

# CARVER REDEVELOPMENT AUTHORITY

## Discussion of Possible North Carver/Route 44 Urban Renewal Plan

### OVERVIEW

- Urban renewal and urban renewal plans provide tools for revitalizing areas that are blighted open, decadent or substandard.
- Future development is subject to the use limitations specified in an approved urban renewal plan.
- Urban renewal plans can provide eminent-domain authority for redevelopment.
- The Department of Housing and Community Development (DHCD) is the state agency responsible for overseeing MGL Chapter 121B (e.g., approval of urban renewal plans and plan changes).

### URBAN RENEWAL PLAN

A proposed urban renewal plan is submitted to DHCD by a municipality, through its redevelopment authority, requesting approval of a redevelopment project.

The urban renewal plan must:

- Revitalize a geographic area that is substandard, decadent or blighted open and that, if not for public action, will not be redeveloped.
- Encourage sound growth.
- Include a description of the proposed urban renewal area.
- Identify area needs and obstacles to development.
- Propose actions (public and private) to remove obstacles and to address development needs.
- Provide a vision or end product that the plan is designed to achieve.
- Include meaningful citizen participation -- by a broad range of stakeholders -- both in the planning process and during project implementation.

### STATE ROLE

DHCD is responsible for approval of the urban renewal plan, including the proposed urban renewal area, statutory findings, the financial plan and budget, and all proposed public actions, including:

- Acquisition and assembly of specific parcels
- Public improvements
- Proposed land uses
- Site preparation activities
- Disposition of parcels for redevelopment (price, purchaser and agreement)
- Redeveloper obligations
- Relocation activities
- Citizen participation process.

After urban plan approval, DHCD reviews and approves:

- All urban renewal plan amendments
- All property acquisitions and dispositions.

## **URBAN RENEWAL BENEFITS**

- Provides a clear pathway to revitalization when dealing with:
  - Site assembly issues
  - Absentee owners
  - Tax-delinquent properties
  - Brownfield sites
  - Abandoned or underutilized properties
  - Inadequate infrastructure
  - Preservation of historic buildings.
- Can give a community a new public face, allowing it to market itself in new ways.
- Can combine nicely with other development tools
- Is recognized at the state level as an important tool that can lay the foundation for future state and other investments.
- Provides MGL Chapter 30B exemption for real estate transactions
- For developers, urban renewal:
  - Provides use controls that go beyond zoning (e.g., design guidelines, redeveloper obligations).
  - Provides developers a sense of security/assurance regarding the stability of an area's future.

- Demonstrates a community's support for developer actions over time (average length of plan - 20 years).

## URBAN RENEWAL PLAN REQUIREMENTS

An application for an urban renewal project must follow the requirements set forth in 760 CMR 12.00 and must include:

1. **Characteristics**. Plans or maps of the project area and the immediately surrounding area, showing:
  - Boundaries of the project area and topography,
  - Boundaries of areas proposed for clearance and areas proposed for rehabilitation,
  - Property lines and the foot-print of buildings and parking areas on each lot, existing and proposed,
  - Existing uses, including identification of land in mixed uses and land in public use, and the current zoning,
  - Proposed land uses, other activities and zoning,
  - All thoroughfares, public rights of way and easements, existing and proposed,
  - Parcels to be acquired,
  - Lots to be created for disposition,
  - Buildings to be demolished, rehabilitated and/or constructed.
2. **Eligibility**. Data and other descriptive material which demonstrates that the project area is a blighted open area, a decadent area, and/or a substandard area within the definitions set out in M.G.L. c. 121B, § 1. The data and other descriptive material shall also show:
  - Where clearance is proposed, a showing that more than 50% of the floor area of all buildings is functionally obsolete, structurally substandard or is not reasonably capable of being rehabilitated for productive use,
  - Where spot clearance is proposed, a showing that the clearance is necessary in order to achieve the objectives of the plan,
  - Where clearance is proposed, an analysis indicating that the extent of clearance proposed is justified, and necessary. Particular attention shall be paid to justifying the acquisition of individual parcels of basically sound property which involve high acquisition costs,

- Where rehabilitation is proposed, a showing that it is economically feasible to rehabilitate the properties in the project area and that the existing street and land use pattern can be adapted to the objectives of the plan,
  - Where rehabilitation is proposed, a showing that the area has desirable qualities and other evidence of vitality establishing a likelihood that rehabilitation activities will restore the area over the long-term, and
  - The urban renewal plan is based upon a local survey and conforms to a comprehensive plan for the locality.
3. **Objectives**. A statement of the objectives of the plan including:
- Specification of all proposed redevelopment activities. In any project area the reuse of which will be predominantly residential, an objective shall be the provision of housing units for low or moderate income persons,
  - A detailed estimate of how many jobs will be retained, how many created, and how many eliminated as a result of the proposed renewal and redevelopment, and
  - The specific provisions which exist or which will be established to control densities, land coverage, land uses, setbacks, off-street parking and loading and building height and bulk.
4. **Financial Plan**. Cost estimates establishing:
- The estimated cost of each parcel<sup>1</sup>,
  - Detailed cost estimates for site preparation,
  - Detailed cost estimates of all proposed public improvements,
  - Detailed cost estimates for relocation expenses,
  - Detailed cost estimates establishing the gross and net project cost (Gross project cost shall consist of the total of all costs associated with the project, including but not limited to planning, acquisition and disposition of land, relocation of occupants, improvements to the site, financing and administrative costs. Net project cost shall be the gross project cost less revenue anticipated from disposition of land and other income), and

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<sup>1</sup> Two independent appraisals are required for each parcel to be acquired. The first appraisal provides the basis for the initial estimate of the value. The second appraisal prepared after the Department's approval of the Urban Renewal Plan. The operating agency's determination of the proposed acquisition price shall be based on review of the appraisals. The acquisition price shall not be less than the lowest appraisal, nor more than the highest appraisal.

- A project budget including administrative expenses and reserves for contingencies.
5. **Requisite Municipal Approvals**. Evidence of a public hearing and the requisite municipal approvals specified in M.G.L. c. 121B, § 48 (including notification to the Massachusetts Historical Commission on any public hearing), and an opinion of counsel to the operating agency certifying that the proposed urban renewal plan is in compliance with applicable laws.
  6. **Site Preparation**. Specification of all proposed site preparation, including land protection and measures to address environmental, topographic, subsoil or flood problems. Any special site preparation or land protection problems shall be identified.
  7. **Public Improvements**. Specification of any public improvements, a description of their general design and an explanation of how the improvements will help achieve the objectives of the plan.
  8. **Relocation**. A relocation plan conforming to all applicable requirements appearing in federal law, M.G.L. c.79A, and applicable relocation regulations.
  9. **Redeveloper's Obligation**. Specification of the obligations which have been imposed or will be imposed upon redevelopers for construction of improvements within a reasonable time and in conformity with the plan.
  10. **Disposition**. The plan must specify the disposition proposed for each parcel and identify any known redeveloper.
  11. **Citizen Participation**. A report on citizen participation describing citizen participation in the planning process and the expected citizen participation during the project execution. A showing of meaningful citizen participation is necessary for approval of the plan.

**DHCD Findings:** DHCD must make the following six findings in order to approve an urban renewal plan:

1. The project area would not by private enterprise alone and without either government subsidy or the exercise of governmental powers be made available for urban renewal;
2. The proposed land uses and building requirements in the project area will afford maximum opportunity to privately financed urban renewal consistent with the sound needs of the locality as a whole;

3. The financial plan is sound;
4. The project area is a decadent, substandard or blighted open area;
5. That the urban renewal plan is sufficiently complete; and,
6. The relocation plan has been approved under chapter 79A.

**Urban Renewal Plan Implementation:** - Regulations pertaining to land acquisition, disposition and waivers found at 760 CMR Part 12.04, 12.05 and 12.07.

**Plan Changes:** The redevelopment authority must submit all proposed minor and major plan changes to the DHCD for approval. The application for a plan change shall include a detailed description of the change, the purpose and effect of the plan change on project activities, and pertinent revisions of the original application to reflect the change:

- **Minor plan change** is a plan change that *does not significantly affect any of the basic elements* of a previously approved urban renewal plan. An application for a minor plan change shall include a resolution of the redevelopment authority adopting the plan change. If deemed necessary for its decision, DHCD may request additional local approvals or information.
- **Major plan change** is a *significant change in any of the basic elements* of a previously approved urban renewal plan. The request for a major plan change shall be accompanied by evidence of a public hearing, a Planning Board determination that the proposed change is in conformance with the general plan for the community as a whole, City Council or Town Selectmen approval, and evidence that all affected redevelopers have been notified of the plan change, have been given an opportunity to comment, and that any such comments have been considered. If deemed necessary for its decision, the DHCD may request additional local approvals or information. Generally, adding properties to be acquired is a major plan change.