PLANNING COMMISSION

Department of Urban Planning & Design • P.O. Box 27210 • Tucson, AZ 85726-7210

DATE: **April 15, 2009**

TO: **Planning Commission**

FROM: **Albert Elias, AICP**
Executive Secretary

SUBJECT: **Amendment to the City of Tucson's Land Use Code Creating the Downtown Area Infill Incentive District Modification of Development Regulations process**

Issue – This is scheduled as a study session item. This amendment creates a Downtown Area Infill Incentive District (IID) overlay zone that allows applicants to request a modification of certain development regulations in the Land Use Code.

Recommendation – Staff recommends that the Planning Commission set this item for a public hearing in May. Note this amendment will require mailed notification to property owners within and in the vicinity of the IID.

Background – Arizona Revised Statute 9-499.10 authorizes local jurisdictions in the State, to establish an infill incentive district where expedited zoning or rezoning procedures, expedited processing of plans and proposals, waivers of municipal fees for development activities, and relief from development standards may be permitted.

The City of Tucson's General Plan recommends investigating the creation of Infill Incentive Districts as permitted by Arizona law (Element 1, Growth Areas and Population; Policy 9).

On June 27, 2006, the Mayor and Council amended the Rio Nuevo and Downtown (RND) Zone to allow a Modification of Development Regulations process in the Land Use Code to provide design flexibility for infill development.

The Mayor and Council approved the Downtown Area Infill Incentive District by resolution on October 24, 2006. The Downtown Area Infill Incentive District Plan (Plan) includes a map defining the boundaries of the district (see Attachment A). The Plan provides broad policy guidance related to development goals and incentives within the district. Additionally, the attachment includes the specific criteria required by Arizona Revised Statutes to establish an infill incentive district.

On June 10, 2008, the Mayor and Council directed staff to draft a modification of development regulations that address relief to development standards in the Downtown Area Infill Incentive District. The purpose is to encourage densification, transit and pedestrian oriented development,

and urban neighborhoods that serve downtown and the University of Arizona while upholding sustainable design principles.

On July 8, 2008, the Mayor and Council directed staff to develop medium and long term solutions to encourage and facilitate adaptive reuse of older buildings and revise regulations in the Land Use Code to achieve this.

On March 18, 2009, the Planning Commission Infill Subcommittee forwarded the draft IID to the full Planning Commission for a study session.

Project Description and Analysis

The draft text amendment is attached as Attachment B. The provisions in the draft text amendment are based on the policy direction proposed in the revised Downtown Area Infill Incentive District Plan.

The modification of development regulations (MDR) implements in part the Downtown Area Infill Incentive District Plan by allowing certain modifications in development regulations. These modifications encourage the development of urban infill projects with enhanced streetscapes that are transit and pedestrian-oriented.

The proposed MDR emulates the modification provisions in the RND, with the exception that the proposed MDR requires urban infill streetscapes and appropriate transitional design when next to existing residential areas.

In addition to addressing the direction given by the Mayor and Council on June 10, 2008 the draft text amendment facilitates the adaptive reuse of older buildings and removes barriers to infill development consistent with the Mayor and Council direction provided on July 8, 2008.

Mayor and Council gave direction to pursue this amendment on the date that they adopted the Neighborhood Preservation Zone Ordinance (June 10, 2008). The adoption of this proposed amendment is considered part of an overall strategy to balance urban infill needs with neighborhood preservation in an area that encompasses the regional employment centers of the Downtown and the University.

The proposed text amendment recommends specific provisions including:

- *Purpose* – The MDR is expected to help projects that promote pedestrian-oriented urban neighborhoods.
- *Applicability* – Projects proposing a comprehensive development or redevelopment, change of use, or expansion of an existing use or structure may request an MDR.

- *Modifiable development regulations* – Among those regulations that may be modified include building height, setbacks and parking.
- *Limits of MDR* – An MDR may be no greater than a 25% increase or decrease, with certain exceptions, from the regulations of the underlying zoning.
- *Transition criteria* – MDRs will be reviewed to ensure that the modification will not adversely effect adjacent properties.
- *Enhanced streetscape* – Projects requesting an MDR must provide streetscape improvements. The streetscape improvements must be pedestrian- and transit-oriented.
- *Focus on neighborhood uses* – The type of uses that may use an MDR are pedestrian scale neighborhood compatible land uses.

Stakeholder Input

Since June 2008, staff met several times to discuss early drafts of the ordinance with neighborhood representatives and infill developers, two times with the Land Use Code (LUC) Committee in December 2008 and January 2009 [Note: The LUC Committee is comprised of neighborhood representatives, developers, and other interest groups.], and four times with the Planning Commission Infill Subcommittee to discuss the draft IID.

The current draft includes changes recommended by stakeholders in the following ways:

MDR Development Criteria
- The amount of modifications has been adjusted to be more specific;
- The section now specifies that the number of disabled accessible and bicycle parking spaces will not be reduced if on-site motor vehicle parking is reduced; and,
- The Parking Tier concept has been removed as a requirement of an MDR to address concerns that this concept should be part of a more comprehensive parking code revision not tied to a modification request only.

Review and approval process
- The Development Agreement requirement was removed in response to concerns about uncertainty and the length of time it takes to finalize an agreement;
- The process was revised to include additional public notice, a neighborhood meeting, and an appeal procedure; and,
- The Mayor and Council approval is based on compliance with the MDR regulations versus being a discretionary public hearing review.

MDR Conceptual Plan requirements
- In general, the conceptual plan requirements have been clarified;
- The Resource Conservation requirements were removed in recognition that infill development and adaptive re-use of existing structures already reflect a sustainable policy;

- The Development Transition Element has been expanded to address concerns about incompatible development adjacent to existing residential areas; and,
- Applicants are required to document the layout and availability of utilities serving the project site.

The following are other issue raised during stakeholder meetings:

Neighborhood representatives

- MDRs may have adverse effects on the future redevelopment or reuse of properties;
- There is a need for investment in adjacent neighborhoods to make the IID attractive to businesses;
- Approval of a commercial use should be based on a finding that sufficient density is present nearby to support the proposed use;
- Developers should pay the fees for neighborhood appeals; and,
- Terms like "adverse effect" are too ambiguous.

Developers/Consultants

- The term Downtown Area Infill Incentive District may be misleading;
- The MDR process needs to be clearly an incentive since developers would be developing in an area with identified distressed property;
- The more certain the process the more likely someone might use it; and
- Downtown should have market driven parking.

Conclusion – The establishment of an MDR process within the IID is appropriate in order to:

- Implement the Downtown Area Infill Incentive District Plan; and.

- Balances a process that facilitates urban infill in an area near regional employment centers like the University and the Downtown area with the need for neighborhood preservation created by the recently adopted Neighborhood Preservation Zone.

Attachments:

Attachment A: Downtown Area Infill Incentive District Plan
Attachment B: March 25, 2009 Draft Downtown Area Infill Incentive District text amendment

ATTACHMENT A

ADOPTED BY THE
MAYOR AND COUNCIL

RESOLUTION 20487

RELATING TO DEVELOPMENT; ESTABLISHMENT OF THE DOWNTOWN INFILL INCENTIVE DISTRICT; AND DECLARING AN EMERGENCY.

WHEREAS, the City is authorized by A.R.S. §9-499.10 to establish an infill incentive district within the City where specific criteria are satisfied for the purpose of providing expedited zoning or rezoning procedures, expedited processing of plans and proposals, waivers of municipal fees for development activities as long as the waivers are not funded by other development fees, and relief from development standards; and

WHEREAS, the City has drafted the boundaries for a Downtown Infill Incentive District that will encompass the central business district, related commercial areas, and certain major traffic corridors leading to the City's downtown area; and

WHEREAS, the City has determined that recent vacancy rates for commercial uses within the central business district are approximately 23.5% as compared to 9.9% for metropolitan Tucson, and the recent vacancy rates for office uses within the central business district are approximately 19.2% compared to 15.1% for metropolitan Tucson; and

WHEREAS, the City has determined that area within the Downtown Infill Incentive District generally has older housing than metropolitan Tucson; and

WHEREAS, the City has determined, through the examination of the relative scores of the original quality of construction and the current physical condition, that the buildings within the Downtown Infill Incentive District are of poorer quality than the standard for the City as a whole; and

WHEREAS, the City has determined that there are a large number of vacant or underused parcels of property, parcels with obsolete uses, and parcels with environmental contamination in the Downtown Infill Incentive zone as compared to the City as a whole; and

WHEREAS, the City has determined, based on recent census data, that the population within the Infill Incentive District is declining in relation to the population of the City as a whole; and

WHEREAS, the City has determined the Downtown Infill Incentive District meets the criteria established by state law for an infill incentive district; and

WHEREAS, the City's General Plan provides for the identification and designation of infill incentive zones to encourage redevelopment of such areas; and

WHEREAS, the City has prepared the Downtown Infill Incentive District Plan to implement the incentives as provided by state law; and

WHEREAS, the City has determined that it is appropriate to provide the development incentives as allowed by law to provide incentives for development within the Downtown Infill Incentive District in accordance with the Downtown Infill Incentive District Plan; and

WHEREAS, the City has determined that additional incentives should be provided as permitted by law and as may be appropriate in specific situations to

encourage development in the Downtown Infill Incentive District in accordance with the Downtown Infill Incentive District Plan; and

WHEREAS, development agreements for individual projects which have physical costs in excess of two hundred fifty thousand dollars ($250,000) as may be approved by the Mayor and Council will carry out the purposes of the Downtown Infill Incentive District; and

WHEREAS, the City has determined that the adoption of the Downtown Infill Incentive District Plan attached hereto and the subsequent implementation of that Plan through individual development agreements will encourage redevelopment, renovation, and preservation of downtown core of Tucson and is in the interest of maintaining the public health, welfare, and safety of the community;

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

SECTION 1. The Downtown Infill Incentive District as shown on the map attached hereto as Exhibit A and incorporated herein by reference is established as the Downtown Infill Incentive District for the City of Tucson.

SECTION 2. The Downtown Infill Incentive District Plan attached hereto as Exhibit B and incorporated herein by reference is established as the infill incentive district plan for the Downtown Infill Incentive District.

SECTION 3. The Downtown Infill Incentive District Qualifying Criteria attached hereto as Exhibit C and incorporated herein by reference is established as the criteria that are applicable within the Downtown Infill Incentive District.

SECTION 4. The various City officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this resolution.

SECTION 5. 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 October 24, 2006.

MAYOR

ATTEST:

CITY CLERK

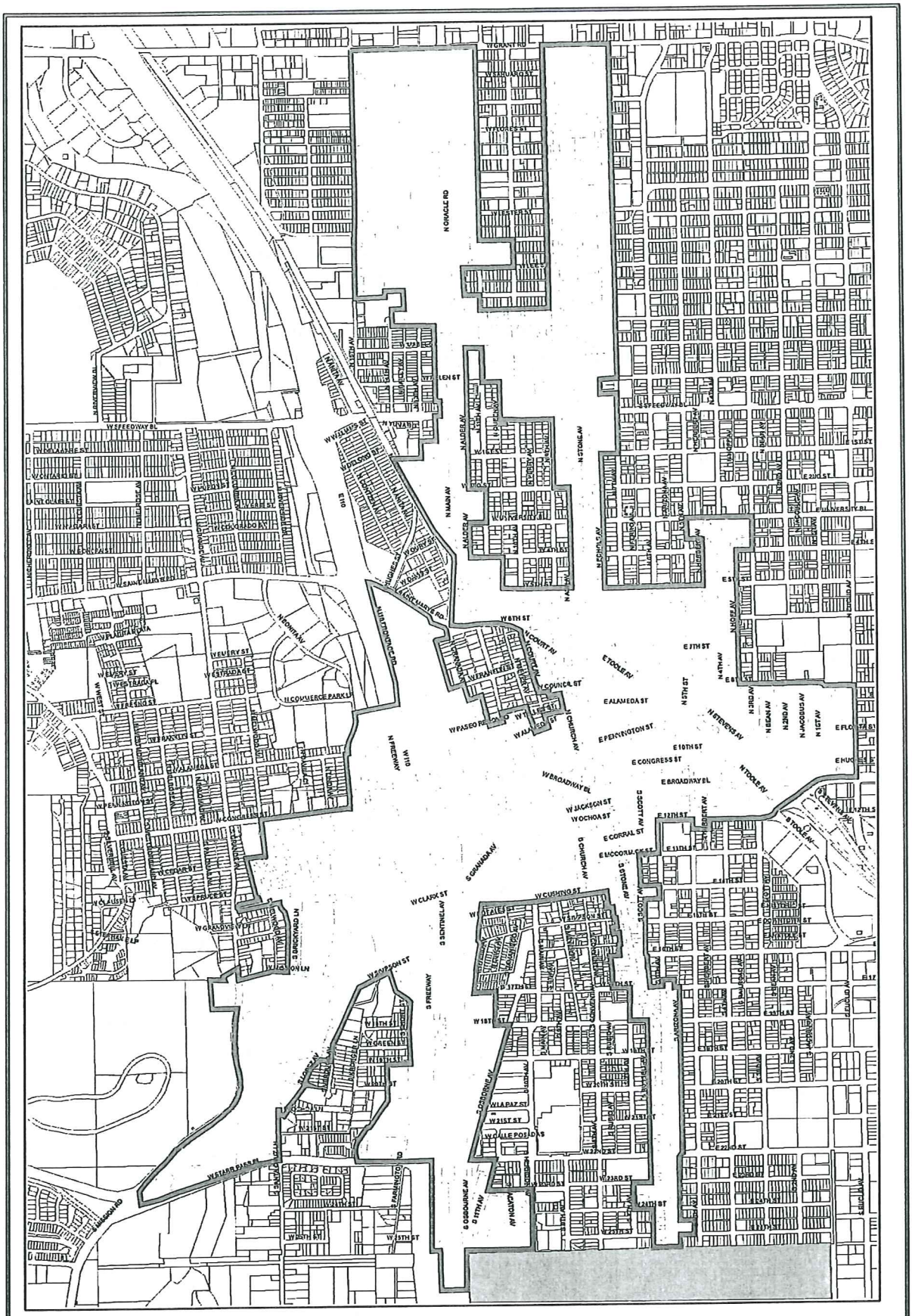
APPROVED AS TO FORM:

CITY ATTORNEY

REVIEWED BY:

CITY MANAGER

MWLM:tme
10/12/2006 3:20 PM



Legend

- Infill Incentive District
- South Tucson

Downtown Area
Infill Incentive District

0 500 1,000 2,000 Feet

Department of
URBAN PLANNING
& DESIGN

This map and other information have been compiled for preliminary and general purposes only. They are not intended to be complete and accurate for any other purposes. Please refer to officially adopted Ordinances and Maps

Attachment A

Attachment B

DOWNTOWN AREA INFILL INCENTIVE DISTRICT PLAN
October 24, 2006

Introduction –
Arizona Revised Statutes 9-499.10. Infill incentive districts allow cities and towns to create a special district to help revitalize already urbanized areas where infrastructure and services are in place. These areas often suffer from a general absence of development and investment activity, a loss of population, a large number of vacant lots and a prominent occurrence of dilapidated buildings. The City of Tucson's General Plan in Element 1, Policy 9 states that the City will investigate the creation of Infill Incentive Districts.

A prime location for an Infill Incentive District is the Downtown Area. Current analysis shows that the Downtown Area is undergoing a serious lack of investment and development activity that qualifies under the provisions of ARS 9-499.10 (See Downtown Area Infill Incentive District Analysis - Attachment A).

Background –
Over the past years, the Mayor and Council have considered various incentive policies for the Downtown area and the Rio Nuevo Overlay Zone.

Some concepts include:

1) Established the *Rio Nuevo and Downtown (RND) Overlay Zone* in 2002, which specifies design standards, and reduces parking requirements for residential development;
2) Adopted a modified New Jersey Rehabilitation Subcode in 2002, which is a set of comprehensive, simple and clear rules that enable greater reliability of cost predictions and facilitate renovation of existing structures;
3) Designated a downtown Housing Development Area in 2002, to increase the City's funding options for residential improvements and development; and
4) Authorized financial incentives, including a waiver of building permit fees of up to $10,000 per development, and a construction sales tax rebate fund to reimburse a portion of development costs for public infrastructure improvements. These financial incentives were recently extended to 2013 (Resolution 20326, December 13, 2005).

Even with these incentives in place there is a continuing need to address the lack of development and investment activity in the Downtown Area. A Downtown Area Infill Incentive District can supplement current incentive policies and increase the likelihood of development activity.

CITY CLERK FILE NOTE: KSD:gg:rp:kad 11-1-06
This document reflects the amendments adopted at the Mayor and Council meeting of October 24, 2006.

Downtown Area Infill Incentive District Plan -

Goals –

Goal 1: Implement the goals of the General Plan, including strategies as applicable for housing affordability that may include presenting a range of options, energy conservation, rehabilitation and redevelopment.

Goal 2: Address barriers to Downtown Area infill development such as inadequate infrastructure, lengthy permit processes, obsolete development standards, difficult parcel assembly, environmental clean-up issues, and associated development barrier issues; and

Goal 3: Enliven and revitalize the Downtown Area by promoting public-private partnerships, a pedestrian environment, and a mix of well-designed land uses contributing to Tucson's rich historic, cultural, and artistic heritage.

Policies -

Policy 1: A Downtown Area Infill Incentive District Map is hereby established and is attached as Attachment A.

Policy 2: Development proposals within the Downtown Area Infill Incentive District Map that introduce mixed uses, commercial uses, high density residential uses and other associated land uses that encourage development activity that supports the creation of the Downtown Area as a major regional activity center may be considered in a development agreement with the City. This policy does not include industrial uses or uses such as charter schools that require large buffer areas from traditional Downtown entertainment uses. The residential proposal shall discuss strategies as applicable on how to address housing affordability.

Policy 3: The Mayor and Council may approve a development agreement that addresses modifying development standards, receiving a fee modification for qualifying fees that may include fee waivers or deferments, or expediting procedures or plans processing. It may also include assistance on the assembling of parcels, environmental contamination clean-up, infrastructure improvements, and other associated development issues within the context of the provisions of State Statutes. An approval of a development agreement is a discretionary act of the Mayor and Council.

Policy 4: Uses that may be considered for application for the District's modified standards and fees, expedited zoning or rezoning procedures, or expedited processing of plans must present itemized evidence to the City that the physical costs to do the proposed project exceed $250,000. An application qualifying for consideration does not guarantee final approval. The City may reject applications that do not meet the goals of the District.

Policy 5: The proposal shall include evidence of at a minimum one neighborhood meeting and explain how notification to surrounding property owners and neighborhood associations was accomplished. It shall mention concerns raised and strategies to address any concerns.

Downtown Area Infill Incentive District
ARS Criteria
District Analysis

The City of Tucson is seeking to spur development in the Downtown Area. According to ARS 9-499.10, cities and towns may establish infill incentive districts if at least three criteria can be satisfied. The Downtown Area satisfied at least three criteria, as follows. A copy of ARS 9-499.10 is provided at the end of this Attachment.

Criterion 1 – There is a large number of vacant older or dilapidated buildings or structures.

Vacant Buildings
The attached chart shows that the vacancy rates for commercial and office uses are higher in the CBD than in the Metropolitan Tucson area. For example, in 2003, vacancy rates for commercial uses in the CBD compared to the Metropolitan Tucson area are approximately 23.5% and 9.9%, respectively, while vacancy rates for office uses in the CBD compared to the Metropolitan Tucson area are approximately 19.2% and 15.1%, respectively. The data are from the Metropolitan Land Use Survey, which is conducted quarterly by the University of Arizona's Office of Economic Development, for the Pima County Real Estate Research Council.

- Figure 1.a. - Downtown Commercial Vacancy Rates, 2000 - 2005

Older Buildings
The attached chart shows that housing in the CBD is generally older than housing in the City of Tucson as a whole. The map shows the percentage of housing built before 1940, by geographic area, in the Tucson Metropolitan area. Information is based on 2000 U.S. Bureau of Census data. The CBD data are from census tracts within the boundaries of the proposed Infill Incentive District.

- Figure 1.b. - Year Housing Built, Central Business District (CBD) vs. Tucson
- Figure 1.c. - Tucson Metropolitan Area, Housing Units Built Before 1940 (as a percent of all Housing Units)

Dilapidated Buildings
The attached charts noted below can be used as an approximation of the relative scores of the original quality of construction and the current physical condition of buildings on parcels of land. The red areas are more heavily weighted towards the left side of the scale (poor quality and poor condition), while the black areas are more heavily weighted towards the right side of the scale (high quality and high condition). When considered together, they indicate a generally poorer quality of construction and a poorer physical condition of buildings in the proposed infill incentive district area, as compared to the Metropolitan Tucson area. The information is based on 2005 Pima County Assessor's data.

- Figure 1.d - Quality of Construction, Metro Area vs. Infill Incentive Zone
- Figure 1.e. - Condition, Metro Area vs. Infill Incentive Zone

Criterion 2: There is a large number of vacant or underused parcels of property, obsolete or inappropriate lot or parcel sizes or environmentally contaminated sites.

The attached map shows that there are several environmental sites in the vicinity of Downtown.

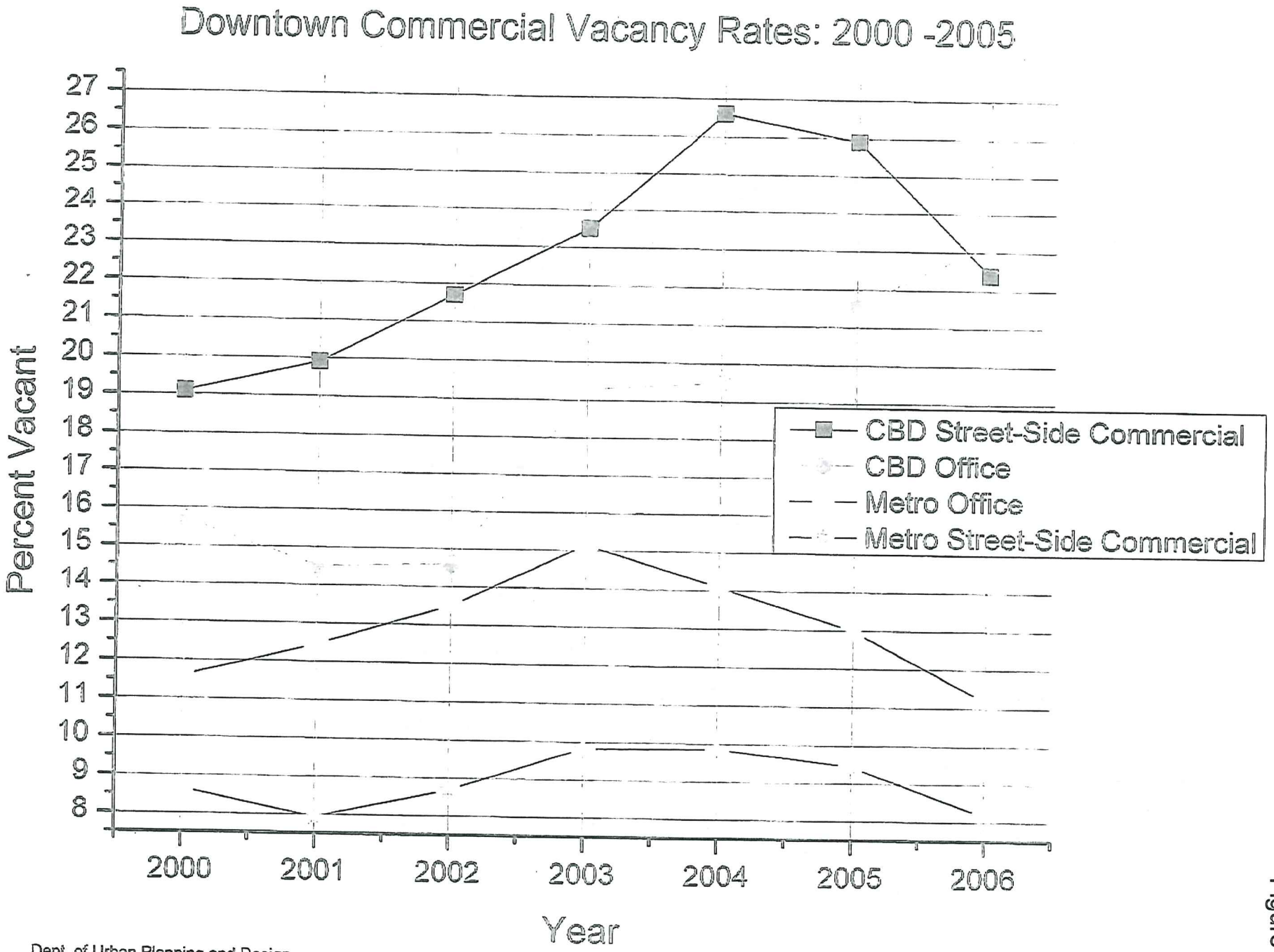
Figure 2 – City of Tucson Downtown Environmental Sites; map provided by Environmental Services

Criterion 6: There is a continuing decline in population.

Based on data for the census tracts in the Downtown Infill Incentive District:

Census Tracts	Population April 1, 1960	Population April 1, 2000	Population Change	Percent Change
1.00	658	605	(53)	-8.05%
3.00	3,042	1,454	(1,588)	-52.20%
4.00	3,768	3,229	(539)	-14.30%
9.00	4,920	2,938	(1,982)	-40.28%
10.00	3,130	686	(2,444)	-78.08%
13.02	3,015	2,124	(891)	-29.55%
25.01	4,200	5,627	1,427	33.98%
TOTAL	22,733	16,663	(6,070)	-26.70%

Attachments
Figure 1.a. - Downtown Commercial Vacancy Rates, 2000 – 2005
Figure 1.b. - Year Housing Built, Central Business District (CBD) vs. Tucson
Figure 1.c. - Tucson Metropolitan Area, Housing Units Built Before 1940 (as a percent of all Housing Units)
Figure 1.d - Quality of Construction, Metro Area vs. Infill Incentive Zone
Figure 1.e. - Condition, Metro Area vs. Infill Incentive Zone
Figure 2 – City of Tucson Downtown Environmental Sites
Copy of ARS 9-499.10, Infill Incentive Districts



Dept. of Urban Planning and Design
Metropolitan Tucson Land Use Survey

Figure 1.a

Figure 1.b

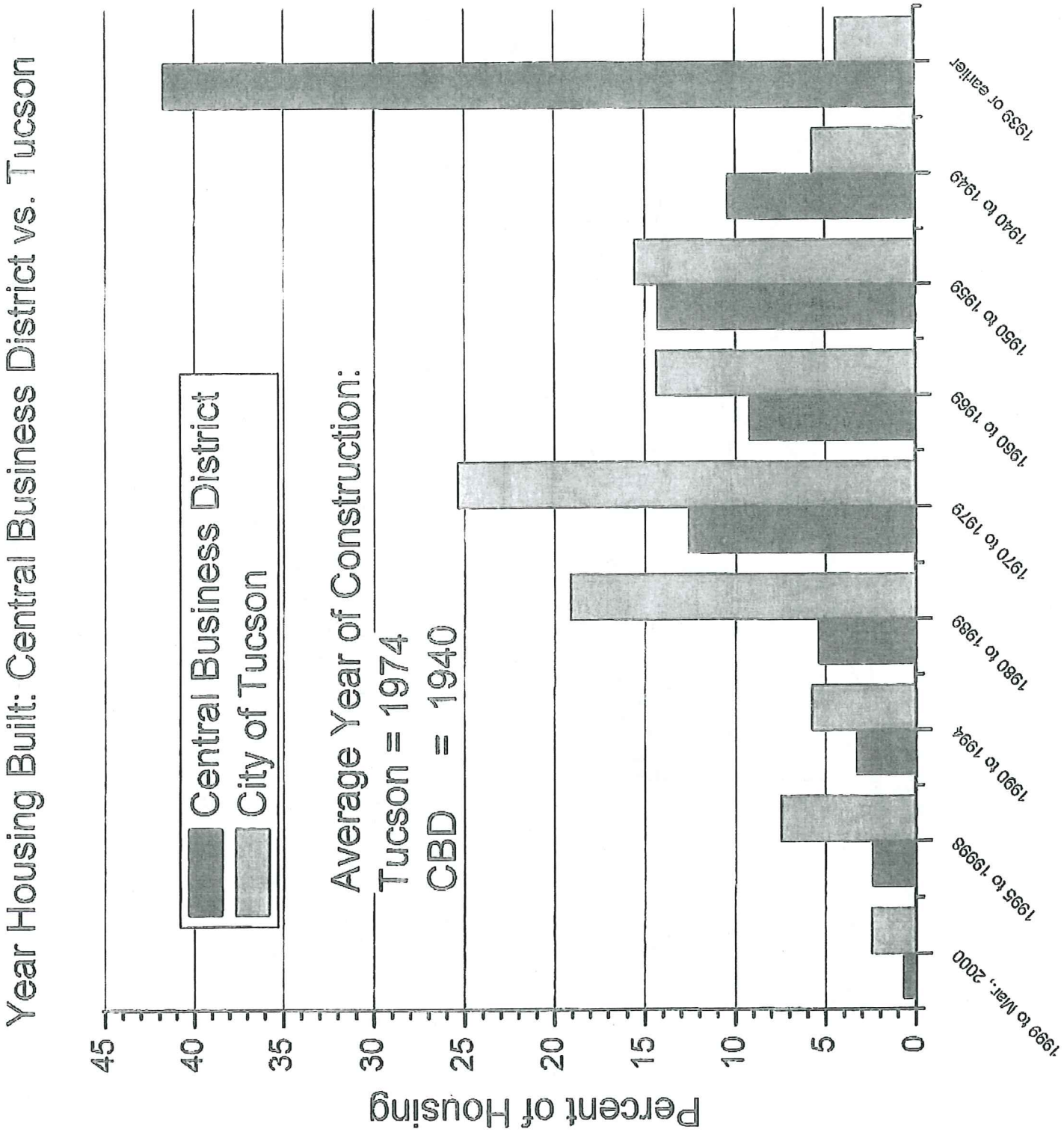
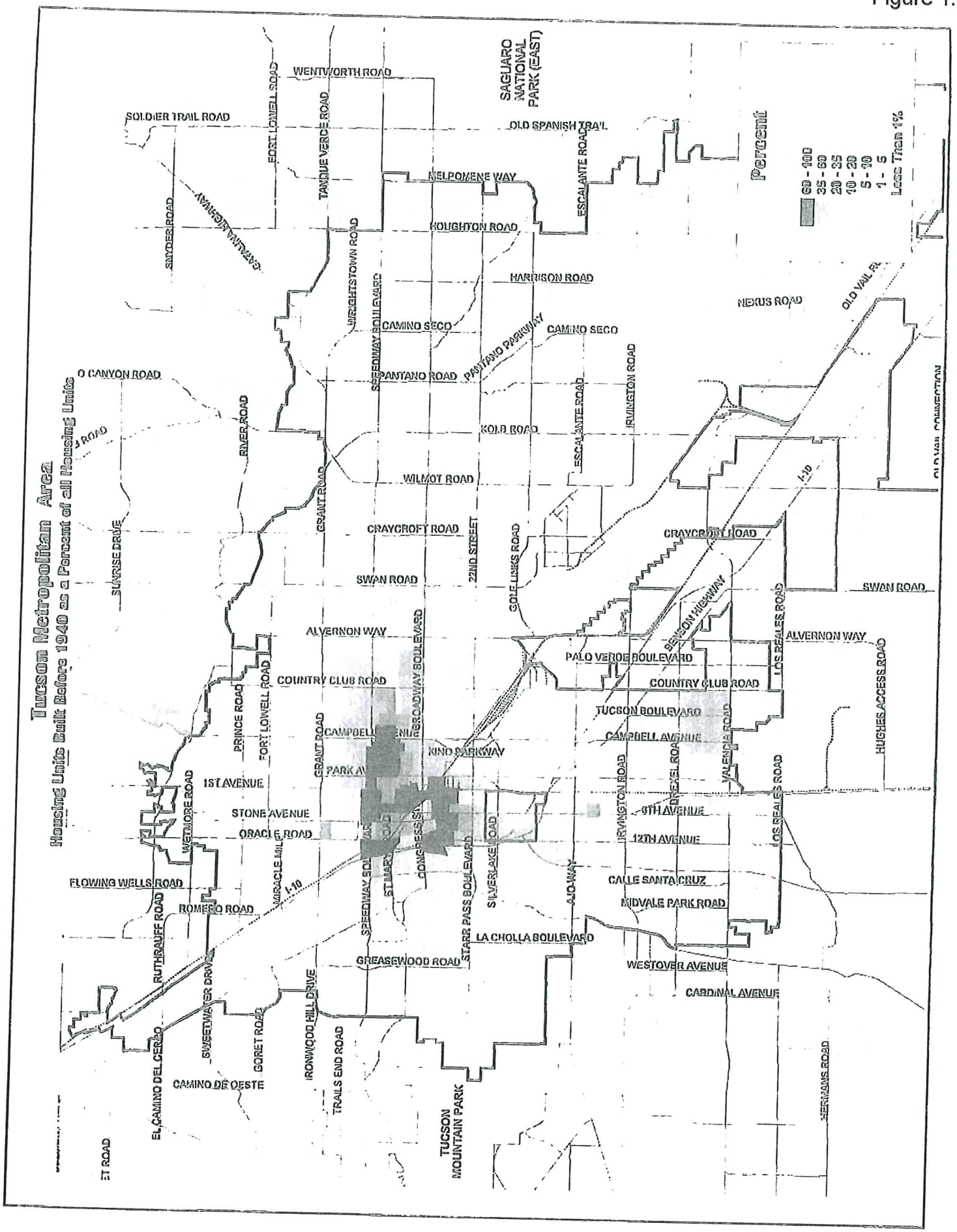

Year Housing Built: Central Business District vs. Tucson
Central Business District
City of Tucson
Average Year of Construction:
Tucson = 1974
CBD = 1940
Percent of Housing
45
40
35
30
25
20
15
10
5
0
1999 to Mar., 2000
1995 to 19998
1990 to 1994
1980 to 1989
1970 to 1979
1960 to 1969
1950 to 1959
1940 to 1949
1939 or earlier

Figure 1.c


Tucson Metropolitan Area
Housing Units Built Before 1940 as a Percent of all Housing Units
Percent
60 - 100
35 - 60
20 - 35
10 - 20
5 - 10
1 - 5
Less Than 1%
SAGUARO NATIONAL PARK (EAST)
WENTWORTH ROAD
SOLDIER TRAIL ROAD
OLD SPANISH TRAIL
FORT LOWELL ROAD
TANQUE VERDE ROAD
ESCALANTE ROAD
MELPOMENE WAY
HOUGHTON ROAD
SNYDER ROAD
CATALINA HIGHWAY
WRIGHTSTOWN ROAD
HARRISON ROAD
NEXUS ROAD
OLD VAIL RD
CAMINO SECO
SPEEDWAY BOULEVARD
PANTANO PARKWAY
PANTANO ROAD
IRVINGTON ROAD
O CANYON ROAD
RIVER ROAD
KOLB ROAD
WILMOT ROAD
I-10
GRANT ROAD
CRAYCROFT ROAD
22ND STREET
GOLF LINKS ROAD
SUNRISE DRIVE
SWAN ROAD
BENSON HIGHWAY
LOS REALES ROAD
ALVERNON WAY
PALO VERDE BOULEVARD
COUNTRY CLUB ROAD
GROADWAY BOULEVARD
PRINCE ROAD
FORT LOWELL ROAD
TUCSON BOULEVARD
CAMPBELL AVENUE
KINO PARKWAY
VALENCIA ROAD
HUGHES ACCESS ROAD
1ST AVENUE
WETMORE ROAD
STONE AVENUE
ORACLE ROAD
DREXEL ROAD
6TH AVENUE
12TH AVENUE
CONGRESS ST
ST MARY ROAD
SILVERLAKE ROAD
AJO WAY
FLOWING WELLS ROAD
MIRACLE MILE
CALLE SANTA CRUZ
MIDVALE PARK ROAD
ROMERO ROAD
RUTHRAUFF ROAD
STARR PASS BOULEVARD
LA CHOLLA BOULEVARD
GREASEWOOD ROAD
WESTOVER AVENUE
CARDINAL AVENUE
SWEETWATER DRIVE
GORET ROAD
IRONWOOD HILL DRIVE
TRAILS END ROAD
EL CAMINO DEL CERRO
CAMINO DE OESTE
TUCSON MOUNTAIN PARK
HERMANS ROAD

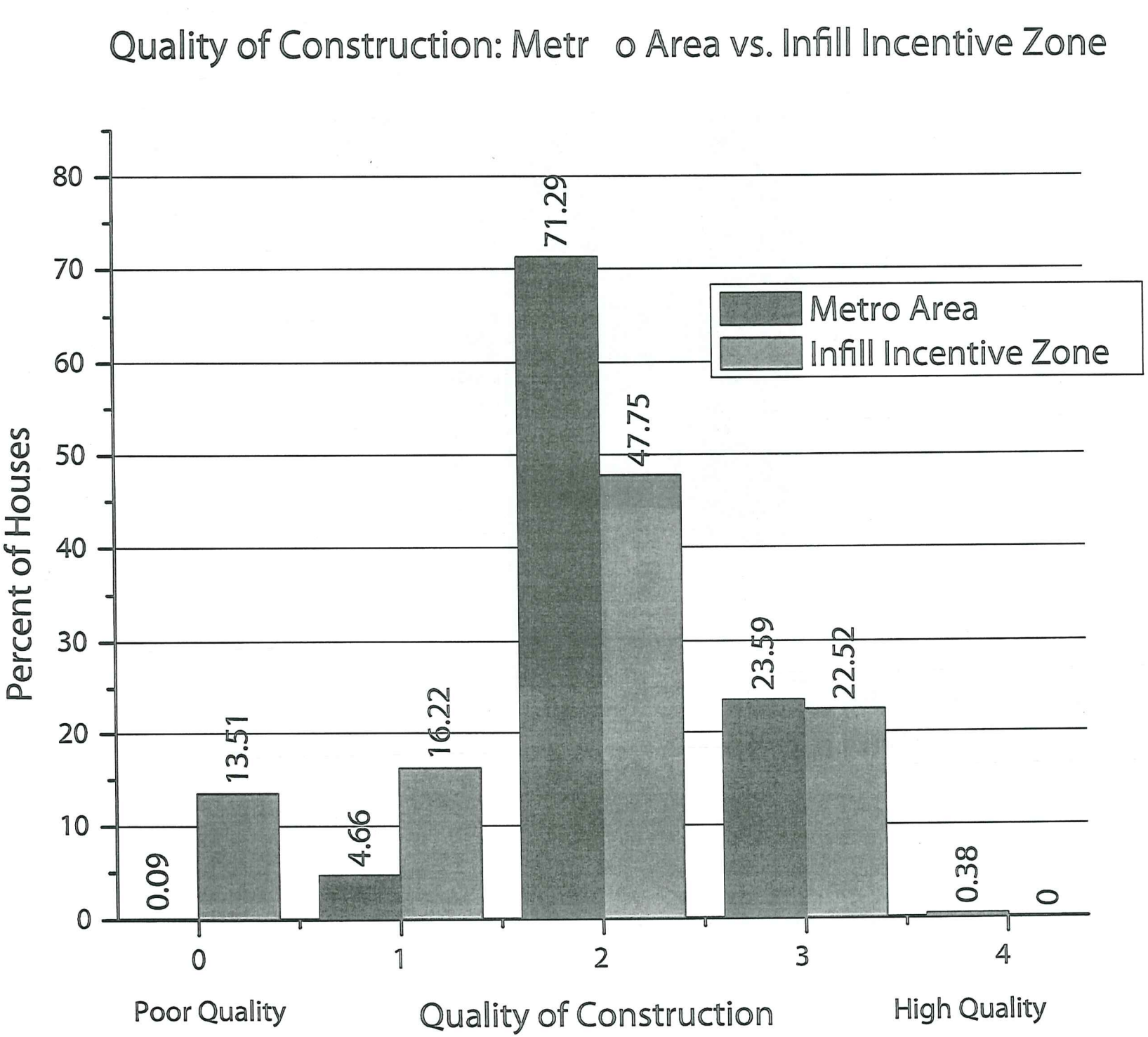

Quality of Construction: Metr o Area vs. Infill Incentive Zone
Percent of Houses
80
70
60
50
40
30
20
10
0
Metro Area
Infill Incentive Zone
0.09
13.51
4.66
16.22
71.29
47.75
23.59
22.52
0.38
0
0
1
2
3
4
Poor Quality
Quality of Construction
High Quality

Figure 1.d

Figure 1.e

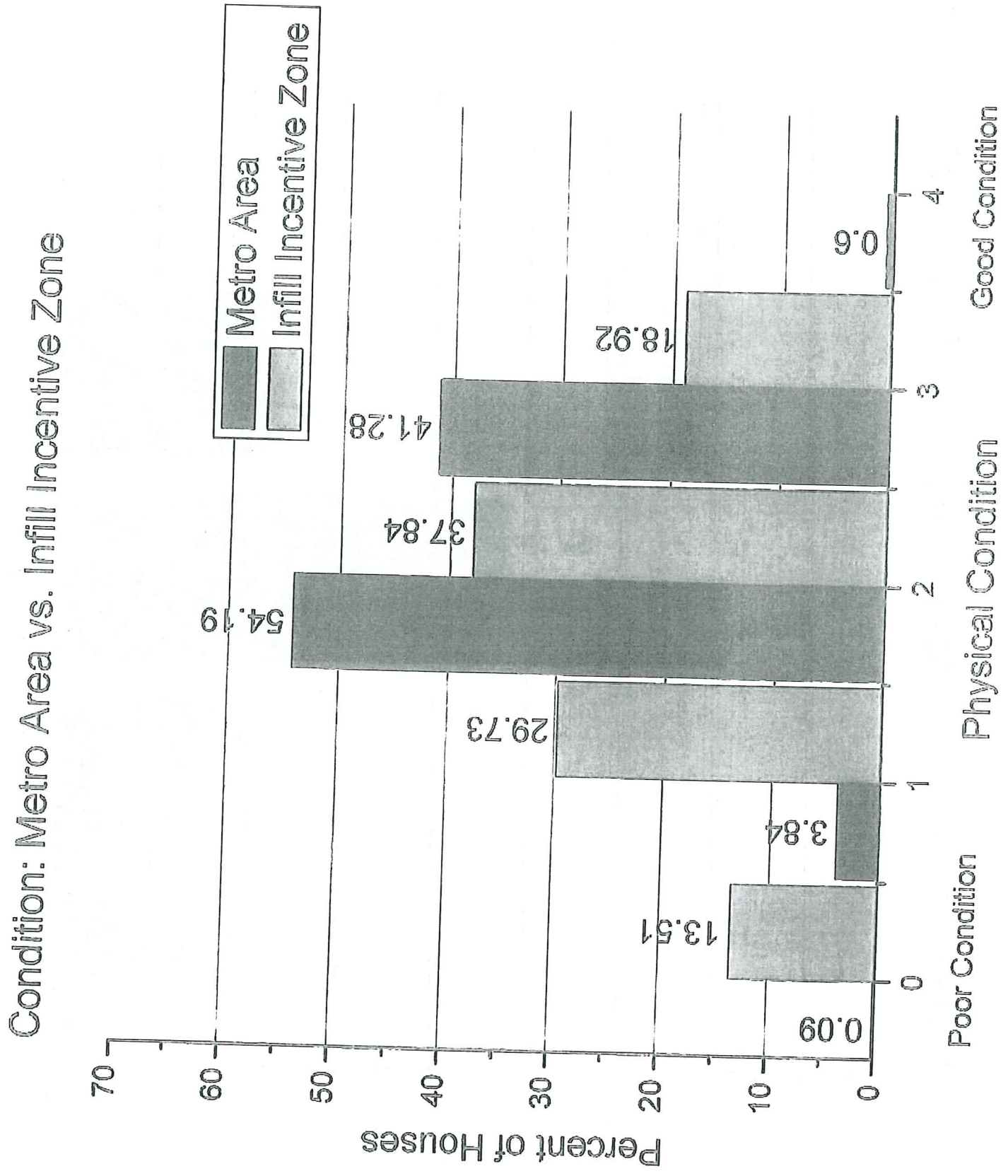
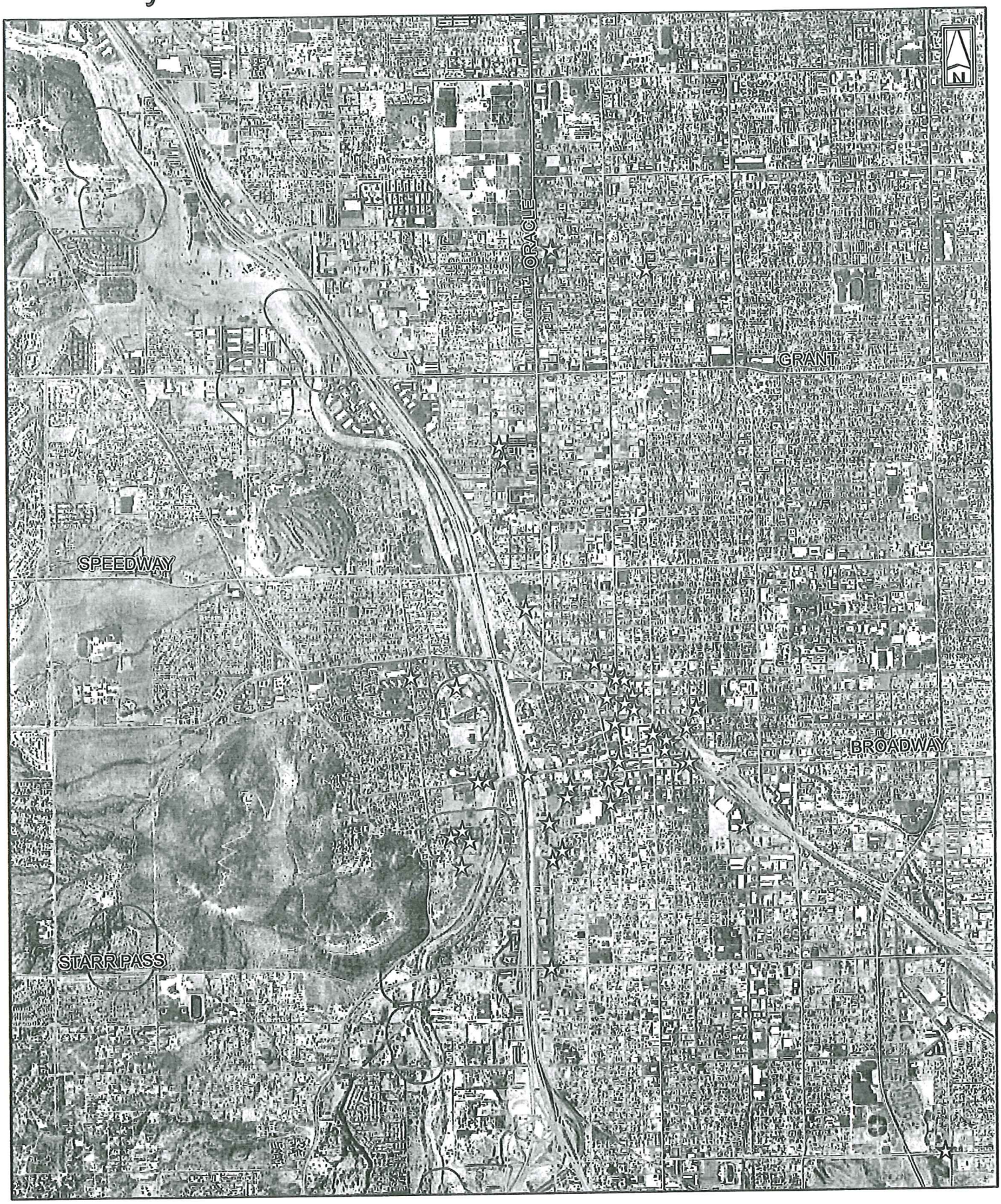

Condition: Metro Area vs. Infill Incentive Zone
Metro Area
Infill Incentive Zone
Percent of Houses
0
10
20
30
40
50
60
70
0.09
13.51
3.84
29.73
54.19
37.84
41.28
18.92
0.6
0
1
2
3
4
Poor Condition
Physical Condition
Good Condition

Figure 2

City of Tucson Downtown Environmental Sites



9-499.10. Infill incentive districts

A. The governing body of a city or town may designate an infill incentive district in an area in the city or town that meets at least three of the following requirements:

1. There is a large number of vacant older or dilapidated buildings or structures.

2. There is a large number of vacant or underused parcels of property, obsolete or inappropriate lot or parcel sizes or environmentally contaminated sites.

3. There is a large number of buildings or other places where nuisances exist or occur.

4. There is an absence of development and investment activity compared to other areas in the city or town.

5. There is a high occurrence of crime.

6. There is a continuing decline in population.

B. If the governing body establishes an infill incentive district, it shall adopt an infill incentive plan to encourage redevelopment in the district. The plan may include:

1. Expedited zoning or rezoning procedures.

2. Expedited processing of plans and proposals.

3. Waivers of municipal fees for development activities as long as the waivers are not funded by other development fees.

4. Relief from development standards.

DRAFT April 8, 2009

ATTACHMENT B: DRAFT TEXT AMENDMENT CREATING THE DOWNTOWN AREA INFILL INCENTIVE DISTRICT ZONE

NOTE: The ~~strikethrough~~/underline revisions reflect changes made to the draft reviewed by the Infill Subcommittee.

SECTION 1. The Tucson Code, Chapter 23, Land Use Code, Article II, Division 8, is hereby amended by adding a new section 2.8.12, Downtown Area Infill Incentive District (IID) to read as follows:

2.8.12 DOWNTOWN AREA INFILL INCENTIVE DISTRICT ZONE (IID)

2.8.12.1 *Purpose*. The primary purpose of the Downtown Area Infill Incentive District (IID) is to encourage redevelopment ~~to aid a distressed urban area~~ in the following ways:

A. Encourage sustainable infill development that supports the creation of urban neighborhoods that are pedestrian- and transit-oriented and benefits the IID, the major activity centers in the area, and the City as a whole.

B. Address barriers to infill development in the Downtown Area Infill Incentive District such as incompatible development standards, and associated development barrier issues; and,

C. Implement~~Effectuates~~ the IID purposes by offering development incentives permitting a modification of development regulations (MDR) as provided herein.

2.8.12.2 *Establishment*. The Downtown Infill Incentive District (IID) is an overlay zone as defined in Sec. 6.2.4-D. The provisions of the IID zone apply to properties within its boundaries.

A. Development regulations may be modified within the IID zone. This process shall be known as the Modification of Development Regulations (MDR). ~~Upon a recommendation of the Planning Director, the Mayor and Council may approve a MDR as noted below:~~

2.8.12.3 *Boundaries*. The boundaries of the IID are described in Sec. 6.2.4-D (Downtown Area Infill Incentive District and Downtown Area Infill Incentive District – Parking Tiers).

2.8.12.4 *MDR Applicability.* The MDR process applies to the following Land Use Code regulations, development types, land uses, and specific development criteria.

A. The MDR process applies to the following sections of Article III of the Land Use Code:

1. Division 1, General Provisions; Division 2, Development Criteria; Division 3, Motor Vehicle & Bicycle Parking Requirements; Division 4, Off-Street Loading; and, Division 7, Landscaping and Screening Regulations.

B. An MDR may apply to the following development categories located on property, including public or private rights-of-way, any portion of which is located within the IID zone: a change of use; expansion of an existing use or existing structure; or new development or a redevelopment project.

C. *MDR Land Uses.*

1. A MDR application is limited to proposals with one or more of the following uses: Administrative and Professional Office; Alcoholic Beverage Service; Civic Assembly; Craftwork; Cultural; Educational Use: Instructional School; Educational Use: Postsecondary Institution; Entertainment; Attached Residential; Multifamily Residential; Food and Beverage Sales; Food Service; General Merchandise Sales; Mixed Use (a combination of the uses listed in this section and residential); Personal Service; and Travelers' Accommodation, Lodging.
2. A use not listed above may be allowed if the Mayor and Council deem the use to be in accordance with the purposes of the IID described in Sec. 2.8.12.1.
3. If drive-through service is provided, it may not interfere with pedestrian access to the site from the roadway.

D. *MDR Development Criteria.* The regulations listed in Section 2.8.12.4.A may be modified up to twenty-five percent (25%) of the dimension or amount permitted by the underlying zoning with the following exceptions where modifications may exceed this amount:

1. *Building height.* Building height may be increased up to sixty (60) feet unless the current zoning allows a greater height or where in compliance with the MDR Conceptual Plan's Development Transition Element requires less.
2. *Street perimeter yard.* Street perimeter yard requirements may be reduced or waived when the Planning and Development Services Department determines that there is adequate sight visibility, no traffic safety issue created, and no privacy intrusion into existing residential property is created as provided in accordance with the MDR Conceptual Plan's Development Transition Element described in Sec 2.8.12.5.C.
3. *Parking.*
   a. Parking may be modified per an agreement with the City's Parking Division, or ~~*Motor vehicle parking.* Motor vehicle parking may be modified~~ as follows:
      i. Sec. 3.3.3.11 (New Uses Replacing Existing Uses);
      ii. Sec. 3.3.8.6 (Existing Development Sites);
      iii. Sec. 3.3.8.7 (Individual Parking Plan);

iv. Sec. 3.3.6 (Parking Exceptions in the Downtown Redevelopment District) for those portions of the IID within the Downtown Redevelopment District.~~; or,~~

~~v.If the applicant has an agreement with the City's Parking Division.~~

b. *Accessible Parking and Bicycle Facilities*. ~~For those land use classes where the bicycle facility requirement is based on the number of motor vehicle parking spaces provided, the bicycle facility requirement shall be calculated on the motor vehicle requirement prior to the modification.~~ ~~c.*Accessible Parking*.~~ The number of accessible parking spaces required by the Americans with Disabilities Act and bicycle facilities shall not be reduced or eliminated and shall be based on the number of motor vehicle parking spaces required prior to any modification.

4. *Loading.* Off-street loading zone requirements may be reduced or waived if the Development Services Department determines that no traffic safety issue is created.
5. *Solid Waste Collection.* On-site refuse collection container requirements governing access, type, and location may be modified if the Department of Environmental Services determines that no public health or traffic safety issue is created.

2.8.12.5 *MDR Conceptual Plan Requirement.* An MDR application must include an MDR Conceptual Plan that contains a Streetscape Element and a Development Transition Element (if adjacent to existing residential uses).

A. *Streetscape Element*. The MDR Conceptual Plan shall include the following streetscape elements as provided below.

1. Required Streetscape Elements. The MDR Conceptual Plan shall contain the following:

a. A pedestrian-oriented streetscape using documented best urban design addressing:
   i. Pedestrian proximity to buildings – locating buildings adjacent or near to sidewalks;
   ii. Pedestrian amenities – using such techniques as public seating and display areas;
   iii. Appropriate sidewalk width – using appropriate width for the property that creates effective connectivity to adjoining properties' pedestrian ways;
   iv. Shade for pedestrians – using landscaping, colonnaded building, or other shading devices.
b. Parking areas shall be located at the rear or the side of the building.
c. Buildings shall provide ground floor display windows along street frontages and pedestrian entrances from the street.
d. The project should reflect a ~~historically~~ compatible design when there are historically designated buildings within its Development Zone.

e. Bus pull-outs shall be provided where bus stops are currently located.

2. Optional Streetscape Elements. The MDR Conceptual Plan shall contain at least one of the following features:

a. Shade trees and pedestrian lighting along the sidewalk facing an arterial or collector street. City endorsed streetscape plans, such as those depicted in the Downtown Urban Design Reference Manual, or a nationally recognized best practices book or manual shall be used as a guideline.
b. Green wall or green roof design are integrated into the building construction to reduce heat generation from building surfaces that otherwise would raise urban atmospheric temperature due to potential building's solar heat absorption as approved by the Planning Director. Green wall and green roof design refers to a wall or roof that is partially or completely covered with vegetation and, in some cases, soil or inorganic growing medium.
c. Other design features that are documented in writing as a best practice of transit/pedestrian oriented development.

B. *Development Transition Element.* When the project is adjacent to existing residential development, a Development Transition Element is required as part of the MDR Conceptual Plan.

1. Windows on second or higher stories shall be treated to reduce views into the buildings of adjacent residential property. This feature may be waived where the angle of view from the project's building into the adjacent residential building is obstructed by screening or the slope of the angle.
2. Balconies shall be oriented away from residential property or positioned so that screening or the slope of the angle obstructs the view angle into the adjacent residential building.
3. Landscaping transitions should be used between any new development and existing residential. The landscaping bufferyard must be of a vegetative type and size, setback, and width to reduce view intrusion into the adjacent residential property.
4. Portions of the project building closest to existing residential development shall be compatible in height and scale with the lower density development. The height and scale of a project building may increase the farther it is from the existing residential development.

C. *Utilities.* An MDR Conceptual Plan shall include information on the layout and availability of utilities such as water, wastewater, natural gas, electric and telecommunication utilities.

D. *Alternative.* A City approved urban design plan, such as the Downtown Links Plan, within the IID may substitute for an MDR conceptual plan. The Planning Director may request additional information from the applicant where details may

be lacking to adequately review the conceptual plan for compliance with Sections 2.8.12.5.A, B, and C.

2.8.12.6 *MDR Conceptual Plan Content.*

A. *Requirement.* A MDR Conceptual Plan must be prepared in compliance with Development Standard 2-02.2.0. Additionally, applicants are required to provide elevations demonstrating compliance with Secs. 2.8.12.5.A and B.

B. *Revisions.* An applicant may request to omit or modify an MDR Conceptual Plan submittal requirement subject to the following:

a. The applicant must identify which submittal requirement(s) is requested for omission or modification and provide a rationale for the change.
b. The Planning Director shall determine whether to accept the request. In making a decision, the director shall consider the purpose statements of the Downtown Area Infill Incentive District Plan and applicable General Plan policies. Approval of the request does not represent the department's endorsement or approval of a rezoning request or the project design.

2.8.12.7 *Review and Approval Procedures.* The Department of Urban Planning and Design shall administer the review procedures of the MDR conceptual plan process.

A. *Procedure.* Requests for MDRs shall be processed according to the Development Compliance Code, Sections 23A-50 and 23A-51, with the following exception:

1. The Planning Director will render a decision on the MDR request. The director shall use the findings in this section when making a decision.

B. *Findings.* The Planning Director may only grant an MDR if he/she finds:

1. The MDR Conceptual Plan and requested modifications meet the purpose statements described in Sec. 2.8.12;
2. The project benefits adjacent property and the surrounding area by the redevelopment of the existing site and surrounding area in a way consistent with the goals of the Downtown Infill Incentive District Plan;
3. The MDR Conceptual Plan does not create significant adverse effects on adjacent residential property including excessive noise, glare, odors, vibrations, fumes, traffic hazards directly impacting adjacent property, and other similar public health and safety concerns.
4. The project building does not significantly impede solar energy options to adjacent properties;
5. The MDR Conceptual Plan supports a safe streetscape coordinated with adjoining properties;
6. Considering the scale of the property, the proposal reflects an effective implementation of documented streetscape design best practices;

7. The MDR Conceptual Plan is reflective of City objectives concerning the use of drought tolerant and native landscaping;
8. The development is in a form and scale consistent with urban surroundings;
9. For an MDR Conceptual Plan that involves a parking reduction, the project will not cause excessive drive through traffic or habitual parking within an adjacent residential neighborhood.

C. An amendment or revision to an approved MDR Conceptual Plan shall be subject to the same procedure as the initial approval.

D. The City may accept a concurrent submittal of the MDR Conceptual Plan and corresponding development plan or subdivision plat.

2.8.12.8 *Renewal Clause*.~~-~~ The provisions of this ordinance shall cease to be effective on January 1, 2011, unless extended by the Mayor and Council by a separate ordinance. The purpose of this sunset clause is to give the City the opportunity to decide whether to continue to implement the district. ~~This Section on the Downtown Area Infill Incentive District is automatically renewed each year after the date of adoption unless the Mayor and Council decide to terminate or amend it.~~

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ARTICLE VI DEFINITIONS
DIVISION 2. LISTING OF WORDS & TERMS

SECTION 2. The Tucson Code, Chapter 23, Land Use Code, Article IV, Division 4, Sec. 6.2.4 is hereby amended to a new definition, to read as follows:

Downtown Area Infill Incentive District. That area as delineated by Map 6.2.4-I. *(See Map 6.2.4.I)*

****CONTINUED ON NEXT PAGE****

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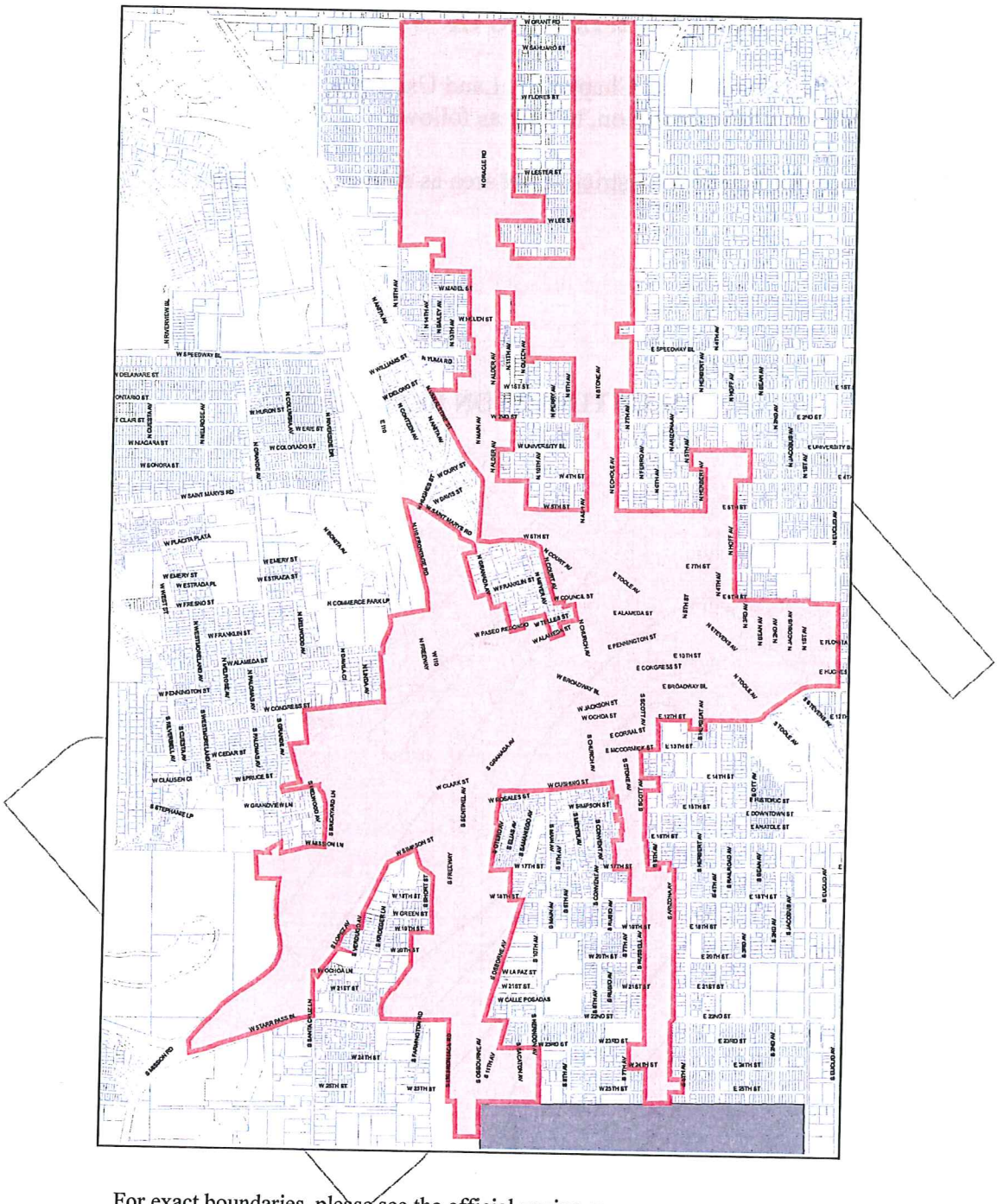

For exact boundaries, please see the official zoning maps

Map 6.2.4-I Downtown Area Infill Incentive District