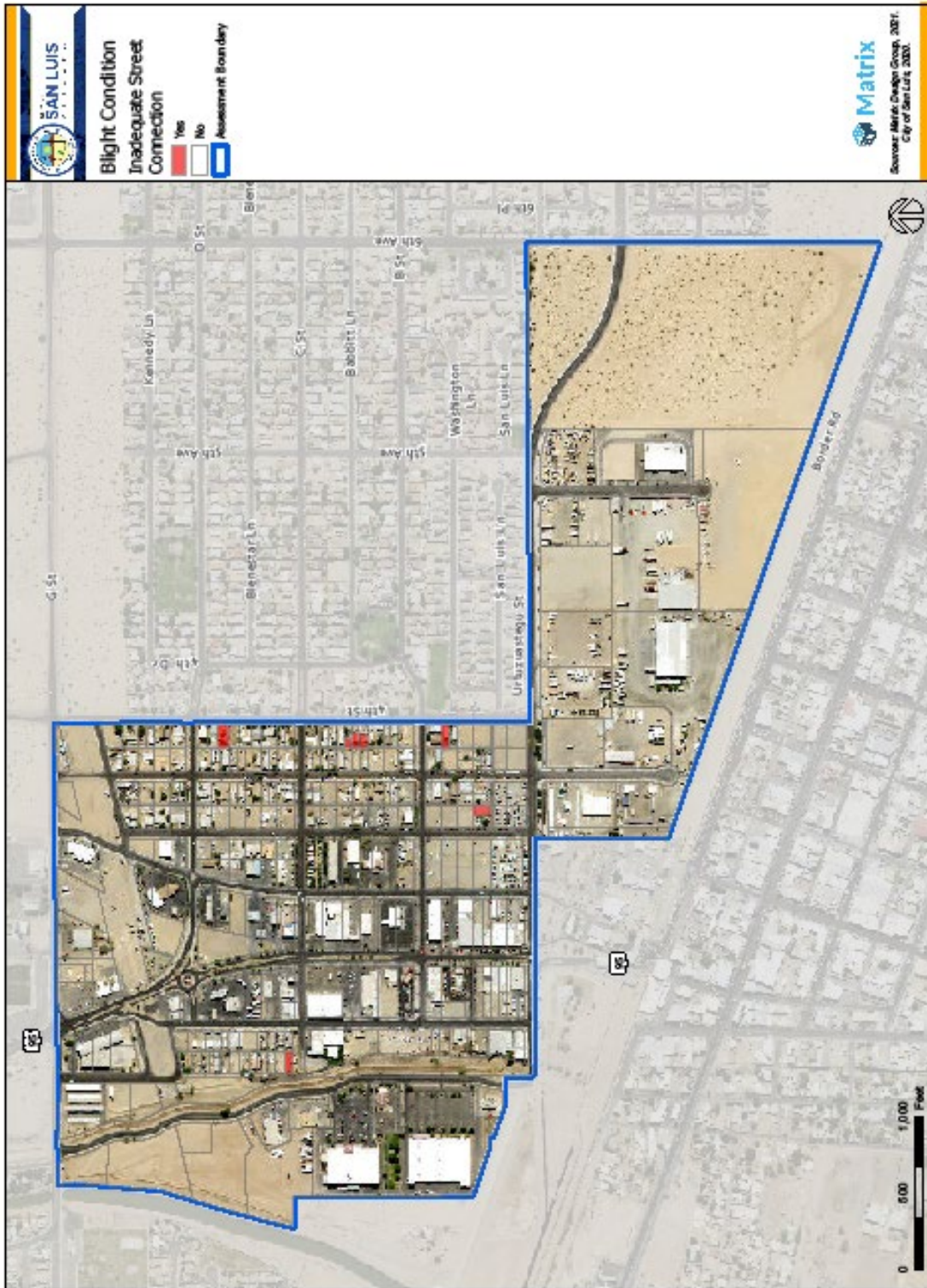
Inadequate or Incomplete Connection to the Street includes properties lacking an improved connection to the public roadway. Properties in this category are deficient with the City’s requirements for curb, gutter, sidewalk, and paved surface connecting parking areas to the adjacent rights-of-way. This condition contributes to blight with unsafe and uncontrolled vehicular access to the public street from parking areas on residential or commercial properties within the RDA.



As shown in **Table 3-3**, 3.5% of the total parcels in the RDA is determined to be blighted due to an inadequate connection to the street. **Figure 3-3** displays the location of these properties.

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Inadequate or Incomplete Connection to the Street	7	3.5%	.79	.37%

Table 3-3



Map data provided by Google, Bing, and other sources. Matrix Design Group, 2021. City of San Luis, 2020.

Figure 3-3

2. Parking on Surface Other Than Asphalt or Concrete

This blight factor involves the parking of operable and/or inoperable vehicles on dirt or unimproved surfaces. Section 15.2 of the San Luis Zoning Ordinance requires required parking to be provided on asphalt, concrete, or similar dust-free surface. This blight factor was categorized either as an Unsafe/Unsanitary if the condition presented a health concern related to dust emissions or Deterioration of Site if the condition provided a suboptimal surface, such as decomposed granite as opposed to a solid, durable surface such as asphalt or concrete. Combined, this blight condition was present on 108 properties, or over 36.8% of properties within the boundaries of the RDA.



Table 3-4 47.1% the total parcels in the RDA is determined to be blighted due to Parking on Surface Other than Asphalt or Concrete.

Figure 3-4 displays the location of these properties.

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Parking on Surface other than Asphalt or Concrete	108	36.8%	102.9	47.1%

Table 3-4

3. Refuse/Debris/Junk

This blight factor involves the presence of refuse and debris on the residential property or premises of the business. In some cases, vacant land with refuse was counted separately under each category. Refuse and junk could have been counted as Unsanitary and Unsafe, or a Deterioration of Site dependent on the actual field conditions present as recorded by the field analyst. This condition was present on a total of 64 parcels or 31.8% of the parcels in the RDA boundary.

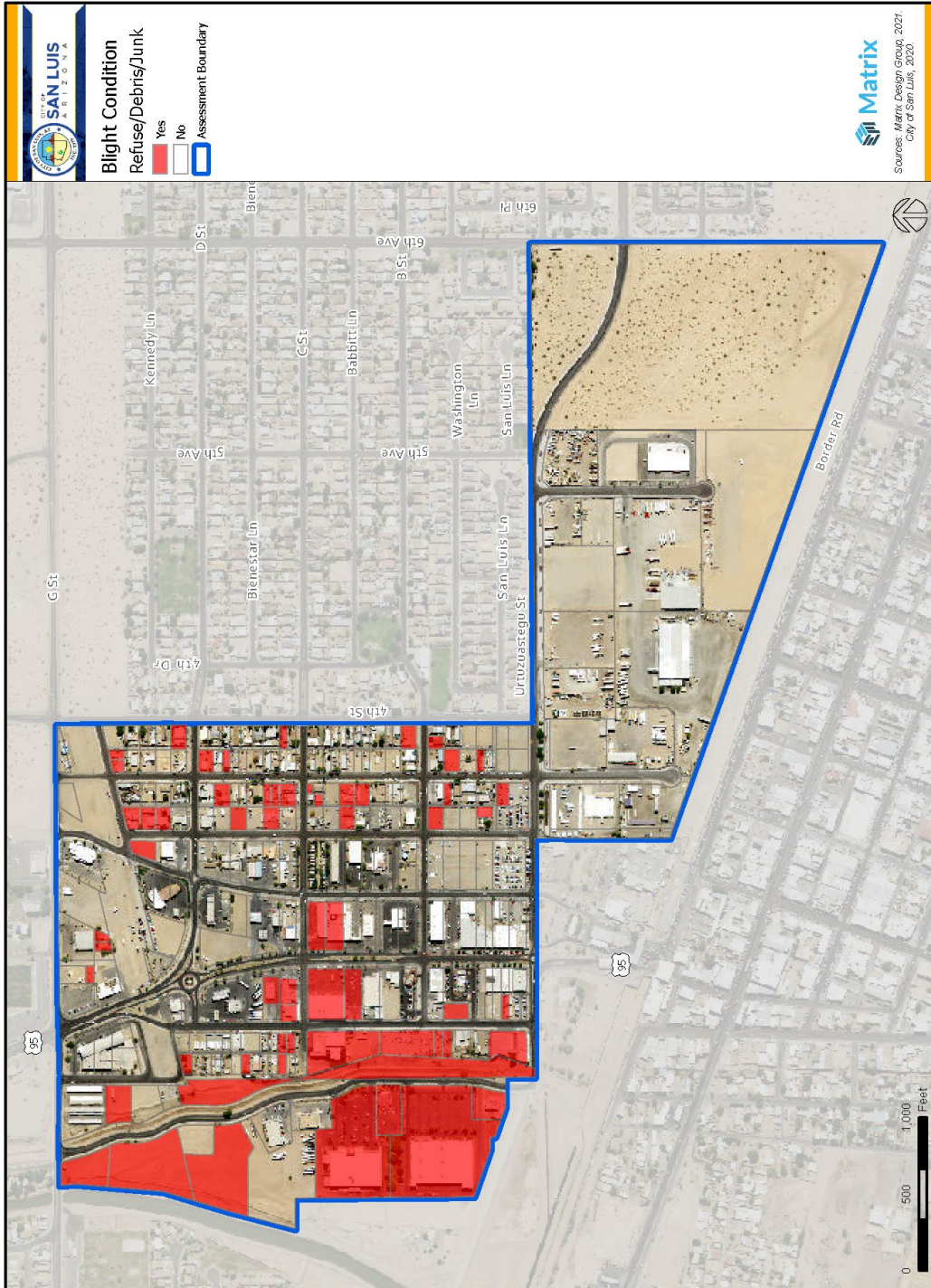


Table 3-5 21.8% the total number of parcels in the RDA is determined to be blighted due to Refuse/Debris/Junk.

Figure 3-5 displays the location of these properties.

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Refuse/Debris/Junk	64	21.8%	40.2	19%

Table 3-5



W:\GIS\Projects\Blight\San Luis\BlightAssessment_SAN_LUIS_2021\BlightAssessment_SAN_LUIS_2021.aprx

Figure 3-5

4. Deteriorating or Damaged Building and/or Structure

This blight factor involves the presence of a Deteriorating or Damaged Building and/or Structure which could include wall damage, roof damage, or other elements of the building or structure including supporting elements, awnings, and other attached elements of construction. This blight condition was counted as Unsanitary and Unsafe, or a Deterioration of Site dependent on the actual field conditions present as recorded by the field analyst. This condition was present on a total of 36 parcels or 17.9% of the parcels in the RDA boundary.



Table 3-6 27.5% of the total number of parcels in the RDA is determined to be blighted due to Deteriorating or Damaged Building and/or Structure.

Figure 3-6 displays the location of these properties.

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Deteriorating or Damaged Building and/or Structure	36	12.3%	60	27.5%

Table 3-6

5. Excessive Outdoor Storage

This blight factor involves the presence of excessive outdoor storage that could include boxed or unboxed



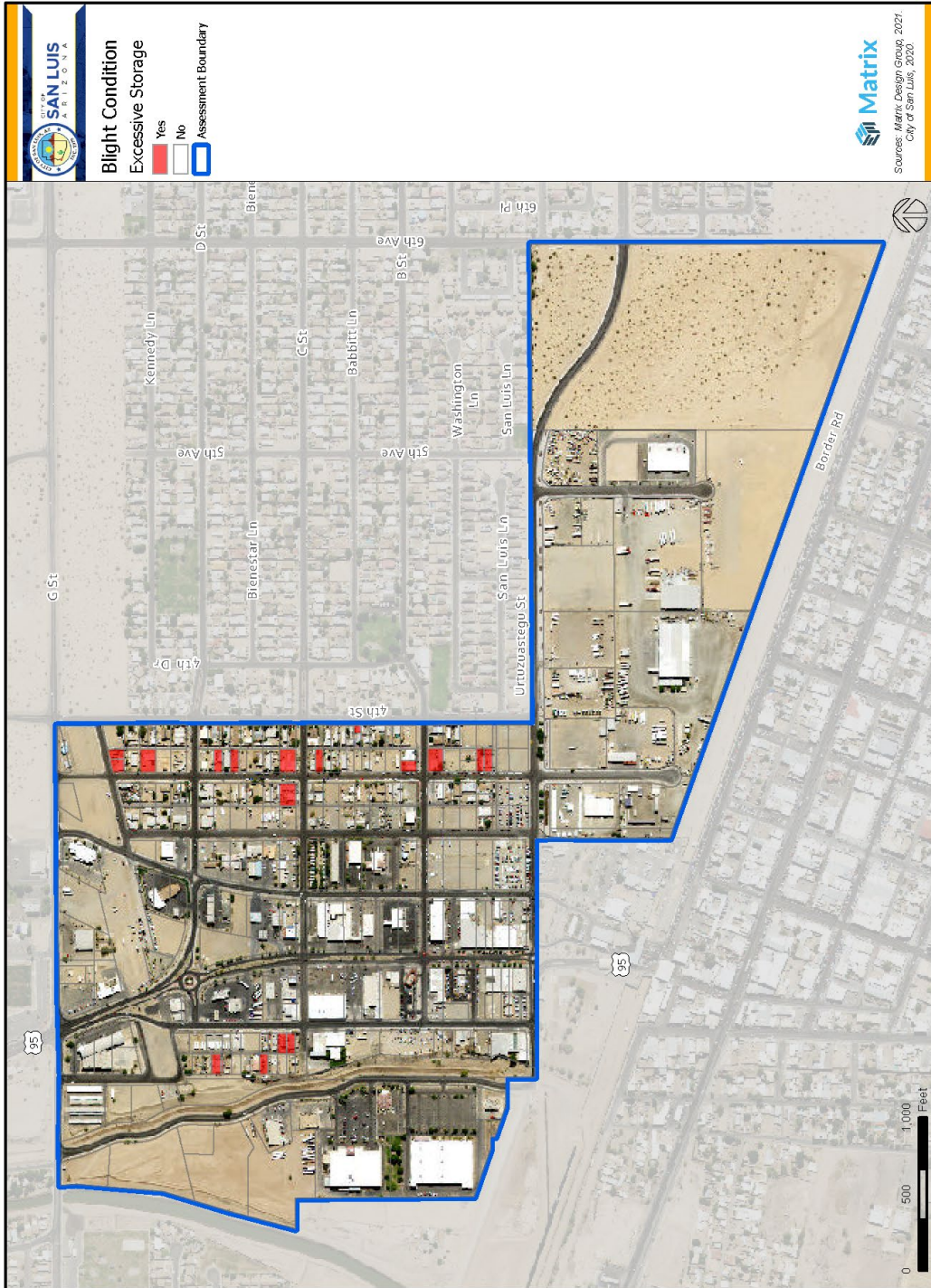
storage of items normally kept within the confines of a building or enclosed area and outside of public view from the public rights-of-way. This blight condition was counted as Unsanitary and Unsafe, or a Deterioration of Site dependent on the actual field conditions present as recorded by the field analyst. This condition was present on a total of 18 parcels or 9% of the parcels in the RDA boundary.

Table 3-7 9% the total number of parcels in the RDA is determined to be blighted due to Excessive Outdoor Storage.

Figure 3-7 displays the location of these properties.

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Excessive Outdoor Storage	18	6.1%	2.7	1.2%

Table 3-7



\\fs1-c:\p\proj\0101_San_Luis_Demo\San_Luis_2021\SanLuis_2021\GIS\Map_San_Luis_2021_0101_1.mxd

Figure 3-7

6. Junk / Abandoned Vehicles

This blight factor involves the presence of junk and/or abandoned vehicles, which may include operable and inoperable vehicles with or without proper and up-to-date registration. This blight condition was counted as Unsanitary and Unsafe, or a Deterioration of Site dependent on the actual field conditions present as recorded by the field analyst. This condition was present on a total of 14 parcels or 4.8% of the parcels in the RDA boundary.



Table 3-8 7% the total number of parcels in the RDA is determined to be blighted due to Junk/Abandoned Vehicles.

Figure 3-8 displays the location of these properties.

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Junk/Abandoned Vehicles	14	4.8%	4.3	2.0%

Table 3-8

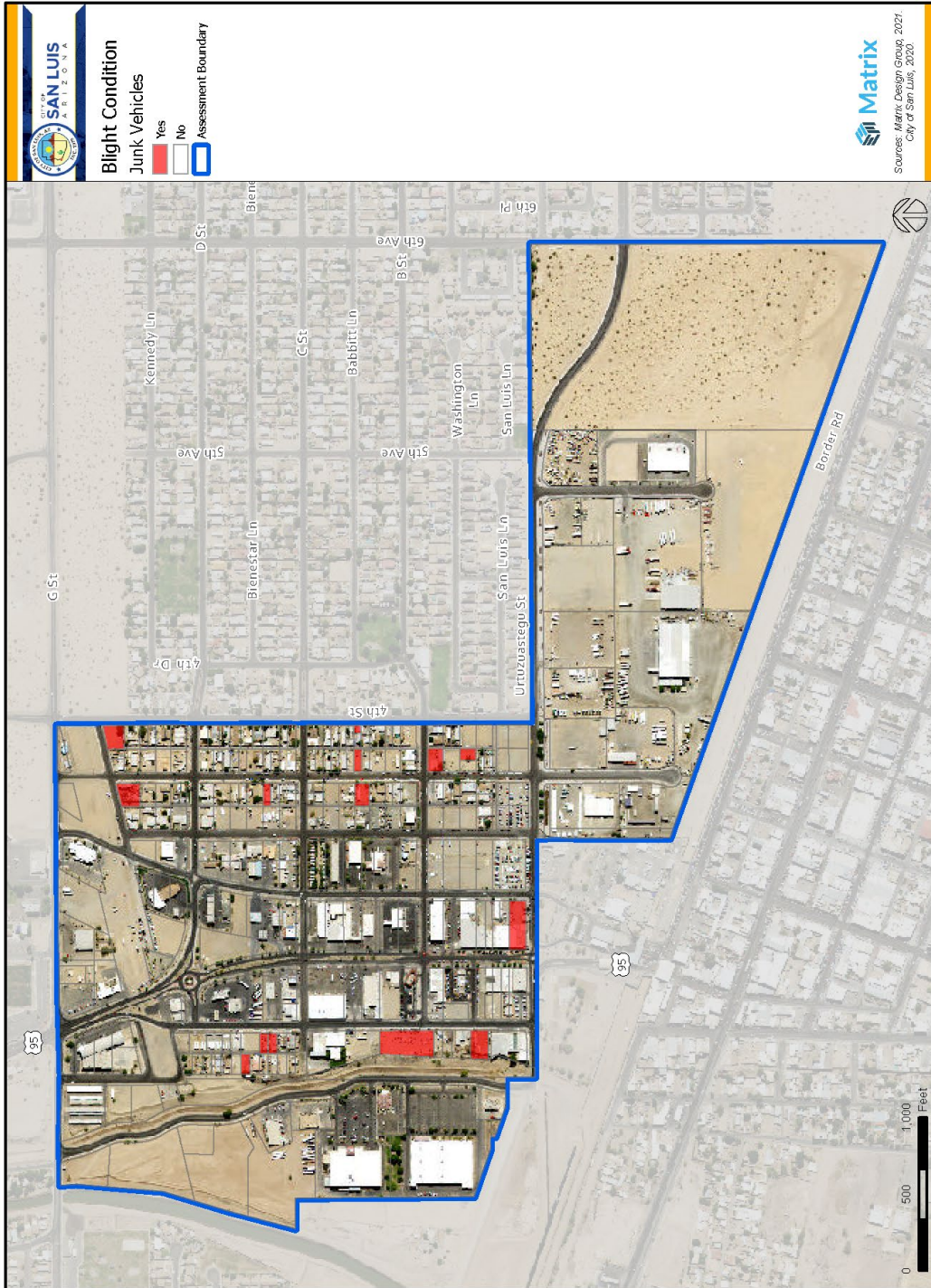


Figure 3-8

7. Overgrown Weeds / Unkept Landscaping

This blight factor involves the presence of overgrown weeds and/or unkempt landscaping in public view from the public rights-of-way. This blight condition was counted as Unsanitary and Unsafe, or a Deterioration of Site dependent on the actual field conditions present as recorded by the field analyst. This condition was present on a total of 12 parcels or 4.1% of the parcels in the RDA boundary.



Table 3-9 4.1% the total number of parcels in the RDA is determined to be blighted due to Overgrown Weeds / Unkept Landscaping.

Figure 3-9 displays the location of these properties.

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Overgrown Weeds/Unkept Landscaping	12	4.1%	16.1	7.4%

Table 3-9

8. Unsanitary or Unsafe Conditions



Unsanitary or unsafe conditions includes environments that may be harmful to human health and safety. Unsanitary conditions of buildings and properties contain higher bacterial levels than structures and properties kept in a more hygienic condition by people residing in the home or a property owner maintaining a business or other

non-residential property. Parcels were determined to be blighted if they contained some of the following indicators:

- Uncontrolled solid waste
- Parking on a surface other than asphalt or concrete
- Refuse/Debris/Junk
- Junk/Abandoned Vehicles
- Deteriorated building or structure
- Evidence of homelessness
- Excessive animal droppings
- Interior furniture in exterior area
- Damaged sidewalk or parking surface
- Graffiti
- Incomplete connection to street

As shown in **Table 3-10**, 56.2% of parcels in the proposed RDA is determined to be blighted due to unsanitary or unsafe conditions.

Figure 3-10 displays the location of these properties.

Blight Factor	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Unsanitary or Unsafe	116	39.6%	103.83	47.5%

Table 3- 10

9. Deterioration of Site or Other Improvements

Deterioration of site or other improvements includes physical property conditions that detract from the overall appearance. Parcels were determined to be blighted if they contained the following indicators:

- Deteriorating roof
- Broken windows
- Poor pavement conditions
- Peeling paint
- Excessive weeds



As shown in **Table 3-11**, 37.2% in the research area is determined to be blighted due to deterioration of site or other improvements.

Figure 3-11 displays the location of these properties.

	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
San Luis RDA	109	37.2 %	60	27.5%

Table 3- 11

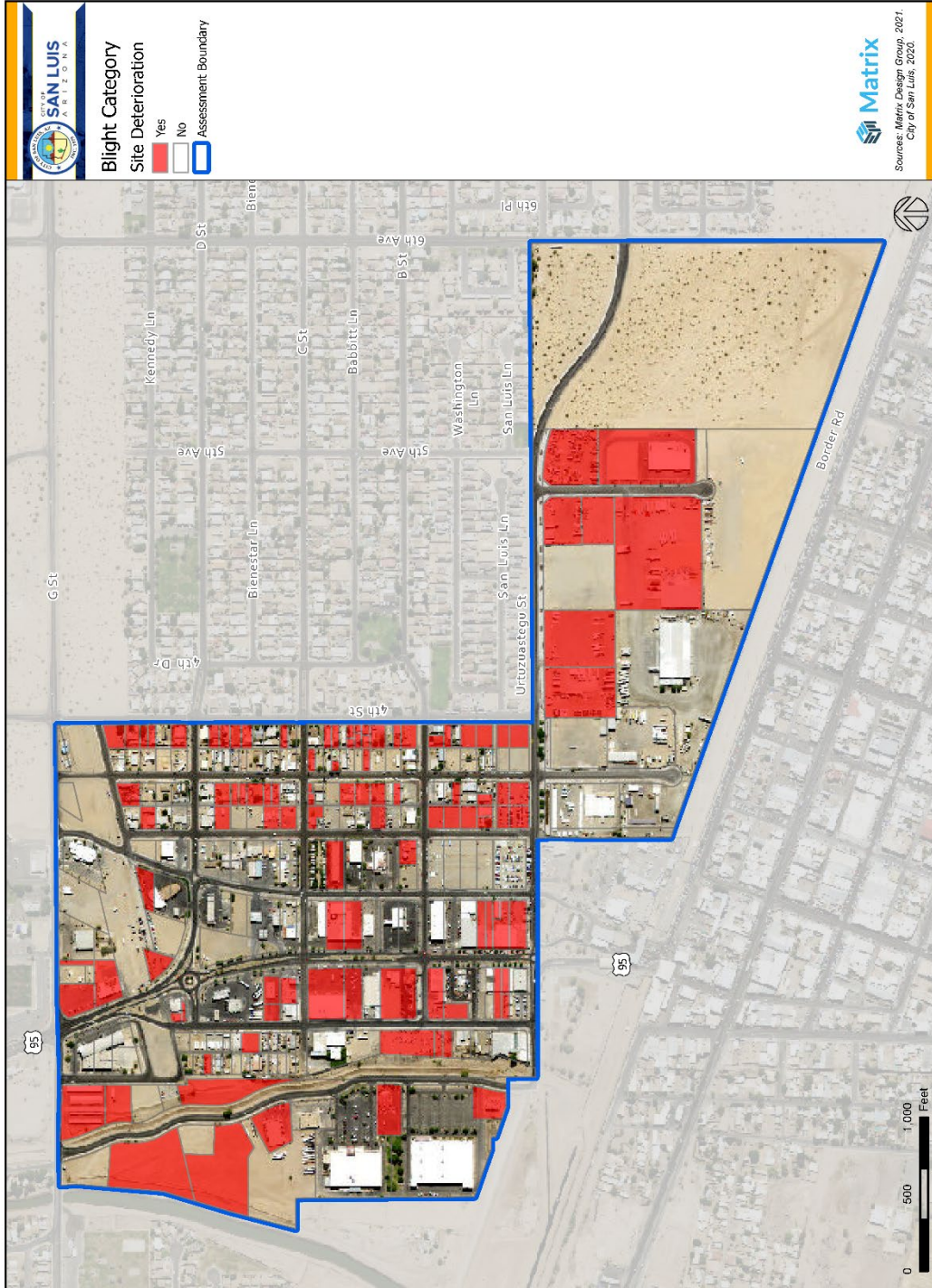


Figure 3-11

With City prepared by San Luis, Missouri, 8/26/2020. 3/21/2021. 10/20/2021. 10/20/2021. 10/20/2021. 10/20/2021.

10. Conditions that Endanger Life or Property

Conditions that endanger life or property includes properties that contain environments that pose threats to life or properties by fire, contamination, or other causes. Parcels were determined to be blighted if they contained the following indicators:



- Abandoned vehicles
- Excessive junk
- Structural damage
- Blocked entrances
- Overcrowding
- Code violations*
- High crime rates*

**Non-visual blight conditions assessed separately.*

As shown in **Table 3-12**, .7% of parcels in the CBD is determined to be blighted due to visual conditions that endanger life or property.

Figure 3-12 displays the location of these properties.

	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
Central Business District	2	.7%	.51	.23%

Table 3- 12

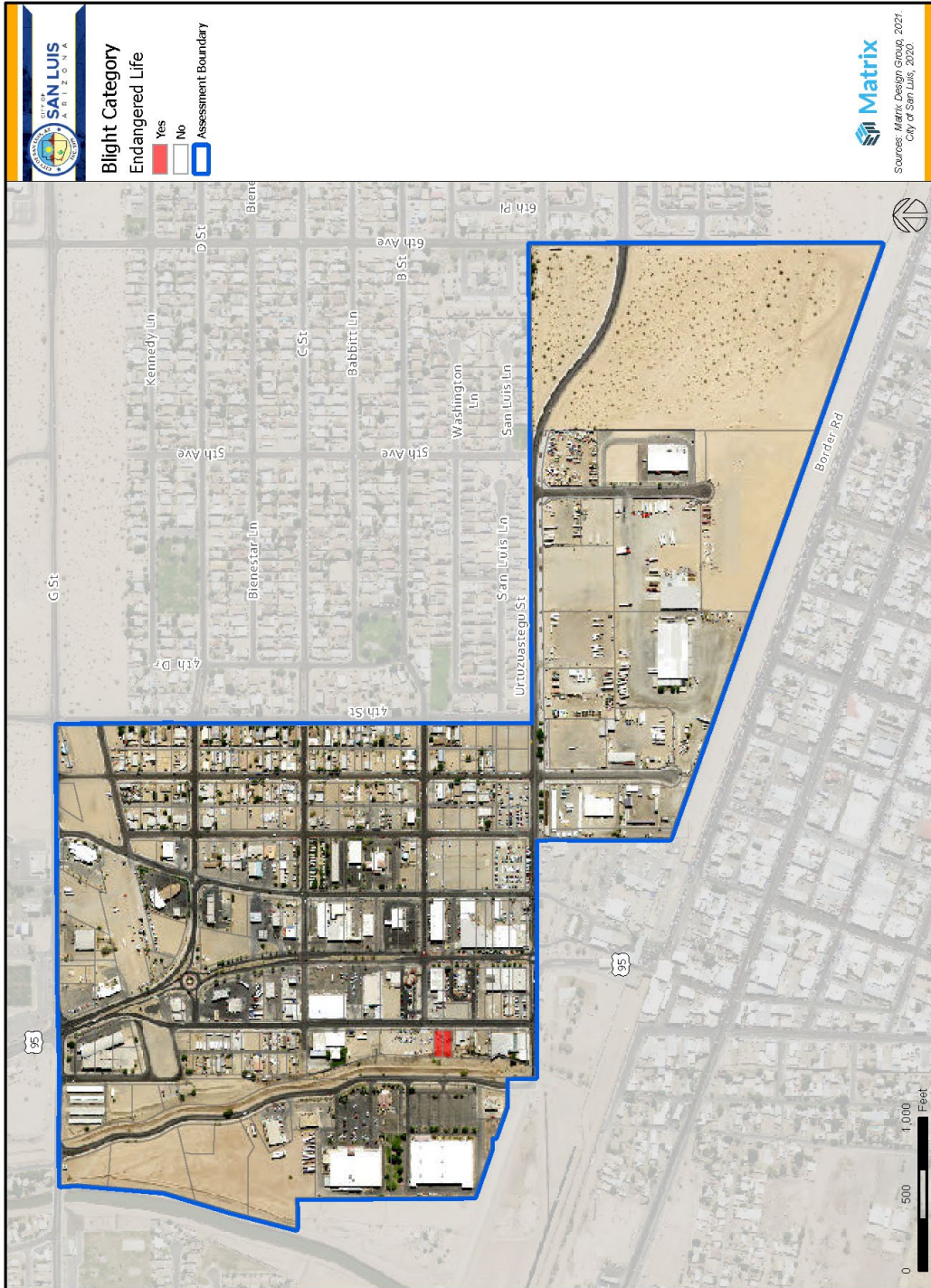


Figure 3-12

11. Tax or Special Assessment Delinquency

Tax or special assessment delinquency includes properties that have overdue property taxes. According to Arizona Revised Statutes, delinquent taxes must exceed the fair value of the land to be considered blighted. This blight factor was not assessed as part of this project.

12. Defective or Unusual Conditions of Title

Defective or unusual conditions of title includes liens, encumbrances, or other potential issues affecting the title of one's property. Such title defects, or other unusual title conditions, can inhibit the sale and redevelopment of property. Due to the prevalence of blight conditions present in the assessment of the other factors, defective or unusual title conditions were not evaluated as part of this report. This blight factor may be evaluated through a title review at a later date for specific parcels, if deemed necessary by the City of San Luis.

Non-visual Blight Conditions

Non-visual blight conditions that endanger life or property include crime rates that are substantially higher than average. Disproportionate occurrences of crime rates are an additional indicator of blight that endangers life and/or property. Crime statistics were compared to the City of San Luis as a whole.

Crime Impacts

Crime data in the tables below show a substantially higher incident rate of crime occurring within the planned RDA zone vs outside. This further aids the point proper attention needs to be paid to the downtown area for revitalization and necessary change to keep residents in the community safe.

Crime Statistics from 2015 to 2021

Year	Population		Total Crimes		Crime Rate	
	City of San Luis*	Proposed RDA	City of San Luis	Proposed RDA	(Crimes per 1,000 Residents)	
					City of San Luis	Proposed RDA
2015	31,706		2,651	368	83.61	
2016	32,254		2,741	362	84.98	
2017	32,695		2,603	381	79.61	
2018	33,379		2,338	366	70.04	
2019	34,838		2,094	337	60.11	

2020	36,242		1,819	327	50.19	
2021			957	248		
Total			15,203	2,389		

ACS Population Data
City of San Luis, AZ, Police Department Data

Crime Rates from 2015-2021: Incidents Within the Study Area vs Incidents Outside of the Study Area

Year	Within	Outside	pct_Total	Incidents_per_acre_within	Incidents_per_acre_outside
2015	368	2,283	16.11914	1.448818898	0.105841446
2016	362	2,379	15.21648	1.42519685	0.110292072
2017	381	2,222	17.14671	1.5	0.103013445
2018	366	1,972	18.55984	1.440944882	0.091423273
2019	337	1,757	19.18042	1.326771654	0.081455726
2020	327	1,492	21.91689	1.287401575	0.069170144
2021	248	709	34.97884	0.976377953	0.032869726
Total Incidents	2,389	12,814			
Incident Rate	9.405512	0.594066			

City of San Luis, AZ, Police Department Data

Blight Determination

This report reflects the overall blight conditions within the redevelopment area. As documented in the field survey and other non-visual assessment methods, a combination of blight factors are prevalent in the redevelopment area causing an overall predominance of blight and substantially impeding sound municipal growth within the area. This analysis found more than 50% of both the total number of parcels and the total land area in the proposed Redevelopment Area to be blighted:

- 186 out of 293 of parcels, or 63.48% have at least one blight factor

- 54.40% of the total area is determined to be blighted
- 63.48% of parcels and 54.40% of the total area were identified as containing more than one blight factor

Number of Factors	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
0	107	36.52%	59.6	27.29%
1	106	36.18%	118.8	54.40%
2	52	17.75%	80.1	36.68%
3	17	5.80%	17.3	7.92%
4	7	2.39%	9.9	4.53%
5 or more	4	1.37%	4.8	2.20%
Parcels with at least 1 Blight Factor	186	63.48%	118.8	54.40%

This report demonstrates that the San Luis downtown area maintains a predominance of blight as described in ARS §36-1471 et al. In a blighted area such as this, maintaining redevelopment authority is in the residents' interest of public health, safety, morals, and welfare. Therefore, Matrix Design Group recommends that the City Council approve the Findings of Necessity for the San Luis Downtown Redevelopment Area.

Formal Determination

The downtown area has more than the statutory requirements to designate it as a redevelopment area pursuant to A.R.S. 36-1471. Existing vacant land uses/buildings, parking on unimproved surfaces, inadequate or decaying infrastructure, substandard buildings, defective or inadequate street layouts, faulty lot layouts, unsanitary or unsafe conditions, and deterioration of site or other improvements are evident on the predominance of the properties within the area. All or a combination of these factors afflict a predominance of the parcels and are substantially arresting sound municipal growth within the area.

Chapter 3 Conclusion and Next Steps

Conclusion

Arizona law grants local government the authority to declare a redevelopment area due to a predominance of blight. Blight, according to Arizona law (36-1471), includes the following factors:

- Dominance of defective or inadequate street layout
- Faulty lot layout in relation to size, adequacy, accessibility or usefulness
- Unsanitary or unsafe conditions
- Deterioration of site or other improvements
- Diversity of ownership
- Tax or special assessment delinquency exceeding the fair value of the land
- Defective or unusual conditions of title
- Improper or obsolete subdivision platting
- Existence of conditions that endanger life or property by fire and other causes.

These blight factors were carefully assessed during an on-site field survey and aerial survey of each parcel within the proposed San Luis downtown area. This analysis found there were 186 out of 293 parcels, or 63.48% that were identified to have at least one blight factor, as well as 79.48% of the total acreage was determined to be blighted. The most common blight factor throughout the San Luis downtown area was Unsanitary or Unsafe Conditions, which represented 39.6% of all parcels. Deterioration of Site and Parking on a Surface Other than Asphalt of Concrete are two other major blight factors identified within the San Luis downtown area, representing 37.2% and 36.8% of all parcels.

Number of Factors	Number of Parcels	Percent (%) of Parcels	Number of Acres	Percent (%) of Acres
0	107	36.52%	59.6	27.29%
1	106	36.18%	118.8	54.40%
2	52	17.75%	80.1	36.68%
3	17	5.80%	17.3	7.92%
4	7	2.39%	9.9	4.53%
5 or more	4	1.37%	4.8	2.20%
Parcels with at least 1 Blight Factor	186	63.48%	230.9	79.48%

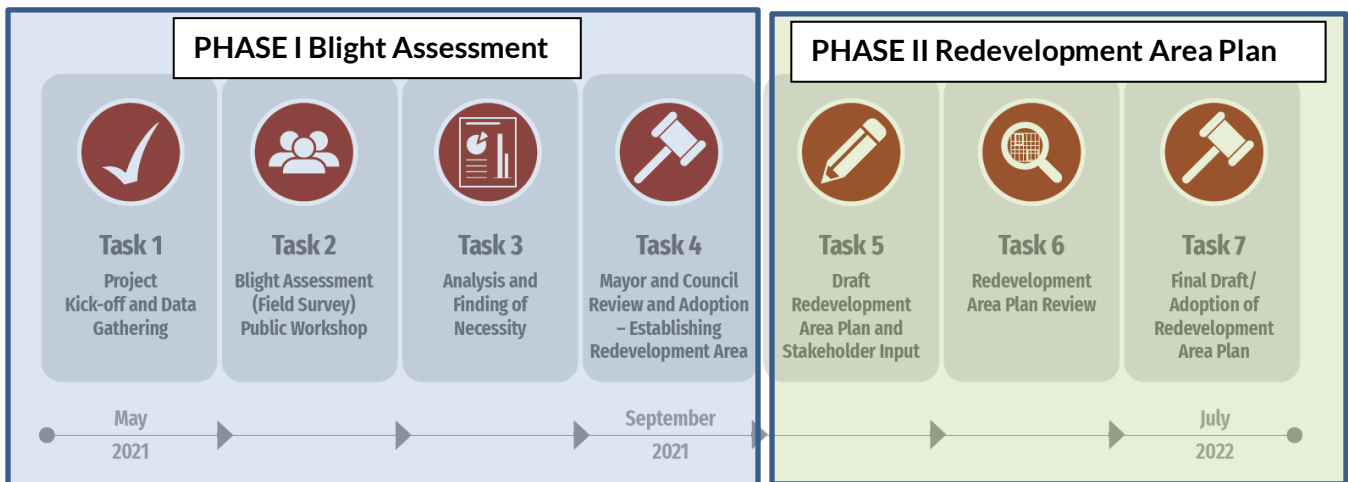
This report shows there is a predominance of blight present in the San Luis downtown area per Arizona Revised Statutes §36-1471 et al. It is in the opinion of Matrix Design Group that San Luis City Council could make a finding of blight in the study area. Establishing a Redevelopment Area and Redevelopment

Area Plan along with a Central Business District zone is in the residents' interest of public health, safety, morals and welfare.

Next Steps following Blight Determination

The San Luis Redevelopment Area Plan project is a recommended foundational goal of the San Luis 2040 General Plan to revitalize the downtown area and promote reinvestment and sustained growth in the cultural and historic heart of San Luis. The project is divided into two primary phases. Phase I involves this Blight Assessment and field survey results of the downtown area to identify properties containing blight conditions such as overgrown weeds, parking on an unimproved surface, and deteriorated or damaged buildings and structures. This Blight Assessment report determines that a predominance of the properties in the downtown area contain conditions of blight, the Mayor and City Council may vote to confirm a finding declaring the area a “blighted area” pursuant to Arizona Revised Statutes ARS §36-1471 and initiate Phase II of the project, which is the future development and adoption of the Redevelopment Area Plan.

Matrix Design Group has completed Phase I Blight Assessment, as provided within this report. If the Council initiates the development and adoption of Phase II Redevelopment Area Plan, then Matrix Design Group and J2 will partner to develop and complete Phase II Adoption of the Redevelopment Area Plan. A generalized project schedule is provided below depicting the entire project schedule for both Phase I (Tasks 1 -4) and Phase II (Tasks 5-7).



Upon establishment of a Redevelopment Area, the City may assist residents, property owners and business groups to apply for grants and other funding mechanisms to help eliminate blight. The Redevelopment Plan will outline local objectives as to appropriate land uses, improved infrastructure, public transportation, and other items of concern based upon input during the planning process. The designation of an area as a redevelopment area provides the San Luis community additional economic tools to incentivize reinvestment, including direct matching grant assistance for beneficial improvements, redirecting Community Development Block Grant (CDBG) funds towards making public improvements in an area, Government Property Lease Excise Tax (GPLET), and other revitalization tools and strategies for the revitalization of the area. In addition to these significant economic development tools, a Redevelopment Area Plan also:

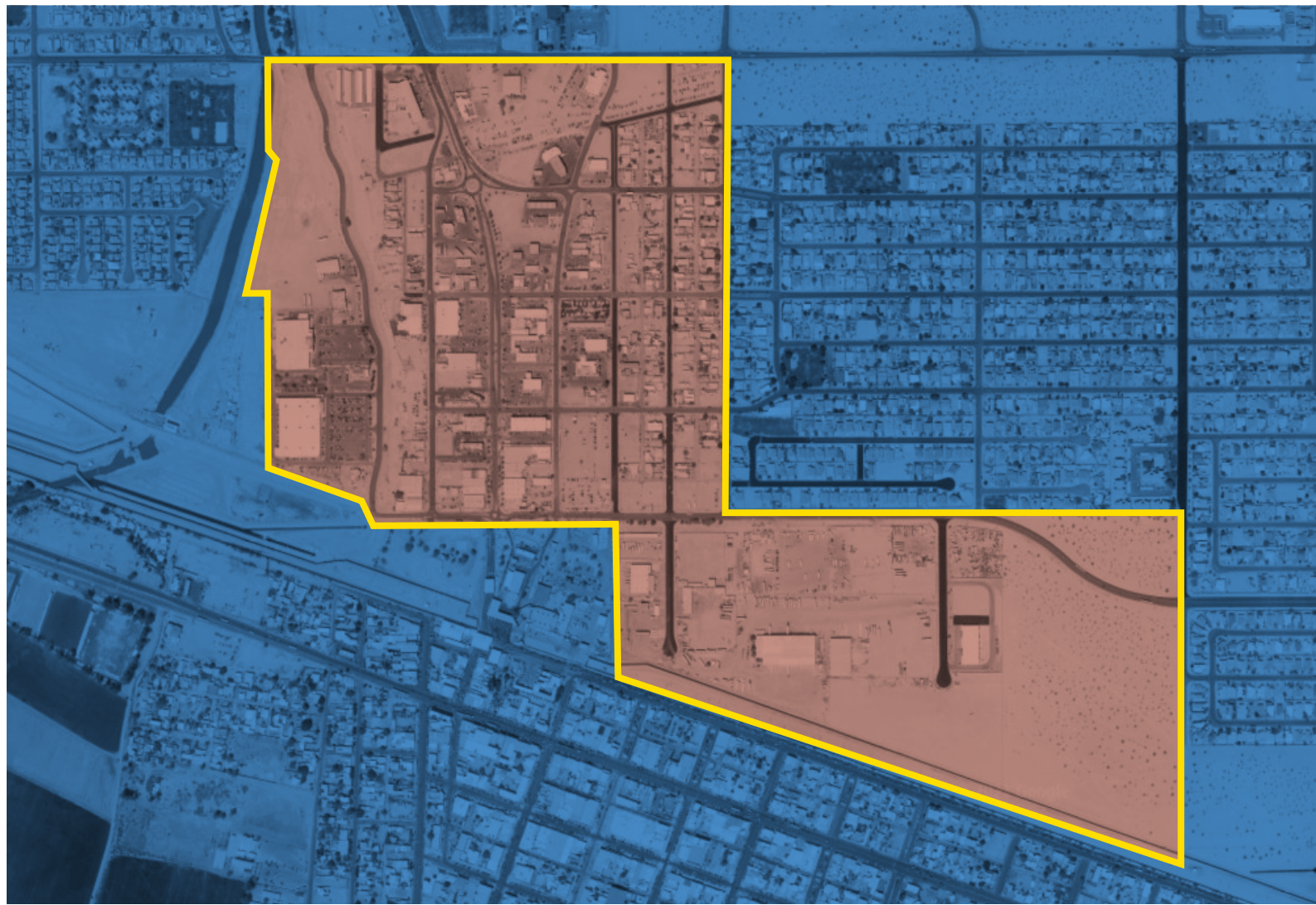
- Provides a community with the framework for future land use and design decision making
- Identifies goals, policies, and defines unified, cohesive revitalization strategies
- Provides specific guidance for circulation, utilities, and other infrastructure improvements
- Ensures an active and vibrant core will be fostered and maintained
- Provides greater flexibility to encourage desirable projects with incentives and assistance
- Promotes reinvestment, focused infrastructure improvements and appropriate development in the area
- Preserves the uniqueness and sense of place of the area
- Facilitates the long-term prosperity, growth, and health of the area

Implementation of Redevelopment Area Plan

Implementing the Redevelopment Area Plan will require substantial short and long-term capital commitments. For the Downtown area to maximize its development potential, the City of San Luis recognizes the need for mutually beneficial, coordinated public/private partnerships. This coordinated reinvestment, guided by the Downtown Redevelopment Area Plan, will help maximize the economic potential of properties, rehabilitate substandard buildings, eliminate blighting influences, improve parking, beautify streetscapes, create vibrant and active public gathering spaces, and allow the assembly of land for new development. New construction and rehabilitation activities generated by initial investments will serve as catalysts for the improvement of other properties, attracting more businesses and customers and further increasing the economic vitality of the area.

Establishing a Central Business District

Under Arizona State Legislature 42-6209 a Central Business District may be created to aid improvements in a Redevelopment Area if it is wholly located within a slum or blighted area (pursuant to Arizona title 36, chapter 12, article 3). Incorporating this designation into the downtown area in the Redevelopment Area Plan would provide tax incentives for the city and community members.





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