The Middle Market

Incentives
Barriers
and
Opportunities

The Four L's impacting housing
Land
Labor
Lumber
Laws
Opportunities for New Development

County Surplus property
Developed Residential Properties
Infill Incentive Districts and Trail-Oriented Development Incentives
Arizona State Land
Private lands: Master planned communities, golf courses, adaptive reuse, TDR
County Surplus Property

State statute on use & disposition:
• Surplus land for purchase: must go to auction with minimum bid at 90% of FMV determined by appraisal
• Surplus land can be sold (or leased) to non-profit for less than FMV determined by appraisal; support for the below market sale provided by non-profit. Needs unanimous BOS approval

Tax Lien Properties:
• Per ARS the county transfers parcels that are identified as appropriate for transportation and flood control purposes to those departments
• Per ARS the county must auction parcels for all other purposes
Surplus Property Guidelines

• Disposition of county owned parcels: No master list currently available
  • Land owned by Flood Control District (separate tax district) must be deeded to the county first. The county reimburses the district by exchanging county land to the district
  • Transportation, Parks & Recreation and Wastewater parcels are considered surplus property and must be auctioned for at least 90% of the FMV determined by appraisal
• Opportunities
  Per ARS surplus land can be sold to non-profits for less than FMV based on appraisal, support from non-profit for the reason to sell at less than FMV; these sales need unanimous BOS approval.
Shannon & River (101-11-7360 and 101-14-3620 (8.272 acres), 101-07-135D (3.473 acres)
1609 S 4th Avenue 118-18-0750 (.3301 acres)
41st Street Parcels (All) 119-03-1950, 196A, 196D; 119-01-0520, 0530 (1.17 acres) 119-03-203A (.119 acres)
Van Alstine 116-16-296A (.4062 acres)
Barrio Nopal 138-16-0230 (2.0 acres) Swap with the City of Tucson

Neighbors want open space or park
Pima County will swap with the City of Tucson for their land in the county
Developed Residential Properties

Current code:
• Guest Houses (users, 16k, 45%)
• Second Kitchens in Dwelling Units
• Secondary Dwelling Units (temp)

New:
• Accessory Dwelling Units

Other:
• Assisted Living Homes
• Group Homes
Incentive Areas

MU (Multiple Use) Zone Neighborhoods:
• Kleindale/Dodge Infill Incentive District (IID)
• Benson Highway/Palo Verde IID
• Flowing Wells next...

Trail-Oriented Development (the Loop) – commercial & residential incentives
State Land

- State Planning Process
- Auction
- Highest Bidder
- Southlands Concept Plan is underway
- Blue Land surrounds the Fairgrounds
- Set aside for industrial
Current Constraints: Policy Considerations and Infrastructure

Infrastructure:
- Public services and transit
- Sewer v Septic
- Road capacity
- Water service & Wells

Conservation Land
- Preserving wildlife corridors, riparian
- Section 10 permit and U.S. Fish and Wildlife
Current Constraints (opportunities?):

Zoning

Setbacks and lot size:
- CR 1, GR 1, SR, RH,
- CR 2-3, CR 4-5 & TR, SH, CB 1-2
- MU (industrial, redevelopment opportunity)

Height restrictions

Buffers, barriers, overlays, and Comp Plan policy:
- DMAFB and TIA environs
- hillside, riparian

Segregation of uses to protect uses
- Industrial, Commercial, Residential

Density restrictions

Surplus land – which jurisdiction?
Current Constraints (opportunities?):

Zoning

Types of Housing:
- Tiny Homes treated as SFR, must be site built for urban higher density zoning
- Manufactured housing not allowed in most zoning categories
- Townhome and high rise condo height restrictions (34’)
- Multifamily duplex, triplex, higher zoning categories, not by right
- Zero lot-line (CR 4-5, TR, CB 1-2)

Types of construction: Cargo containers or other unique construction material by variance only
Financial Incentives for Affordable Housing to Build More Housing

**County Development Fees:** Impact and Connection fees

- Sewer Connection fees
- Transportation Impact fees
- City include impact fees for parks and police, fire as well as transportation

**County Bonds:** IDA partnership

- IDA bonds to finance projects at lower interest rate specifically if 20 to 40% set aside of rent restricted units

**County Development Standards:** Ideas that lower development costs

- Reduce infrastructure requirements especially in redevelopment areas for additional road, sewer, etc.
- By right uses which would eliminate public hearings or cut down timeline
- Soft cost Studies and Plans such as flood control studies, hydrology, native plant, development impact studies
Financial Incentives for Access to Affordable Housing

County Funding:
- Property tax revenue increase set aside for assistance programs such as PAYGO program for paving
- County assistance to other jurisdictions, developers, tribal nations, U of A, Senior housing, DMAFB others to develop housing

County IDA bonds:
- In the past have financed single family housing mortgages for income qualified at lower interest rate
- County Voter approved bond issue to provide housing down payment assistance, housing project funding etc.
Viability Questions

Opportunities for Development:
• Transportation, sewer, water available?
• Will additional density and height be accepted by the community?
• Community services such as parks, schools, medical, retail, transit?
• Does it honor our commitment to Conservation?
• Do partners exist to create affordable housing and offer access?
• How do we designate incentives and what is meaningful to builders?
• Is there available financing to finance projects that don’t fit the mold or are there constraints on existing uses we are not aware of?
• How do we work effectively with the City of Tucson?
What do we think we can do?

Zoning
• Create an easier path to repurpose old uses for transitional housing such as motels, commercial buildings
• Find county land for affordable housing development to sell or lease
• Change the zoning code looking at density restrictions on lots and all setback requirements for certain zones

Financing and Incentives
• Look at new financing tools
• Develop new incentive programs
• Advocate for our share of funding, and for existing federal programs (VA and FHA) and LITC
• New Partnerships with other entities to build housing, develop land, and offer incentives