



Metropolitan Pima Alliance

City of Tucson
City of Tucson Planning Commission
Chairman Ladd Keith
255 W. Alameda Street
Tucson, Arizona 85701

May 22, 2013

Chairman Keith,

Following last week's Planning and Zoning hearing, as well as a meeting with the City Manager's Department, Metropolitan Pima Alliance (MPA) is submitting additional comments and concerns as related to the Plan Tucson document. We have attended multiple meetings on this issue, submitted letters and testified before the Planning and Zoning Commission. MPA members including MPA Public Policy Subcommittee Chairman Chuck Martin have also supplied letters of concern in addition to our formal comments. While specific items are listed below, our largest, most over arching concern is related to the economic development section. MPA urges staff to create an entire section, equal to Social Environment and Natural Environment. Sustainability is about balancing and blending social, economic and natural environments. Linking social with economic environment dilutes the role of each of these areas. Economic environment should be much more expansive and include all of the content presently within Plan Tucson, with the addition of individual sections on the University of Arizona and Pima Community College, Tucson International Airport, Bio and Science and Technology Parks and Davis-Monthan Air Force Base- all significant economic drivers in our community. Additionally, the following subsections should also fall under the Economic Development umbrella:

- Education
- Land Use, Transportation and Urban Design
- Public Infrastructure, Facilities and Cost of Development

For the City of Tucson to create a reputation as "business friendly", the Plan Tucson document must reflect this sentiment. In its present form, Plan Tucson has conflicting statements, ignores economic assets and creates unrealistic built environmental expectations.

MPA is a land use and economic development advocacy organization. Our mission is founded on the notion of creating balanced and reasonable policies that blends our built environment with our natural environment because the organization recognizes that our economic successes are dependent on both and the Plan Tucson document does not reflect a balanced approach to how the City of Tucson plans to create a

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sustainable environment. Please find below a list of concerns and recommendations that must be addressed:

Tucson Planning Context

2.3: Davis-Monthan Air Force Base has an economic impact of \$1.6 billion, however under a summary of Tucson in Recent Years, under "economy" they are mentioned as an afterthought with only 24 words following University of Arizona and Raytheon. In combination, our largest economic drivers, the University of Arizona, Davis-Monthan Air Force Base and Raytheon were mentioned half the amount of the hospitality and tourism industry with zero recognition of the \$3.2 billion economic impact of Tucson International Airport supporting over 35,000 jobs. Tucson International Airport is not even referenced in the document until page 54 when listed as a public safety partner. While hospitality and tourism are important and critical Tucson industries, the University of Arizona, Davis-Monthan Air Force Base and Tucson International Airport create our economic core and larger emphasis must be placed on these organizations in setting the stage for a discussion on Tucson's economic development. Additionally, "\$1.6 billion economic impact" should be included in the description of Davis-Monthan Air Force Base.

2.5: Plan Tucson cannot separate activities from tourism. The relationship between Tucson sporting events and tourism must be recognized as part of our community's economic development success reporting \$26.4 million economic impact of 33 sporting events.

2.17: Under Social and Economic Environment goals there is no mention of the relationship between the City and businesses. While addressing the need to support our economy, the list is silent on the benefit of promoting positive public private relationships and fostering a business friendly environment. The first mention of this concept is not mentioned until page 43 signaling its lack of priority as one (1) of four (4) bullet points, "Investing City resources to make Tucson an attractive place to live, attend school, work, and/or run a business" (3.13) and then again on page 50 under ED2. A 10th Social and Economic Development goal in section 2.17 should be added acknowledging the importance of creating a business friendly environment and fostering public private partnerships.

Social and Economic Environment

Although mentioning Davis-Monthan Air Force Base as a top employer, and acknowledging Aerospace and Defense as a top growth industry, the document ignores the economic benefits of Davis-Monthan Air Force Base and Tucson

International Airport. "The City will continue to pursue economic benefits related to downtown revitalization and the University of Arizona, including development along the Modern Streetcar line." Davis-Monthan Air Force Base and Tucson International Airport should be added to the list of areas to pursue economic benefits. Exhibit ED-4 should also include Davis-Monthan Air Force Base and Tucson International Airport as partners.

This section also mentions having an economic incentive brochure and website illustrating what those incentives are. Economic development should be the foundation of Plan Tucson and a cursory comment in place mentioning the existence of some incentives is inadequate. For example, the City of Tucson Sustainable Land Use Code Integration Project already includes recommendations for Urban Agriculture and yet Plan Tucson still dedicates an entire section to this concept. Additionally, under Energy and Climate Readiness, a list of past Council action items is provided as background to how the City has worked to achieve this goal.

3.4: Goal two (2) under Social and Economic Environment states a "A stabilized local economy with opportunities for diversified economic growth supported by high-level, high-quality public infrastructure, facilities, and services." Should the City truly want to create job opportunities and has the enormous goal of eliminating poverty (3. A community where no one lives in poverty), the goal should be economic growth. Section 3.15 mentions the interrelationship between poverty, economic development and academic success and yet economic development seems to not be a top priority within Plan Tucson. MPA strongly urges the City to reevaluate this goal and replace the word "stabilized" with "*thriving*." Stabilized means being stagnant with no expansion and the goal of any community should be economic growth in order to pay for implied costs of government including infrastructure, parks and public safety. As more people move into our community, the aforementioned costs will accrue necessitating economic growth and not simply stabilization. While we do not want to continue to create a volatile, unpredictable economy dependent on only sales tax largely from the retail and service industries, we should set a higher standard of living by at least setting the goal of a "thriving" and growing economy fostering our top 3 employers: University of Arizona, Raytheon, Davis-Monthan Air Force Base (3.12).

The Economic Development section should be much more expansive and list economic incentive programs and emphasize the goal of expanding on successful programs. In general, Economic Development should not be equated as a key priority equal to Urban Agriculture. Linking Social and Economic Environment with each other recognizes the relationship between these two; however, it also diminishes the importance of economic development to the entire social and environmental health of the City. Economic Development should be it's own stand-alone section with education, housing, Davis-Monthan Air Force Base, Tucson International Airport, Public Infrastructure, Facilities & Cost of Development, Land Use, Transportation & Urban Design and Redevelopment & Revitalization under its umbrella. In general, separate

sections should be dedicated to Davis-Monthan Air Force Base, the University of Arizona and the Tucson International Airport focusing on the enormous economic impact each of these entities has proven to have. The University of Arizona is a top ranked research University and has effectively spawned Ventana Medical Systems and The Science & Technology Park and the BioPark, and multiple BioParks. Staying silent on the commerce and economic impact of these programs and companies ignores their relevance and fails to adequately portray the economic climate and strengths of our community that we rely on to survive and thrive.

Additionally, by placing Housing ahead of Economic Development further promotes the notion that the City of Tucson ignores the relationship between economic development and government and community health. In the plan's own language, economic development creates a standard of living that "is typically measured by a series of indicators that include but are not limited to educational achievement, housing and neighborhood conditions, general health and safety, employment opportunities, wages, household income, and poverty rates and wages of its citizens. " While the plan states in 2.17 the desire to eliminate poverty, it only sets the standard for a "stable" economy. Plan Tucson must create a stand alone section specifically focusing on Economic Development.

Economic Development Policies 3.20:

- The word "defense" should be added to ED4 as an industry.
- Davis-Monthan Air Force Base and Tucson International Airport should be listed as local assets under ED5.
- Northern Arizona University and Arizona State University both have satellite schools in Tucson and should be added to the list of collaborators under ED6.
- Under ED9, strike "local, minority-owned, independent, and small". All businesses involved in the sale and purchase of locally produced goods and services should be supported.
- Under ED10, Tucson International Airport and Davis-Monthan Air Force Base should be listed as key commercial areas.
- Reference to creating a business friendly environment and nurturing relationships between the public and private sector must be added.

Housing

Housing 2.14: The document makes the assumption baby boomers or "Y" generations would prefer to own a home if it is "affordable" even though the same paragraph states that these two age groups prefer to not have the responsibility of property maintenance.

"Some of these renters are college students; others are members of the "baby boomer" or "Y" generations, who prefer not to have the responsibilities of property maintenance, and many are individuals or families without the income to afford a house. More

affordable housing would benefit the latter individuals and families, and the neighborhoods would benefit from the pride and care that often accompanies homeownership." In section 3.10, the document then states

"Additionally the model considers the shift in household family size—generally decreasing— in Tucson and the nation, and the influence of the two largest generations (i.e., "baby boomers" born between 1946 and 1964 and "Generation Y" born in the 1980s) on housing market trends with a greater demand for rental housing, as well as a desire for convenience, connectivity, and work-life balance." This document repeatedly states that "baby boomers" and "Generation Y" show a preference for renting and yet this document then claims the issue is "affordability." The cost to maintain a home, purchase appliances, HOA fees etc. all play into the decision to purchase a home and should be considered also as the "responsibility of property maintenance." What evidence shows that if homes were more "affordable" these groups would choose to purchase over renting? While home ownership may remain a priority of Americans, the role of government in this area must be limited. Plan Tucson over states the role the City should have in trying to achieve this goal of all of its citizens—especially those that deliberately chose renting over owning.

Additionally, in the Housing section under 3.9, the document comments on the number of foreclosures in Tucson. "In the aftermath of the housing market crash and with the escalation of foreclosed properties, it became increasingly difficult for local families and individuals, particularly those with middle and lower incomes, to own a home." This discussion must expand outside of the purchaser and also include sellers because it must be recognized that the cost of new homes are now competing with the cost of foreclosures and short sales that sell homes pennies on the dollar and are driving down the cost of housing while hindering the opportunity for diverse housing.

Housing Policies 3.11:

- "H5: Include historic properties in the City's programs and partnerships to develop affordable housing" is a specific strategy of "H4 Improve housing conditions in historic neighborhoods" or a specific strategy of "H6 Take multiple approaches to reduce housing costs and increase affordability." Specific strategies like this create confusion throughout the document as related to how it will be implemented in the future.
- "H7: Increase access to safe healthy and affordable housing choices, including mitigating the impacts of foreclosure." What "impacts of foreclosure" are we suggesting? This portion of the statement should be eliminated.
- Add a policy promoting diversification of housing addressing different income levels.

The entire Housing portion of this document ignores the concept of supply and demand and consumer preference. In ignoring the role of the private sector and focusing on how government should create affordable housing programs as well as preserve aging and historic housing, the document makes no mention of creating policies that promote a diversity of housing options at different price points to address housing demands for both home ownership and rentals.

Public Health Policies 3.41: Typo under PH3. "Provide" should be "providers"

Education

Education 3.46: While the document acknowledges "Education is a key component in a community's overall health, helping to shape the local workforce and job market and expanding opportunities for economic and household security" its location within the document does not correspond with this belief. This section should fall within Economic Development.

Energy Climate and Readiness 3.66: Policies

- EC2: Change the word "require" to "encourage." The costs associated with creating "net-zero buildings" may be in conflict with other provisions within this document including housing affordability, historic building restoration and economic development incentives.

Water Resources 3.71: Policies

- WR3: Change "expand" to "review". Current policies should be evaluated for their water conservation effectiveness to include their impact on commerce and economic development with the option of updating and expanding upon review.

Green Infrastructure 3.77: Policies

- GI1: Change "Require" to "Encourage". The costs associated with requiring green infrastructure on storm water prevention and in roadways may be in conflict with other provisions within this document.

Environmental Quality 3.83: Policies

- EQ4: Add "Strive" to "reduce" Due to the nature of the operations of Tucson International Airport and Davis-Monthan Air Force Base, our largest employers, we must be cognizant that their operations are not hindered by perceptions of noise.

Historic Preservation 3.93: Policies

- HP7: Eliminate this provision. Who would be doing this evaluation based on what criteria? While it is important to maintain our historical roots and preserve

legitimate, culturally beneficial buildings, this provision will create a slippery slope potentially calling into question the development, redevelopment or use of any historical building. This provision politicizes a process that should be objective and based on historical merit.

Build Environment:

- 3.99- Plan Tucson must be cautious with statements such as “new development must pay its fair share.” Definition of “fair share” is subjective. During the recession there was little to no growth and government found it very challenging to sustain and maintain infrastructure- which is the role of government and not new development. With growth comes the addition of sales tax and property tax dollars that have a multiplier effect on economic impact. New development that ends in new jobs or homes are necessary to grow the General Fund so to maintain infrastructure. The City has had difficulty maintaining their present infrastructure and this section inaccurately claims that the reason is due to sprawl. While growth contributes to maintenance costs, policy and financial decisions of the past have largely contributed to the inability to fund maintenance of current infrastructure. Future growth should not be framed so negatively in the document as having to “pay for itself” and “should not adversely impact current residents, and new development should be sited in a manner that is most beneficial to the environment, economy and conservation of resources.” Economic growth and development are not burdensome. While the cost of government services must be paid, the Plan Tucson language creates the negative connotation of needing to meet a burden of proof rather than creating a welcoming, business friendly environment necessary for economic success.

Land Use, Transportation, and Urban Design 3.126: Policies

- LT4: Change word “ensure” to “encourage”
- LT12: add, “when appropriate.”
- LT20 and LT21: Remove provisions. While this may presently be an Ordinance, this provision should not be listed in this document so to retain a level of flexibility and competitiveness with other communities that may have less restrictive annexation requirements.
- LT23: This provision should also be within a separate section on the economic impact of Davis-Monthan Air Force Base.

Economic Opportunities Map:

- Annexation opportunities are difficult to identify on the map.
- NAU, ASU, Pima Community College campus' not shown. These are potential areas for growth and development as well and should be identified
- Existing infrastructure in undeveloped or underdeveloped areas on the westside and eastside should be identified in addition to all areas with existing infrastructure are potential opportunity areas.

- Map colors and shading are difficult to read and interpret
- Area Plans must be identified.

Guidelines for Development Review:

At this time we are still working to understand how the Guidelines for Development Review will be implemented so this letter does not include any comments regarding this section.

While we appreciate staff's time and efforts in drafting the Plan Tucson document, unless significant changes are made to support economic development, we will be unable to support the Plan. Knowing how the City is not required to pass a new General Plan until 2015, MPA strongly encourages the Commission to recommend a revised timetable to the City Council to allow for major revisions prior to placement on a voter ballot.

Please feel free to contact me directly with any questions, comments or concerns as related to this letter. We look forward to continuing to work with staff on this critical document.

Sincerely yours,



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Executive Director

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