



MAYOR & COUNCIL COMMUNICATION

December 2, 2002

Subject: Designation of a Downtown Housing Development Area (Wards 1, 5 & 6) Page: 1 of 2

Issue: Declaring a downtown Housing Development Area under State law will recognize housing as a public purpose and increase the City's funding options for residential improvements and development as part of the overall revitalization strategies for downtown.

Recommendation:

The City Manager recommends that the Mayor and Council adopt the attached Resolution designating the downtown area, as defined, a Housing Development Area under A.R.S. § 9-441.01.

Background

As part of the City's downtown initiatives, on November 4, 2002 the Mayor and Council adopted a set of housing strategies for the downtown. The strategies incorporate tools the City can use to undertake new housing development and preservation activity in the downtown, including the flexible financing options provided in a Housing Development Area. At that meeting staff was directed to return to the Mayor and Council in two weeks with a resolution to establish a Housing Development Area in downtown.

Project Status and Analysis

The designation of a Housing Development Area under ARS § 9-441.01 will give the City the authority to issue bonds, invest public funds, and enter into conditional contracts for housing development, acquisition, financing, improvements, modification, sales and operation of residential properties within the area. According to State law, the City must establish a definitive boundary; the Housing Development Area cannot represent more than 20% of the geographical area of the municipality. The Downtown Development Area, shown on the attached map, includes the downtown core and the surrounding neighborhoods which have been included by the City as the "Rio Nuevo Environs."

The local resolution must declare that a housing shortage exists within the designated boundary and state that by assisting in the development of housing in the area the City is acting in the interests of public health, safety, morals or welfare of the residents of the municipality. The SMART Housing for Downtown Tucson strategies documented disparity in housing types, condition, and densities for the downtown area compared to the City as a whole, and established that there is the need for additional housing in downtown.

In addition, this designation combined with other tools adopted by the Council, can be used to enlist the participation of the private sector in downtown housing activity. Mobilizing market forces is needed to maximize capacity for residential development.

Legal Considerations

Declaration of the downtown housing development area is in conformance with A.R.S. § 9-441.01

Financial Considerations

None.

Respectfully submitted,


James Keene
City Manager

JK:Emily Nottingham/av
Community Services
DEC2-02-730

Attachment: Resolution
Map

ADOPTED BY THE
MAYOR AND COUNCIL

RESOLUTION NO. 19442

RELATING TO HOUSING; DESIGNATING THE DOWNTOWN TUCSON AREA AS A HOUSING DEVELOPMENT AREA PURSUANT TO A.R.S. § 9-441.01; AND DECLARING AN EMERGENCY.

WHEREAS, the Mayor and Council of the City of Tucson, Arizona, finds that a shortage of housing exists in the Downtown area of the City of Tucson; and

WHEREAS, the Mayor and Council of the City of Tucson, Arizona, finds that assisting in the development of housing in the Downtown Tucson area is in the interests of the public health, safety, morals and welfare of the residents of the City of Tucson.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF TUCSON, ARIZONA, AS FOLLOWS:

SECTION 1. The area of downtown Tucson shown on the map attached to this Resolution as Exhibit 1 is hereby declared to be a Housing Development Area pursuant to Arizona Revised Statutes Section 9-441.01.

SECTION 2. The various City officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this resolution.

SECTION 3. WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of Tucson that this resolution become immediately

effective, an emergency is hereby declared to exist and this resolution shall be effective immediately upon its passage and adoption.

PASSED, ADOPTED AND APPROVED BY THE MAYOR AND COUNCIL OF THE CITY OF TUCSON, ARIZONA, _____.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Michael D. Ditcher

CITY ATTORNEY

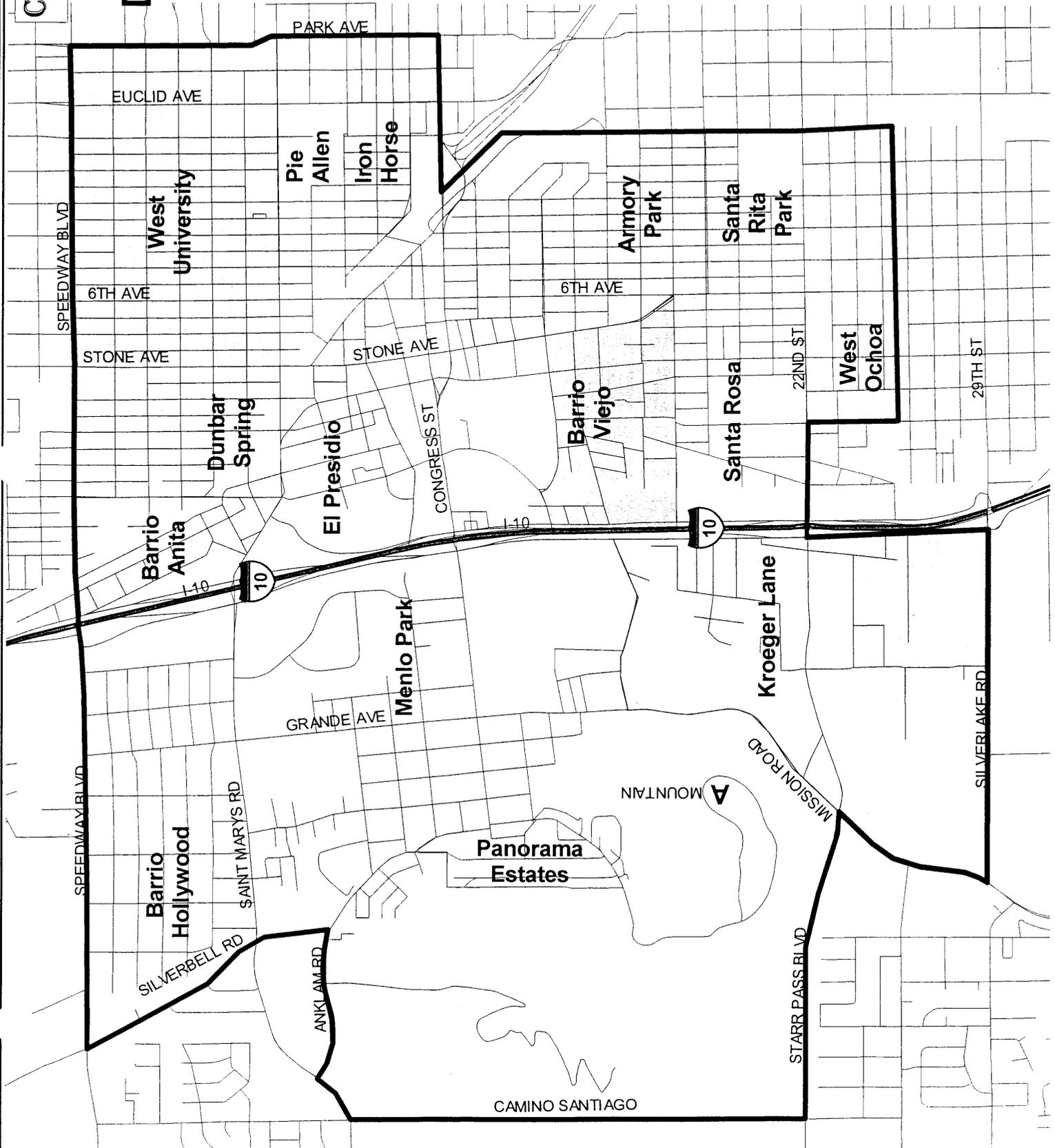
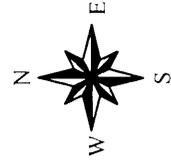
REVIEWED BY:

CITY MANAGER

TR
TR:cds
10/30/02

□ DOWNTOWN
HOUSING
DEVELOPMENT
AREA

EX 1 TO RESOLUTION NO. 19442



 **DOWNTOWN
HOUSING
DEVELOPMENT
AREA**

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