



Compass Affordable Housing, Inc.

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August 12, 2015

Mr. Glenn Fournie and Ms. Sally Stang  
Housing and Community Development Department  
310 North Commerce Park Loop  
Tucson, AZ 85726

Re: Downtown Motor Apartments  
National Historic Preservation Act, Section 106 Compliance

Compass Affordable Housing, Inc. (CAH) and Bethel Development (Bethel) each have completed several successful housing development projects in Arizona and are committed to working with their partners, the community and the City of Tucson to bring much-needed affordable housing to Downtown Tucson, Arizona. Tucson ranks among the top ten poorest cities in the U.S. and has a critical need for affordable housing. The Downtown Motor Apartments Project is specifically targeted to provide affordable housing to low-income downtown workers and our United States Armed Services Veterans.

CAH and Bethel will develop a 44-unit affordable housing apartment building on the site of the long-vacant and dilapidated Downtown Motor Hotel located at 383 S. Stone Avenue. This site is ideally suited for development as it is located in the Downtown Infill Incentive District and in an area that is emerging as the southern gateway to a vibrant downtown. This development represents an ideal opportunity to provide affordable housing and to contribute to the ongoing revitalization of the downtown Tucson area. Downtown Motor Lodge, LLC seeks federal funding as part of the site development financing and in accordance with Section 104 (g) of the Housing and Community Development Act of 1974. The funding sought is less than 6% of the total project cost.

Since the first public presentation in April 2014, CAH, its development partner Bethel, and the City of Tucson have operated in a thoroughly transparent manner and shown due diligence at every step in the process, exceeding what has been legally required. Public record supports this statement and includes the following:

- Since the Section 106 process began, two public meetings in 2014 (October 28 and November 20) specific to the Section 106 process were held. The public received extensive meeting notifications, that are documented on the project website. To further enhance transparency, all public comments from these meetings were posted to the website.
- All required public meetings were held and additional special courtesy meetings specific to Armory Park, Barrio Viejo and Ward 6 were held in 2014 (January 17, April 11, August 6, August 24 and October 7) and are documented on the project website.
- Hundreds of stakeholders received email meeting notices and reminders, in addition to public meeting notices being posted on the City's website and City Clerk's office website.
- To accommodate Spanish speakers, the project overview was written in both English and Spanish and available to public meeting attendees. Additionally, the City's website provides Google Translate and provides a number to call for oral interpretation of all posted information.

In addition to following all Section 106 requirements and allowing for additional public input, the developer has made key changes to its original building plans in order to accommodate specific neighbor concerns as follows:

- Developer will retain approximately 47' of the westernmost portion of the north building on the property and approximately 36' of the westernmost portion of the south building on the property. These spaces will be used as offices and community space.
- Roof style was changed from peaked to flat, lowering overall building height.
- Developer stepped-back the west elevation for architectural interest, diversity and scale.
- Windows were changed from horizontal sliders to Low-E single-hung design.
- Balconies were redesigned and reduced to eliminate elements projecting over existing building one-story structures.
- Articulation was added to building elevations for architectural interest, diversity and scale.
- Developer will vary building materials for architectural interest, diversity and scale.
- Developer will work with the Armory Park Neighborhood Association on the building colors with an emphasis on masses of strong shades and horizontal colorization.

- Developer added pocket landscaping at Stone Avenue frontage and to the interior of the site to enhance neighborhood views and resident experience.
- The existing two one-story buildings that will remain will be repaired and refurbished.
- Developer will save and restore the existing project sign. Developer will work with the City Historic Preservation Office to attempt to obtain “Historic Landmark Sign Designation” and will pay for the application. In addition, the developer will execute a Conservation Easement on the sign in favor of the City of Tucson.
- Developer will provide Architectural Documentation of the Property to meet Arizona State Historic Preservation Office standards.
- Developer will enhance the pedestrian experience along Stone Avenue with new materials and architectural details.

There were concerns about the project based upon historic preservation issues. In response, we offer the following considerations:

- Starting in 1950, the building has lost much of its character and the original Josias Joesler design along with it. In addition much has been lost due to:
  - Long-term neglect of the buildings
  - Years of damage from rodents, water, fire and vandalism
  - Remodeling of parking space enclosures that were originally designed as carports
  - Low-budget expansions to rooms
  - The addition of a street front lobby and removal of porches
  - Flagstone façade that changed basic original design features (superficial street front features)
  - Interior changes that forced alterations of the design
  - Removal of all landscape elements in the central drive area
  - Changes to the signage and windows
  - The two-story building located at the east of the property is starting to fall down and parts of it are only held up by temporary fixes
- An independent Capital Needs Assessment (CNA) completed by Acanthus Architecture and Planning in February 2014 indicated the age and deterioration of the property represents structural and hazardous materials problems making it not financially feasible to rehabilitate. The CNA indicated that numerous significant changes have already been made to the property over the decades.

- The Historic Property Inventory Form that was submitted in September 2013 is a relatively recent occurrence. The developers believe it was submitted as an attempt to stop the Downtown Motor Apartments project. The property owner at the time was not consulted and we, the buyer, as well as the City of Tucson, did not know this was done. We did not know that the property was made a “contributing property” until February 2014, well after it was purchased without this designation. The form was improperly completed and done without an on-site or in-depth inspection of the property by a qualified professional. The form contained statements that are incorrect:
  - Under the description of “Structural Conditions,” the box was checked indicating FAIR (“some problems apparent”; the applicant calls it “deferred maintenance”) which was not correct. A more accurate description would be POOR (major problems; imminent threat) or even RUIN/UNINHABITABLE.
  - Under the category “Uses/Function,” the form stated the property has been used for a hotel, although for the past 10-12 years it has been vacant and used as a flophouse and a warehouse for junk storage.
  - Under the description of “integrity,” the form states, “*The architectural design remains intact with the exception of a 1950’s lobby reconfiguration...*” However, the overall design has been modified significantly since 1950. The elimination of integral carports and the rebuilding of those spaces into additional motel units changed much of the interior and exterior of the site. An architect who is very familiar with this site estimates that over 50% of the building has been significantly changed.
  
- The site was considered blighted by the City of Tucson and, as indicated in the CNA, the condition of the property was failing and substandard. The historic properties that surround the motel have been in existence for many years and the new listing of this blighted site as a contributing property represents no contribution to the long-term existing historic properties.
  
- The City of Tucson finds that new construction will only affect the historic characteristics of the property itself and no other historic properties will be adversely affected. (Being simply visible from a historic district is not defined as an adverse effect.)
  
- Specifically, Armory Park and Barrio Libre historic districts will not be affected in any characteristic that qualified them for inclusion in the National Register of Historic Places. This determination was concurred with by the Arizona State Historic Preservation Office and found reasonable by the Advisory Council on Historic Preservation.

More recent issues raised by those opposed have turned to the Section 106 process itself, including assertions that public meetings were not held, insufficient notice of meetings were given, and bilingual services were not provided, all of which are contradicted by the public record.

In conclusion, a Memorandum of Agreement (MOA) has been signed between Downtown Motor Lodge, LLC, the City of Tucson Housing and Community Development Department, the Arizona State Historic Preservation Office (SHPO) and the Advisory Council on Historic Preservation (ACHP). In addition, the following entities have been regularly consulted and are invited to sign the MOA, as concurring parties:

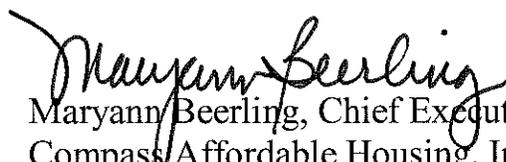
- Tucson Historic Preservation Foundation
- Tucson-Pima County Historical Commission
- Armory Park Historic Zone Advisory Board
- Armory Park Neighborhood Association
- Barrio Historico Historic Zone Advisory Board

It is our belief that all substantive opposition to the spirit, good intentions and legal requirements relating to this project have been exhaustively reviewed, considered and resolved to the greatest extent possible. A July 7, 2015 letter from the Advisory Council on Historic Preservation sums up the latest process as follows:

*"... the City has met the reasonable and good faith effort standard in our regulations to identify and evaluate historic properties and to consider effects to historic properties. While consulting parties may not agree with the City's determinations, the City has followed the Section 106 process that is appropriate to the scale and scope of this undertaking."*

With this letter we respectfully request and urge the City of Tucson and the United States Department of Housing and Urban Development to advance this important project without further delay. Thank you for your consideration.

Sincerely,

  
Maryann Beerling, Chief Executive Officer  
Compass Affordable Housing, Inc.

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