



City of Tucson Planning Commission

September 14, 2022

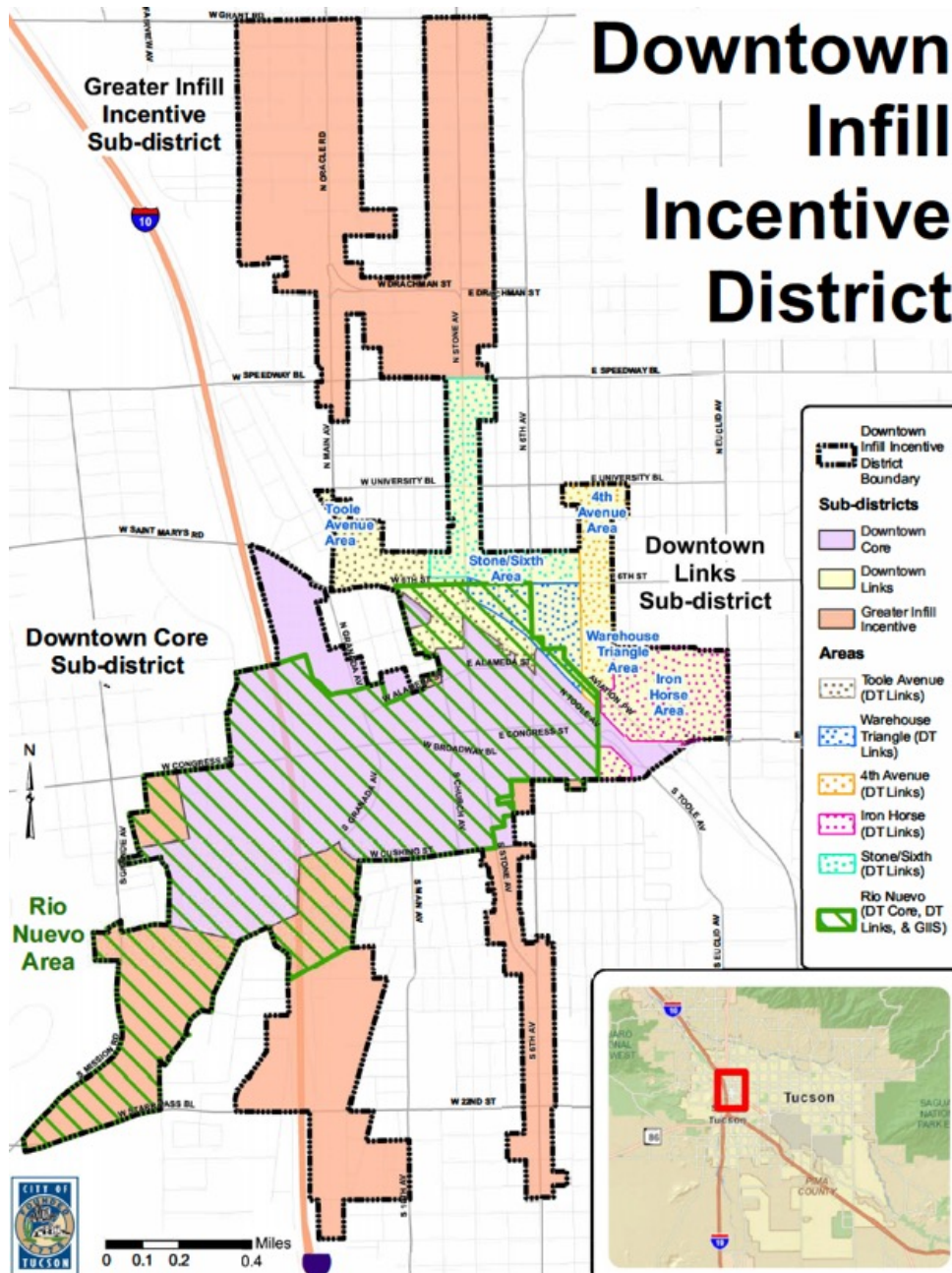


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Infill Incentive District Update

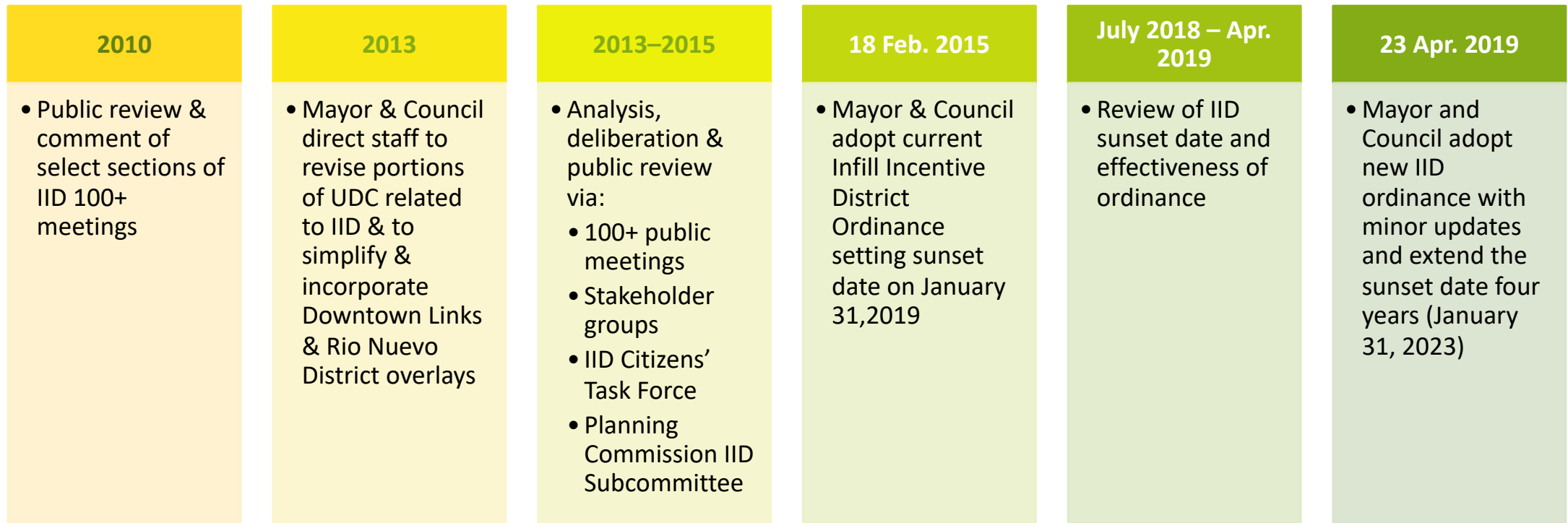
City of Tucson Planning Commission
Informational Session

Downtown Infill Incentive District



What is the Infill Incentive District (IID)?

- Optional zoning overlay – property owners that choose this option can develop using standards designed to encourage **pedestrian- and transit-oriented mixed-use development**
- Projects must meet **design standards and historic preservation** regulations in return for more flexibility
- Established by Mayor and Council in 2010 with **modifications** made over time



Last time IID underwent significant changes

Infill Incentive District Background

The Flin — 110 S. Church Ave.

- Completed in 2021
- 243 Market-Rate Residential Units
- 424,123 SF of Gross Floor Area
- Incorporated several historic resources on-site
- Modifications included:
 - Parking reductions
 - Setbacks
 - Landscaping
 - Access, etc.

Housing Units

Total new residential units

1120



The Marist – 111 S. Church Ave.

Completed in 2018

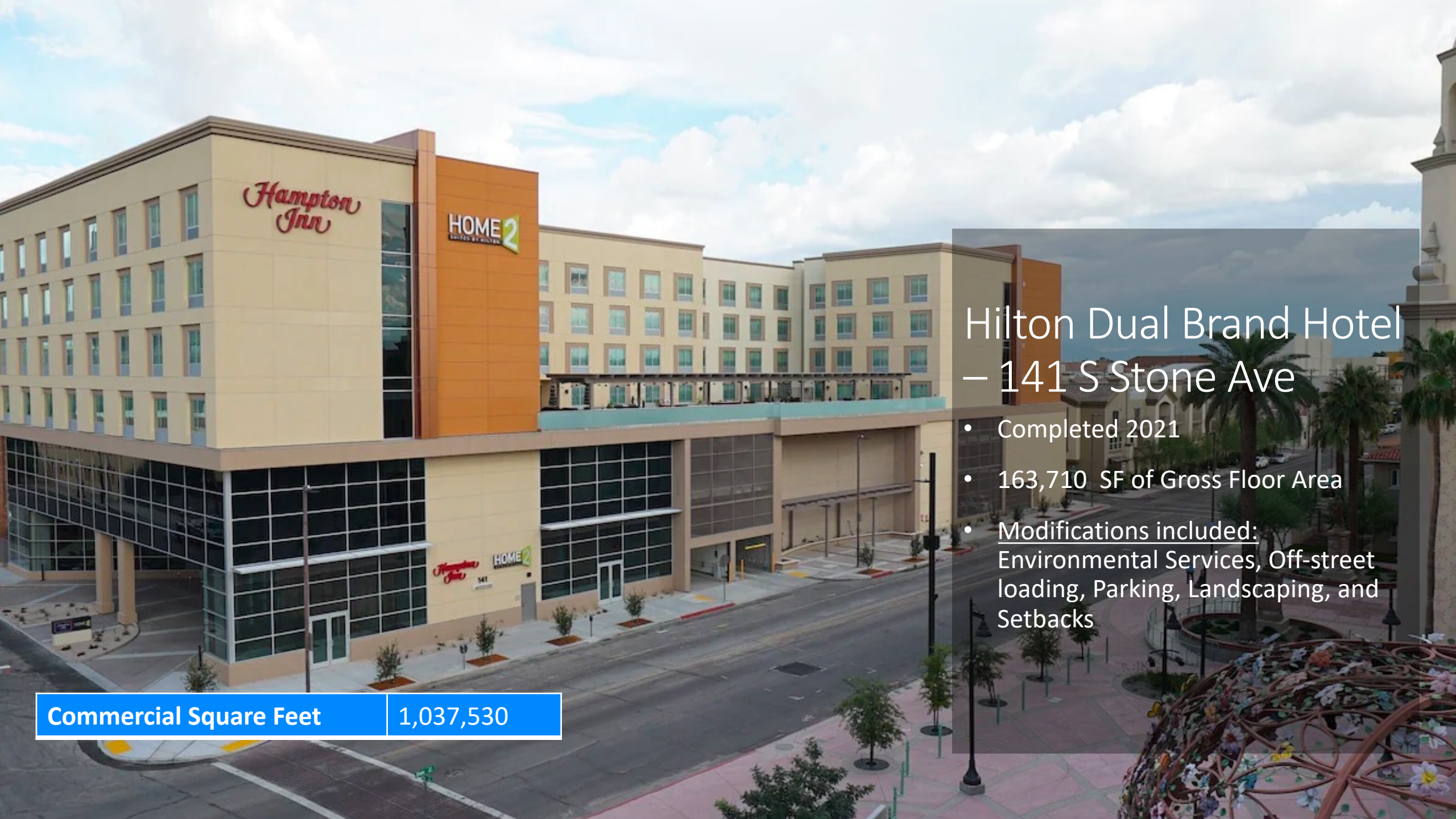
83 Affordable Senior Residential
Units

Included adaptive reuse of historic
Marist College building and new 7
story multi-family building

Modifications included:

- Parking reductions
- Setbacks reductions
- Landscape waivers

Housing Units	
Total new residential units	1120
Total new affordable/senior housing units	183 (16% of total)




Hilton Dual Brand Hotel – 141 S Stone Ave

- Completed 2021
- 163,710 SF of Gross Floor Area
- Modifications included:
Environmental Services, Off-street loading, Parking, Landscaping, and Setbacks

Commercial Square Feet

1,037,530



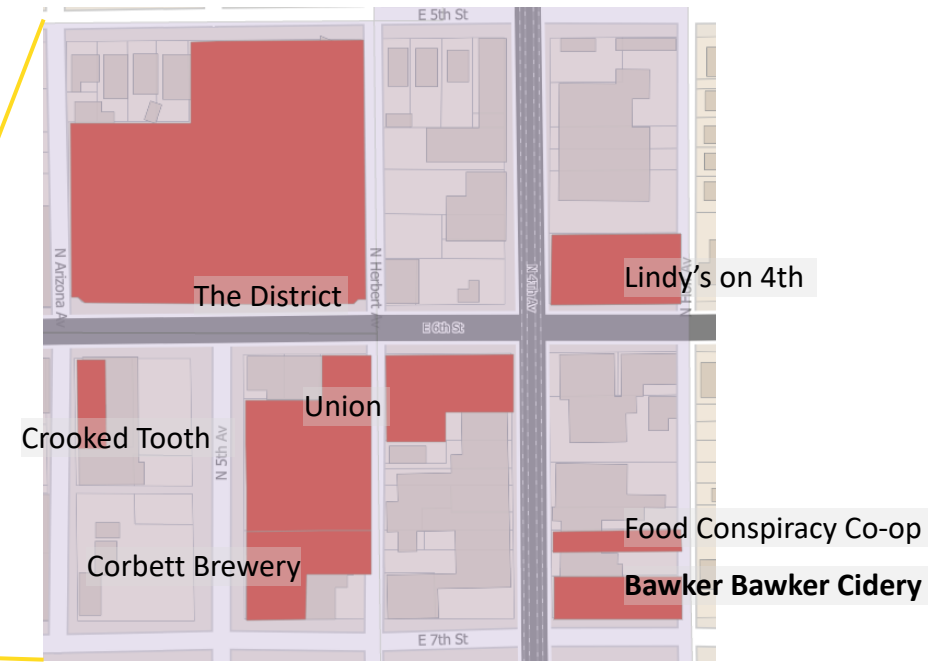
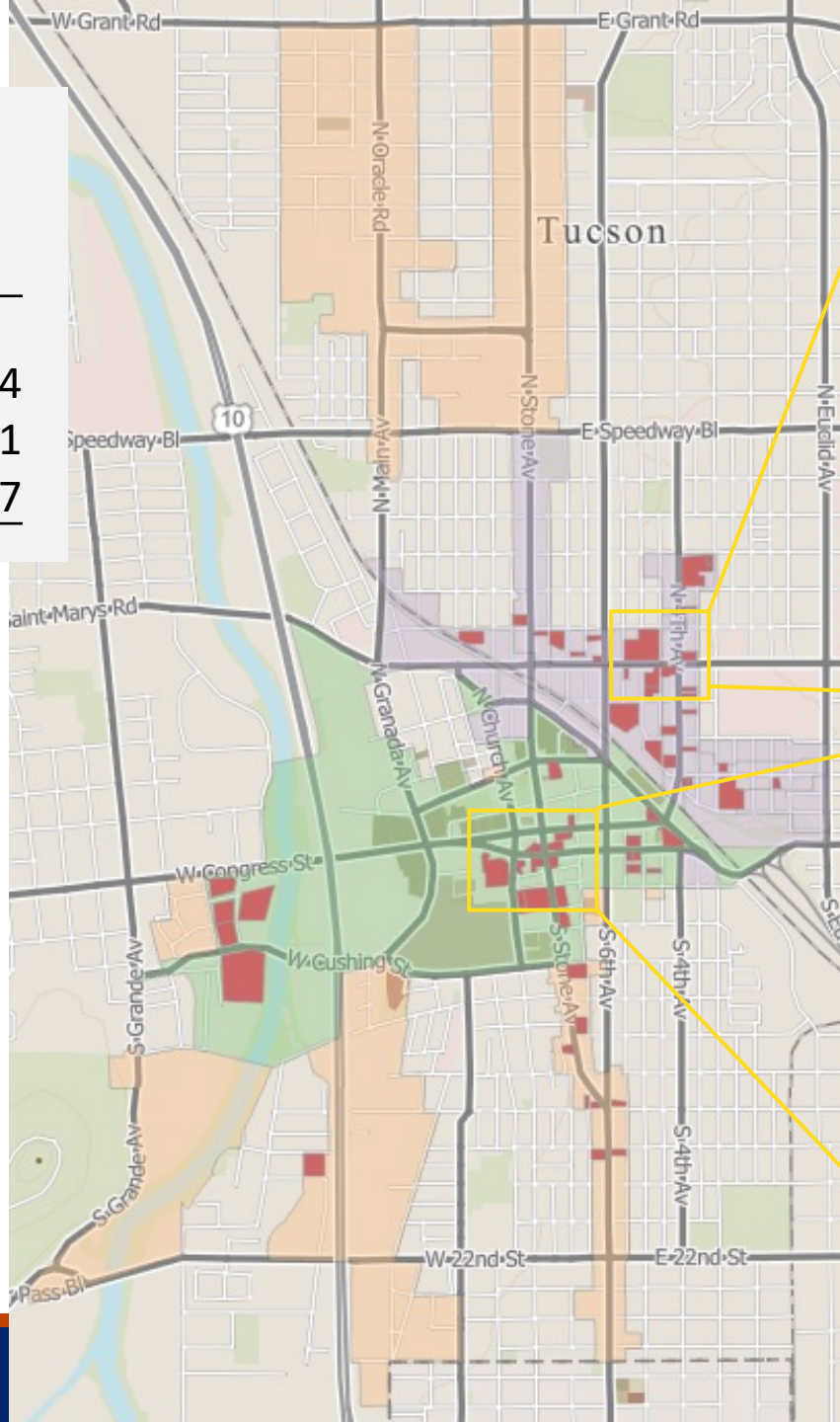
Bawker Bawker
Cider House –
400 N. 4th Ave

- Completed in 2020
- Adaptive re-use of existing retail space in historic building
- 6,222 SF of Gross Floor Area
- Modifications included:
Parking & landscaping

Placemaking

Project Locations

Downtown Core	14
Greater Infill Incentive	11
Downtown Links	27



Legend

IID Projects

IID

Infill Incentive District Projects

IID Subdistricts

IID Subdistrict Name

- DOWNTOWN CORE SUBDISTRICT
- DOWNTOWN LINKS SUBDISTRICT
- GREATER INFILL INCENTIVE SUBDISTRICT

Stone and Broadway - 2011

One-story office



Outdated offices

Surface Parking



Stone and Broadway - Now

New Affordable Housing

Adaptive reuse of historic building

New Housing

Streetcar Stop

Ground floor medical office



Metrics

Uses	
Mixed Use (Residential + any other use)	11
Residential - Multifamily	7
Commercial Services - Food and Beverage Service/Entertainment	22
Commercial Services - Offices	5
Commercial Services - Lodging	3
Civic Use Group - Cultural / Civic Assesmbly	2
Retail - Food and Beverage Sales	2
Total	52

Housing Units	
Number of residential units	1120
Number of affordable/senior housing units	250 (16% of total)

Commercial Square Feet	1,037,530
<i>Note: Data available for 34 projects</i>	

Office & Retail Trends



Downtown Office

Vacancy hasn't changed from 3.1 for a year & remains well below 10 yr average
No supply side pressure on vacancies

Citywide Office

Trend is to "build to suit", rather than use existing

Long term: Pandemic effects unclear

Near term: Continued analysis of cost savings, effectiveness of work from home (WFH)
Interest in reducing office footprints, subleasing



Downtown Retail

Vacancies are below five year average, and below regional average

Citywide Retail

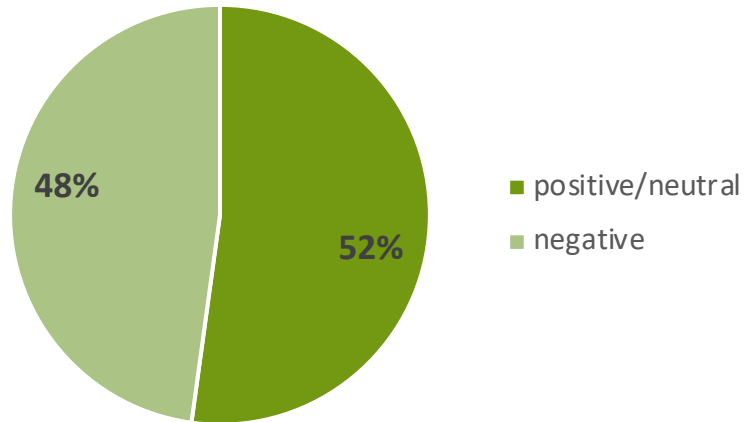
Ongoing conflict between e-commerce vs. brick & mortar

Pre-Pandemic: Internet -resistant tenants (entertainment, experiential) were driving demand.

Today: Fast food, restaurants, discount retail are driving leasing activity, surviving lockdown & new preferences.

Preliminary Public Input

General Impression (n:23)



Top things to keep the same or increase (n: 65)

Keyword theme	Mention frequency	Percentage of total mentions
Bike/ped transit	15	23%
Historic buildings, narrow streets	12	18%
Support for long-standing, independent, and local businesses	15	23%
Residential support services + affordable housing	9	14%
Trees/landscaping on streets	6	9%
The "culture"/SW identity	6	9%
Signage for cars, flow of traffic	5	8%
(18 more themes with fewer than 5 mentions)		

Top things to avoid or reduce (n: 65)

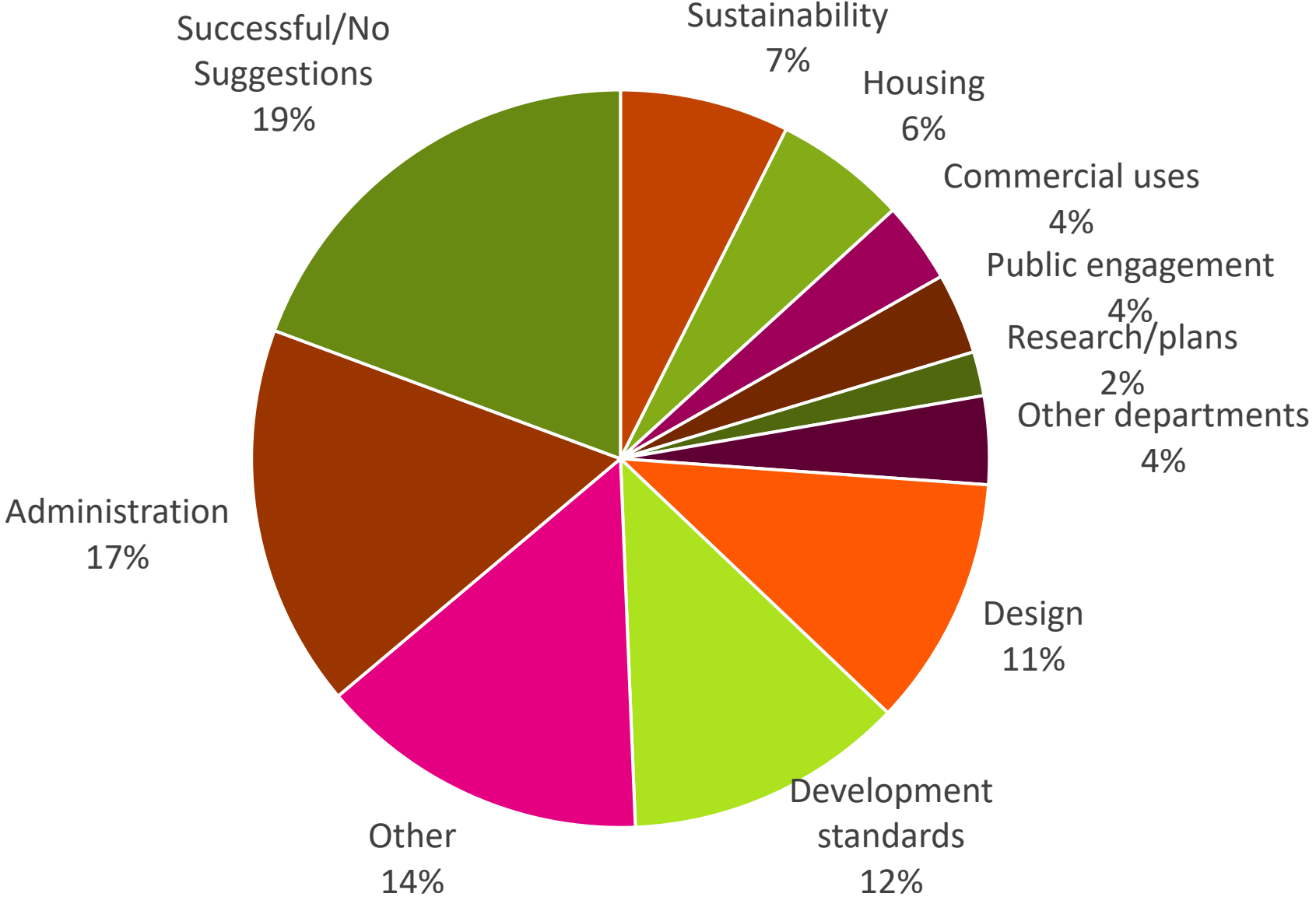
Keyword theme	Mention frequency	Percentage of total mentions
Auto-centric transit	7	11%
Gentrification	8	12%
Generic / modern building styles	7	11%
Expensive (as in rents for businesses and in a general context)	5	8%
(10 more themes w fewer than 5 mentions)		

Feedback from Stakeholder Listening Session in May

Key Areas of Discussion

- Affordable Housing
- Administration of the Code
- Design Standards
- Land Use Mixes
- Historic
- Sustainability
- Other Topics

Suggestions per Focus Area



Feedback from Stakeholder Listening Session in May

Key Areas of Discussion

- Affordable Housing
- Administration of the Code
- Design Standards
- Land Use Mixes
- Historic
- Sustainability
- Other Topics

Currently meeting with focus groups to inform amendments to IID

Affordable housing projects in the IID

The Westerner (10 E Broadway Boulevard)

- 50 affordable units w/ ground floor commercial and retail

Marist on Cathedral Square / Marist College (235 S Church Avenue & 111 S Church Avenue)

- 83 affordable senior residential units

7th Avenue Commons (58 E 5th Street)

- 50 affordable units

West End Station (885 W Congress Street)

- 70 affordable units

250 affordable units in total

Sunshine Mile Overlay - affordable housing incentive

Similar to the IID, the Sunshine Mile District (SMD) is a regulatory tool that creates optional zoning placed over existing zoning. This zoning includes flexible conditions and site-specific solutions to redevelopment.

Adopted by M&C in 2021, the SMD included regulatory incentives for residential projects that included affordable housing units.

Any project that includes 15% affordable housing (at 80% AMI) receives the following incentives:

- Exemption from density cap
- Reduced parking (62% reduction for affordable units)

Term of affordability:

- Multi-family residential units for rent or lease: 50 years from C of O
- For-sale condominium units: 30 years from C of O

Annual reporting to HCD required

Potential changes to IID

Allow more housing

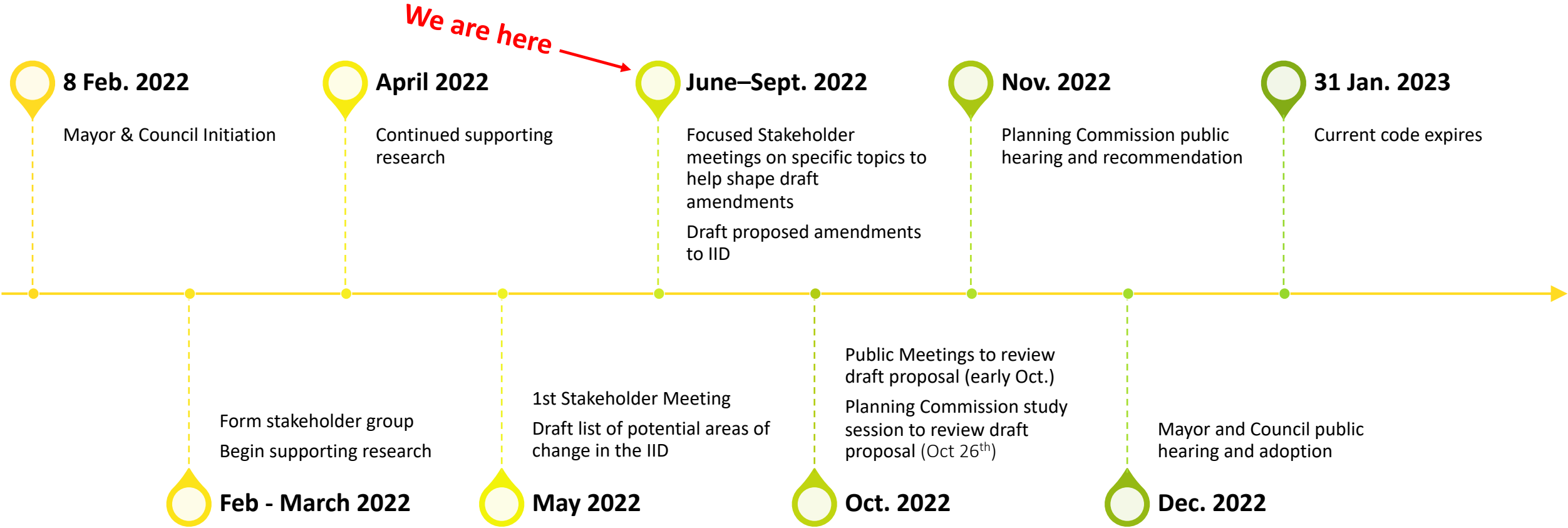
- Allow residential uses in areas zoned for industrial uses
- Help meet growing demand for housing

Promote affordable housing

- Add a density bonus for projects that include affordable housing, similar to the Sunshine Mile Overlay incentive

Modify Downtown Links design standards

- Simplify setbacks and other design standards
- Ensure feasible development options in this subdistrict



IID Update Timeline