

Affordable Housing Fast Track Program

Goal

The City of Tucson Planning and Development Services Department (PDSD) has been directed by Mayor and Council to develop strategies to expedite development reviews of Affordable housing projects.

Background

Tucson faces a severe Affordable housing shortage due to rising costs, stagnant incomes, and slow housing production. The City of Tucson Mayor and Council recognize the affordability housing crisis and have adopted the Housing Affordability Strategy for Tucson (HAST) Plan. According to the HAST Plan, median rent surged 40% since 2017 to over \$1,200, while typical home values soared from \$176,199 to over \$287,000 in 2021. Incomes rose by just 4% from 2019 to 2021, exacerbating the problem. The HAST Plan aims to address this crisis.

On December 21, 2021, the Mayor and Council adopted the HAST Plan which supports the proposal to develop a streamline review process for affordable housing projects through the following goals:

6. Facilitate Development by Reducing Costs and through Innovation

6.1 Streamline development review process for affordable housing projects - Projects – Mayor and Council to dedicate resources to expedite the review of affordable housing projects to ensure these projects are prioritized through the permitting process.

6.2 Evaluate the expansion of the affordable housing impact fee program.

On February 22, 2023, the Commission on Equitable Housing and Development presented five (5) recommendations to Mayor and Council one of which was the following:

- Codify an affordable housing fast track program, primarily to support projects awarded Low Income Housing Tax Credits (LIHTC)

The recommendation passed unanimously.

Proposed Program

PDSD proposes the Affordable Housing Fast Track Program to support efficient development reviews of Affordable housing projects. This program would entail the following:

Qualifying Projects

1. Projects that restrict affordability due to funding through Housing Urban Development (HUD), Low Income Housing Tax Credit (LIHTC) or the Housing and Community Development (HCD) Department and have been vetted with HCD. These types of projects are vetted for affordability terms through their application process for funding, tracked for

annual affordability performance, and have established legally binding affordable housing terms with the developer. These projects typically are constrained by short timelines associated with funding.

2. Process

- a. **Introduction meeting** with the applicant, the assigned Project Manager from PDSD and HCD representative to introduce City Staff, explain the program, set expectations and timelines. The Affordable Housing Fast Track will assign a dedicated Project Manager at PDSD to serve as a single point of contact for questions, assist in coordinating reviews, and troubleshoot permitting challenges.
- b. A **pre-application conference** with the City Development Review Committee (CDRC) is required for applicants to participate in the program. The pre-application meeting will include but is not limited to reviewers from Site Zoning, Site Engineering, Site Landscape, Building, Tucson Fire, Right of Way Transportation, Tucson Water, and any additional reviewers applicable to the project such as Special Districts, Historic, Design Professional, etc. This meeting is an opportunity to share initial feedback on the proposed development, identify and proactively address potential issues, and discuss critical milestones and overall project timeline.
- c. **Plan review** for development packages and building permits of the projects participating in the Fast Track program will aim to be completed after a 15-day review timeframe. Typical review cycles for projects this size is a 30-day review timeframe however, PDSD acknowledges the urgency for more affordable housing in the City of Tucson and the strict time constraints associated with financing. The exception will be for projects which require Historic or Special District review.
- d. **Working sessions** may be scheduled with review staff following the first review. The purpose of the working sessions is for the applicant and the reviewer to discuss comments, answer questions, and collaborate to solve problems as a team. These working sessions are intended to reduce the number of submittals by making staff available to respond to questions, clarify comments, and ensure all comments have been addressed by the project team prior to resubmittal.
- e. **Pre-construction meeting** with the Project Manager, Site Engineering staff, and Site Inspector will occur in order to identify any unanticipated challenges in the field that are difficult to identify on the site plans

3. Impact

Through the Affordable Housing Fast Track Program, the City of Tucson would take proactive steps to address the housing affordability crisis by prioritizing efficient reviews and permitting of projects which deliver more Affordable housing to our community. The anticipated number of projects to participate in the program annually is four to five.