REGULATORY BARRIERS TO PUBLICLY-SUBSIDIZED HOUSING AND RECOMMENDATIONS

Tucson, Arizona

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Special thanks to the people who consented to be interviewed and provide the case study information for this report.

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INTRODUCTION

Meeting the housing needs of lower income families is a great challenge facing communities across the United States. Due to the low income rates coupled with rapidly increasing housing costs, Tucson is one of the communities where there is a significant need for housing assistance. While a number of housing programs involving different forms of public subsidy help alleviate this need, the demand remains larger than the number of subsidized housing units available. Furthermore, the capacity of these programs to serve the maximum number of beneficiaries or to build the units at the lowest possible cost is reduced because significant funds are spent meeting government-imposed regulations. This report reviews the impact of regulations acting as barriers to maximizing the benefits of publicly-subsidized housing projects in Tucson.

The housing industry is subject to numerous regulations at all levels of government on the grounds of protecting the health, safety, and welfare of citizens. In this respect, it is important to acknowledge that distinguishing between legitimate and unnecessary government regulations is extremely difficult. The purpose of this report, however, is not to analyze regulations and differentiate between the reasonable and excessive. Instead, it intends to demonstrate how government regulations can reduce the effectiveness of public subsidies involved in affordable housing projects.

Specific barriers that reduce the effectiveness of public subsidies include rezoning processes, subdivision platting procedures, permit costs, infrastructure requirements in public right of way, density provisions, environmental review and clean-up requirements, and native plant preservation ordinances. Meeting these regulations as they currently exist causes substantial costs in time and money. Not only do some of these regulations currently add no value to the projects, they may in fact take away from them as the public subsidy is directed towards covering the incurred costs. Consequently, the subsidy received for the project is either returned to government in the form of fees or transferred to consultants for the services required.

Each section of this report is dedicated to a separate barrier category where the regulations acting as potential barriers are briefly explained and some experiences and opinions of publicly-subsidized housing developers in Tucson regarding those regulations are briefly presented. Specifics from the Civano Demonstration Project, described below, are used along with the experiences of several builders and developers to illustrate some of the impacts of regulatory barriers. A discussion of the project’s experience with respect to the relevant regulations is also provided in each section. The report focuses on the following issues respectively: Section I zoning and land use regulations, Section II regulatory processes, Section III building codes, Section IV exactions, and Section V environmental regulations. At the end of this report, a set of policy recommendations is provided parallel to the findings based on the experiences of affordable housing developers and the Civano Demonstration Project.
Civano Demonstration Project

The Civano Demonstration Project is a City of Tucson funded research, design, demonstration, and education project to determine, apply, test, and disseminate the most effective energy- and water-conservation strategies and technologies to the lowest cost housing strata of housing construction. The demonstration includes a subsidized housing development with five single-family units that will be sold to households with incomes not exceeding 80% of Tucson’s area median income. The project incorporates a number of techniques and technologies in order to reach high energy- and water-efficiency standards. These include: solar orientation; use of native vegetation; passive ventilation and cooling strategies; day-lighting; and mechanical systems including plumbing for water conservation, graywater capture and re-use, and rain-water harvesting.

The subsidy for this housing includes the land, which was government-owned. The existing zoning was I-1 (light industrial). The project therefore required a rezoning to change the zoning to R-2 (medium density residential) since residential uses are not allowed in industrial zones.

I. ZONING AND LAND USE REGULATIONS

Zoning and land use regulations are frequently listed as barriers to publicly subsidized housing. This category specifically includes:

- Zoning and subdivision regulations such as height restrictions, density limitations, maximum lot coverage, minimum lot size, and minimum setback requirements
- Zoning regulations that prohibit more “affordable” types of housing such as mobile homes, manufactured homes, accessory apartments, etc.
- Subdivision regulations such as specific street and right-of-way requirements.

The Experience of the Civano Demonstration Project

➢ If a development has six or more units, it must go through a state subdivision review process in addition to the local review process. For this review, the applicant has to show compliance with similar regulations in a format slightly different than the local application process. The Civano project site could have accommodated six units; however, Drachman Design-Build Coalition (DDBC) decided to limit the units to five in order to avoid the state review process which would have added to the cost with another layer of regulations and associated delays.
Experiences of Other Builders and Developers

Case Study 1

- During a subsidized housing development, the non-profit organization was faced with a regulation mandating that the builder of the third house on the street would be responsible for paving the road. Since there was only one unit being built, this regulation would have added the entire cost of paving the road on this unit. The organization applied for a permit around the same time as the lot owner across the street. As a result of this regulation, which arbitrarily burdens the third property as opposed to providing a more viable mechanism (such as dividing up the cost between all new development), the permit process forced the parties to compete for the second permit to avoid the additional cost of the road.

Case Study 2

- Current land use code prohibits housing in industrial zones, yet considerable opportunities for affordable housing exist in areas zoned I-1 (light industrial). Housing is frequently compatible in areas zoned I-1 especially where residential uses are already abundant. There is a greenway project proposed as a catalyst for residential development along an abandoned railroad track on the east side of the Interstate-10 freeway. The area is zoned industrial and each individual property will have to go through a rezoning process in order to allow for residential uses, requiring significant time and substantial costs, inhibiting the development of affordable housing there.
- A sample flow chart is provided on page 22 for the administrative processes that a residential development project in the I-1 (light industrial) zone needs to go through in Tucson.

Case Study 3

- In a single-family subsidized housing project, the city did not allow the houses to be connected to an existing sewer line in the street closest to the site due to the age of the sewer line. Instead, the project had to connect to a more distant sewer line. First, the non-profit builder installed 3-inch pipes. At the time of the inspection, the inspector determined that there were drainage problems on the site, so the builder was told to change the pipes to 4-inch pipes. During the inspection following the replacement of 3-inch pipes with 4-inch pipes, a new inspector decided that 4-inch pipes were not supposed to be installed, so they had to be replaced again with 3-inch pipes. This process added a 4 to 6 month delay and at least $35,000 to the project.
cost. The non-profit builder had to work its way up the organization chart of the Development Services Department for a special meeting to resolve these issues. The development moved smoothly after the meeting.

Case Study 4

- In an affordable single-family housing project, sewer problems occurred after the residents moved into the units. After excavation, it was discovered that the City of Tucson had installed a graywater line crossing over the existing sewer line and had not reconnected the sewer line. The non-profit organization had to pay about $8,000 to fix this problem.

- The project faced significant problems during the permitting process. The organization staff tracked the permit process on-line. At first, a permit was issued to the project according to the permit-tracking website. However, when the staff checked later with the website, they realized that certain things on the decision sheet were changed and the project looked like it had not passed.

Case Study 5

- A non-profit organization is currently involved with the rehabilitation of a historic apartment complex, in order to turn it into emergency shelter/transitional housing. Because it is a historic building, falling under the local neighborhood historic preservation guidelines, the building will have to be scraped back to the brick which will cause considerable increase in project costs.

Case Study 6

A 14-unit residential cluster project is in its 20th month of review and has not been platted yet. Below are some of the issues:

- According to the City of Tucson Land Use Code, garages can be set back either one foot or nineteen feet from the sidewalk. The garages in this subdivision plan, however, are set at an angle and therefore the distance from the sidewalk is not uniform along the edge of the structures. As a result, a special ruling was required from the Development Services Department and modifications to the plan were required.
There is a two-foot easement between the common area, which is a 12-foot alley, and the buildings. The water service was to be placed in the easement. However, because the Water Department had some problems with a narrow easement in another recent development, it did not accept the plan. As a result, the space between the buildings is being modified to place the water meters, causing delays and increasing the cost.

The road system is currently determined by the projected needs of fire trucks and garbage trucks. The requirement for wider roads than otherwise necessary is increasing the infrastructure costs.

**Case Study 7**

It took 18 months to get a subsidized housing subdivision platted. Some of the problems the project faced include:

- Regulations used to allow for three meters on one water connection; new regulations require that every unit has its own connection. There are 85 units in this phase and installing the additional water connections will cost $75,000.

- The Border Patrol has a facility with a shooting range near the site. The buildings are abandoned and only the shooting range and bathrooms are in use. Even though the facility is scheduled to be closed entirely within six months, Tucson Water is requiring the developer to remove the old water line that passes through the subdivision and to add a new line extending to the Border Patrol facility. There have been five reviews of the plans by Tucson Water and this issue only appeared in the last review.

- The garage setbacks were problematic in this project as well. In the end, the five-foot setbacks were approved but the negotiations took a long time.

- A “motor court” or shared driveway and parking area was to be built for several units, but because of regulations regarding the width and number of driveways that can serve a number of units, the issue became too complicated and the idea was abandoned.

**Case Study 8**

- A non-profit developer found a piece of property on which they could build seven houses within their cost constraints. However, they discovered that several years earlier the property had been subdivided into two parcels, including one small lot to allow the construction of a single house. This left the remaining larger parcel on which the seven single-family homes could be constructed. Due to the regulations against subdividing property more than once every 20 years, the developer would be unable to subdivide it again for many years. Subdividing would not be necessary for apartments but is required for the single-family units that the developer would want to build. The organization is now looking for another property in order to avoid
seeking an exemption which they predict would be a complicated and expensive process.

**Case Study 9**

- In a subsidized housing project, retention-detention requirements were problematic. The builder constructed a large retention basin with pipes to drain it. They also constructed a drywell. The system was working fine but after the City re-surfaced the adjacent streets the rainwater runoff, contaminated with oil, was carried into the retention basin and covered the inner surface of the well. As a result, the well could no longer absorb the water. It took six months to figure out what had happened. In the end, the builder had to provide the resources to fix the problem.

**Miscellaneous Comments**

- Regulations regarding drainage and soil are becoming more and more conservative with considerable cost implications. For example, asking for over-excavation and re-compaction as a result of exaggerated caution on the part of soil engineers raises the price. Similarly, requiring more detailed drainage studies increases the cost burden on affordable housing developers. These costs apply to all residential development, but they have a disproportionate impact on low-income housing development.

- Setback requirements of the Land Use Code are based on the height of the structure, and the height is typically not known until the building form is determined. At the earlier stages of planning, the building form has usually not been determined. However, the building has to be designed in order to figure out the setback requirements. Residential Cluster Project (RCP) setback requirement is based on building code minimum distance from property line instead of the zoning code setbacks. This creates difficulty for small infill projects while rewarding larger scale developments that can meet the RCP criteria, typically located on the city edges. Since most affordable housing developments are infill, these setback regulations tend to affect affordable housing negatively.

- Landscape plant materials regulations have become stricter and more costly. In the past, regulations specified the container size of required trees, while today more precise caliper measurements of the trunks are used. Nurseries sell trees by container
size and two trees with the same container can have different caliper measurements. Buying trees by caliper size invariably results in larger trees than previously, resulting in higher costs, but is necessary to reduce the possibility of having them rejected by the governmental inspectors.

II. REGULATORY PROCESSES

“Regulatory processes” is another category of potential barriers to the development of publicly subsidized housing. May (2005) classifies regulatory process barriers as barriers posed by “regulatory approval processes,” “regulatory practices,” and “fragmented administrative structures.”

**Barriers Posed by Regulatory Approval Processes.** According to May (2005), developers need to go through a “regulatory gauntlet” including a series of pre-application meetings, submission of application materials showing adherence to a number of regulations, a variety of special reports and studies, hearing processes, and approval conditions on the proposed development. The delays in the approval process increase development costs and hence have a negative impact on affordability. Additionally, meeting the conditions imposed as part of different approval processes, along with the fees associated with these processes, can add substantial costs to the project. It is not uncommon that a significant portion of the public subsidy is spent during these regulatory stages before the actual construction begins. Costs may include hydrology studies, archeological reviews, plan review fees, permit fees, and rezoning fees along with fees paid to consultants for professional assistance.

The delays associated with regulatory approval processes pose additional barriers for developers of subsidized housing who need to meet conditions of federal grants. Some federal funds are granted only for project sites that are ready to be developed; in other words, sites for which preliminary procedures such as rezoning, environmental reviews, or archeological studies have already been completed. Therefore, lengthy review procedures can make land acquisition extremely challenging for affordable housing developers.

**Barriers Posed by Regulatory Practices.** There are additional barriers associated with strict and “by-the-book” implementation of regulations as opposed to more “cooperative enforcement and facilitative practices” (May, 2005). Similar to the approval process barriers described above, strict enforcement strategies can also increase the cost of housing by causing delays. Moreover, non-cooperative approaches lead to a series of difficulties and potential additional costs while interpreting unclear or contradictory regulations.

**Barriers Posed by Fragmented Administrative Structures.** In addition to the time required by lengthy approval processes, the involvement of multiple agencies concerning different regulations poses further barriers (May, 2005). Duplication of regulations, inconsistencies between the requirements of different regulatory bodies, multiple review
practices, and the cumulative impact of regulations enforced by different agencies or departments are the major barriers associated with fragmented administrative structures.

A sample flow chart is provided on page 22 for the administrative processes that a residential development project in the I-1 (light industrial) zone needs to go through in Tucson.

In addition to the barriers discussed above, the NIMBY (Not In My Back Yard) attitude can also be included in this section, even though it is not a part of the regulatory processes per se. The reason is that NIMBY-related community opposition comes into play during the fulfillment of public hearing and community meeting requirements mandated by some regulatory processes. Subsidized housing developments are frequently met with community opposition upfront. Common misconceptions about publicly subsidized housing, such as its association with bringing “undesirables” into the neighborhood, increasing crime, bringing down property values, and damaging the community character, act as catalysts for the NIMBY attitude. Additionally, design elements incorporated in the development to allow for affordability (such as higher densities, reduced setbacks, etc.) can also result in NIMBY opposition, especially in communities where traditional suburban values prevail.
The Experience of the Civano Demonstration Project

The total land acquisition cost for the Civano Demonstration Project has reached almost $40,000 even though the land itself was received from the City at no cost. The following table summarizes the expenditures on land acquisition which has not added value to the project.

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The rezoning application for the Civano Demonstration Project site was submitted on July 21, 2006; three months after the submittal, the application was discussed at a public hearing, October 12, 2006.

During the pre-application conference with the City Development Services Department (DSD) staff on July 14, 2006, it was agreed that the project would be considered as a “land survey exception.” This grants an exception to the regular platting process for properties that meet a certain set of criteria including a requirement that the site be less than one acre. However, when the Civano team met...
again with the DSD staff on October 19, 2006, after the rezoning took place, there was a different individual representing the DSD who argued that the parcel could not be counted as less than one acre. In his opinion, what counted was the size of the original parcel before the freeway was built on a portion of it, even though the site currently is less than one acre.

- Another issue that became problematic at the October 19 meeting related to the concept of “developing area.” This term is defined in Article 6 of the *Tucson Land Use Code*:

  “An area where less than fifty (50) percent of the linear street frontage of all property, excluding alleys and drainage-ways, located on the same side of the street and within the same block as the proposed development is occupied by principal structures that conform to the minimum front street perimeter setback required for the applicable zoning classification or street frontage. (Ord. No. 9517, §5, 2/12/01).”

Similar to the consideration of the land survey exception, DSD staff changed its mind about the agreement on the site’s location in a “developing area” which had been established at the pre-application conference in July 2006. The distinction between “developed area” vs. “developing area” definitions is crucial because they determine the required setbacks.

- Both of these issues, demonstrating a lack of agreement between city staff regarding the interpretation of regulations and thus arbitrary decision-making practices, eventually resolved in the direction of what was agreed to at the pre-application conference. However, persuading the Development Services Department staff required a great deal of time and effort and “social capital.”

- Although the site had been developed twice in the past, an archeological assessment was required as a part of the rezoning decision because the land is currently vacant. The surface assessment will cost $1,200.

- The City of Tucson staff engineer who did the Community Design Review Committee (CDRC) pre-submittal review concluded that there was a need for stormwater retention/detention facilities on the site. Another COT engineer who took part in the earlier rezoning review had established that retention/detention facilities were not necessary because the site is less than one acre and is located in an undesignated watershed, and because there are other techniques for water harvesting proposed in the site plan. This situation represents an internal conflict and inconsistency within the Development Services Department. As a result of the inconsistencies, the DDBC staff had no choice but to work their way up the organizational chart until they got to someone who was able to resolve the conflict.
Experiences of Other Builders and Developers

Case Study 10

➤ Handicap accessibility to all the amenities within a subsidized housing subdivision came up as an issue during the 18th month of review. A new problem was identified at each review which is one of the major problems associated with the current review process.

Case Study 11

➤ Because the property was owned by the City, an archeological review had to be completed for a subsidized housing project, adding $100,000 to the 3-unit project’s budget. The study took about a month.

➤ The project site was subject to some flooding, so the units had to be elevated by three feet. While the site was being graded, the Development Services Department determined that more than 50 cubic yards of dirt was being moved, requiring a grading permit. This situation triggered a hydrological study to determine if the grading diverted surface flow from the site. A surveyor had to be hired to survey the entire neighborhood to determine if surface flow had been raised. The study lasted two months, stopping the project and adding $30,000 to the budget.

Case Study 12

➤ After the site was platted for a new subdivision, the non-profit developer installed a temporary construction fence around the property. The fence infringed upon a portion of the existing unpaved right-of-way along one edge of the property. A nearby resident claimed that he had been using the road that he thought belonged to the County. There was a debate as to who owned the right-of-way since the original documents which established the right-of-way were unclear. Indeed, it turned out that the County owned the road and a portion of the property along the road. The County had not approved this small portion of the subdivision which turned out to be within the County borders because it had previously been assumed to be in the City. The reality was that the City of Tucson had annexed the land and meant to annex all of it, but the portion including the right-of-way was left out by mistake. In order to solve this problem, the City decided to annex the remaining land and turn it over to the non-profit developer, but that portion of land was not big enough to meet the annexation criteria. While looking for alternative solutions, a County staff person figured out that there was an annexation exemption for rights-of-way. It took eight months for the City and the County to work together to figure out how to give the land to the non-profit even though the County was willing to give away the land and the right-of-way. As a result, 18 lots on that portion of the site could not be sold until the issue was resolved, adversely affecting the non-profit’s cash flow and their ability to meet the debt service on their construction loan. While it took time to work
through the administrative procedures, both the City and County staff were cooperative throughout the process and worked hard to minimize the time delay.

- The plans approved by landscape staff of the Development Services Department indicated there would be sleeves for irrigation under the public right-of-way. Later in the review process, the Traffic Engineering Department staff announced that they would not approve sleeves for private irrigation under the public right-of-way. The project was fortunately lagging behind schedule; otherwise the sleeves would have been installed before the Traffic Engineering Department disapproved the plan. This inconsistency between two City departments could have had substantial cost implications for the builder. The City is currently working on a policy regarding this issue to ensure that the requirement regarding private irrigation sleeves under public rights-of-way is transparent.

**Case Study 13**

- At a small infill project consisting of three housing units, the plan for building a driveway off an adjoining street for access to all three houses had already been approved by the City. However, the inspector on site declared that this could not be done. At the time of the inspection there was a contractor on the site who was hired to pour the concrete. The work had to be stopped while the City was contacted and the non-profit negotiated a solution with one of the department’s managers.

**Case Study 14**

- Developers paid $162,000 for wastewater fees and $164,000 for building permits and other fees for a 60-unit affordable housing development, or about $5,433 per unit.

**Case Study 15**

- A non-profit organization is now going through an onerous administrative process for an affordable infill development. The plan includes 54 two-story townhouses, one-third of which would be subsidized. The project ran into setback issues after it was decided to construct roofs over the slabs outside each unit. This situation required an appeal to the Board of Adjustment who denied the organization’s request for a variance. It was suggested at the Board of Adjustment meeting that the non-profit reduce the size of the units, which are around 1,500 square feet, without considering the need for four-bedroom units for lower income families. Due to the rejection of the
variance request, the non-profit had to make some changes in design to comply with the setback requirements. The important problem is that the Board of Adjustment is not charged with making allowances for affordable housing or even considering it as a mitigating factor.

- The Board of Adjustment also made some negative comments about the location of the project site which is surrounded by commercial properties. The site is also near shopping, employment, a public park, a hospital, and a bus line which are important amenities especially for lower income buyers.

**Miscellaneous Comments**

- A non-profit housing organization typically avoids projects that would require rezoning due to the time, effort, and money that would be needed. The exceptions are projects large enough to allow for dividing the cost of rezoning across many units. The organization tries to find land already zoned for what they plan to build. Since they build single-family housing, they believe that finding properly zoned property has been relatively easy. In the future, however, they would like to build multi-family units, especially townhouses, and they anticipate that rezoning will become an issue.

- When using HOME funds for housing construction, no money can be spent until environmental clearance has been obtained for the site. When HUD funds are involved, the City must have a Phase I environmental review and an archeological assessment done. However, it can be difficult to find a seller willing to wait 60 days (or more) while this work is completed on the property.

- There is often a “disconnect” between the plan review staff and the field inspectors. There are times when certain aspects of a plan are approved by the plan review staff, but are not approved by the inspector in the field. This creates additional time and expense for a project.

- In the past, Pima County reviewed sewer plans and the City of Tucson reviewed water plans. Today, however, a new layer of plan review is added both for water and sewer plans when plans are also reviewed by the Pima County Department of Environmental Quality before the permits can be issued. The PCDEQ requirements differ from those of the Pima County Development Services Department and are not conducive to developing affordable housing. For example, PCDEQ often requires manholes (approx. $1500) instead of cleanouts (approx. $225) in sanitary sewer systems. This adds to the review process and increases project costs.
HUD 202 grants are only awarded to projects for which the land is already properly zoned. As a result, finding land becomes a problem because it is difficult to find a seller who is willing to wait until the rezoning process is completed to finalize a sale. Current difficulties regarding land acquisition is one reason why the administrative processes should be fast-tracked for projects relying on public subsidy.

The sewer connection fee is the single largest fee on a house from a permit point of view. Infill lots and development at the city’s edges are treated the same even though the need for infrastructure is not the same. This situation has a negative impact on low-income housing projects that are typically on infill lots.

The “system” works better for larger and more sophisticated developers who have experience with the regulations in Tucson. It is not user-friendly especially for less sophisticated non-profits or first time developers. It would be helpful to developers of subsidized housing if the City processes could provide more specialized attention to the smaller and less experienced builders and specifically to the developers of subsidized housing.

In projects that had a quicker approval process, more money could be used for hard costs that added actual value to the project.

III. BUILDING CODES

Building codes can be considered as another potential barrier to publicly subsidized housing. Listokin and Haddis (2005) examine the impact of building codes on housing costs in two separate categories, “substantive impediments” and “administrative impediments.”

Their “substantive impediments” include:

- Requiring the kinds of improvements that may in fact not be necessary, especially in cases of housing rehabilitation
- Limiting or eliminating the use of cost-saving materials and technologies due to the delays in updating building codes or lobbying efforts of certain construction-related occupational groups to protect their self-interests
- Hindering mass production and effecting the economies of scale negatively due to fragmented building codes in each different locality
- Increasing the learning curve for developers because of the time and effort involved in learning about the local regulations (Listokin and Haddis, 2005).
“Administrative impediments” include barriers similar to those reviewed in the previous chapter as they apply to administering building codes. The major administrative barriers are:

- Disagreement among different departments involved in code review
- Code personnel lacking the necessary technical skills
- Delays caused during the review process
- Excessive building code fees (Listokin and Haddis, 2005).

The Experience of the Civano Demonstration Project

The project was not at a stage to encounter building code barriers at the time this study was completed since the plans had just been submitted for permit review.

Experiences of Other Builders and Developers

Case Study 1

The municipal building code IRC-2003 did not accommodate many of the elements of the affordable single-family home built by the non-profit builder. The codes are prescriptive and if the design varies from that, a structural engineer’s approval is required, making the project more expensive. In this project, there was a question of the framing. The code prescribes 2-foot spacing which is not structurally necessary with the appropriate steel framing. In order to increase the spacing and reduce costs, the builder had to have a structural engineer prove that 4-foot spacing with a heavier steel framing would work as well as 2-foot spacing with lighter steel framing. (In this case, the builder was able to find an engineer who provided this service for free, but normally it would have added to the project budget.) After the report was submitted, the City said it didn’t have anyone who could review the report at the residential review department, so it was passed on to the commercial review department. The commercial review department kept the report for five months and continuously requested changes to the application in order to adjust it to the commercial code review process. The commercial review staff was not able to evaluate the information on rammed earth, the building material chosen, because it is not allowed in commercial construction. Consequently, the structural engineer had to write a detailed report explaining the specifications of rammed earth and its use. Finally, the project passed the review but it took considerably longer with extra requirements. The builder’s experience is a good example of how the building code review process can lead to significant delays, increased project costs, and a discouragement of the use of innovative techniques and building materials.
Miscellaneous Comments

- At the inspection stage, the nature of the process depends highly on the individual assigned for inspection. When the inspector decides that something is not done right, the inspection stops and has to be re-scheduled.

IV. EXACTIONS

*Impact fees, on-site land dedication requirements, and requirements for the construction of infrastructure and public facilities* are different forms of exactions which have a potentially negative impact on the affordability of housing. All three forms of exactions can diminish affordability since they tend to increase the cost of development. Impact fees may pose barriers to affordability especially in communities where a **flat fee per housing unit** is charged instead of **sliding scale fees** based on the cost of the unit. The price tag for the construction of public facilities and infrastructure can take up a substantial portion of the project budget and thereby of the public subsidy as well. On-site land dedications can also affect affordability because the total cost of the project including land acquisition cost is divided between a fewer number of units.

The Experience of the Civano Demonstration Project

- In order to satisfy the rezoning conditions, DDBC was required to make right-of-way improvements, which in this case include sewer extension, curb cuts, handicapped accessible corner apron, sidewalks, and street trees. This added approximately $136,000 to the project budget or $27,200 per unit which has significant negative impact on affordability. DDBC applied for a Pima County General Obligation Bond Grant, a bond program for affordable housing projects. The infrastructure grant would cover the sewer line extension needed for two units, the sewer connections, water supply lines and meters, and the sewer and water permits for all five units; the sidewalks, curb cuts and corner aprons for all five lots; ten street trees and the irrigation line for them; and the engineering fees for this work. If the project is granted with the entire $136,000, DDBC may be able to sell two of the units to households earning below 65% of the area median income, the income group targeted initially, instead of 80% of the area median income. The legitimacy of these types of exactions is less debatable than some of the other regulations in the housing industry. However, this anecdote demonstrates how important it is to either waive these requirements for affordable housing or to make grants available with quick and simple administrative processes in order to improve the affordability of the units.

- The cheapest way to provide the sewer connections is to connect three of the units directly to the existing sewer line and connect the other two through a private line located in an easement along the property. However, the City did not approve the private sewer line and instead imposed an exaction on DDBC to extend the public sewer line. Because the public sewer line has to comply with the county regulations
and a civil engineer has to be hired, the cost of providing the sewer infrastructure will be significantly higher.

Experiences of Other Builders and Developers

Builders’ and developers’ experiences regarding exactions in the form of requiring infrastructure and public facilities are reviewed under Section I (Zoning and Land Use Regulations) as they overlap with subdivision regulations.

V. ENVIRONMENTAL REGULATIONS

While environmental regulations are considered one of the potential barriers to affordable housing, there is not much information about the impact of environmental regulations on the price of housing (Kiel, 2005). Environmental regulations can potentially increase project costs through delays, consultant fees, and additional items for site improvement in the project budget. Examples include environmental site assessment requirements, remediation programs, and plant preservation ordinances.

The Experience of the Civano Demonstration Project

➢ A Phase I Environmental Assessment had to be completed for the site. The City had the assessment done because the land was city-owned and the assessment had to be finished before the City could turn the property over.

➢ The Phase I Environmental Assessment Report found oil spilled on the property which was identified as car oil. The contaminated area was determined to be 10 feet by 6 feet. Due to this contamination, DDBC was required to do a Phase II Environmental Site Assessment involving excavation, analysis of samples, and contaminated soil removal. The Phase II Assessment will cost the project $4,038.

➢ Most of the plants that are growing on the Civano Demonstration Project site are velvet mesquites that are classified as protected plants according to the Native Plant Preservation Ordinance. The plants are not tall, but they qualify as protected plants according to the caliper-measuring criterion since the diameter of all the shoots are added together. Velvet mesquites can not be transplanted due to their root characteristics. DDBC is required to prepare a native plant preservation plan and plant two 15-gallon velvet mesquites for every one removed. The development team has identified eight trees that will have to be removed in order for the houses to be built. A registered landscape architect must sign the native plant preservation plan.
VI. CONCLUSIONS AND RECOMMENDATIONS

This report reviewed zoning and land use regulations, regulatory processes, building codes, exactions, and environmental regulations with respect to their impact on the development of publicly-subsidized housing in Tucson. The Civano Demonstration Project, the case study chosen for the report, and the findings revealed by the experiences of other affordable housing builders and developers, clearly demonstrate that government regulations can significantly reduce the utility of public subsidy granted to affordable housing projects.

Allocating public subsidy to a housing development implies public commitment to that project. Nevertheless, if publicly-subsidized housing projects were also administratively subsidized, the public subsidy could be more efficiently utilized. Involvement of public subsidy should trigger the lifting of a set of regulatory barriers. By reducing the barriers, the subsidy can be substantially stretched and the impact of those dollars can be multiplied. In other words, more housing units can be constructed or the units can be built at a lower cost which enables families with lower income levels to be served. This seems a use of public subsidy preferable to paying for costs incurred by a variety of government-imposed regulations.

A number of recommendations for revising regulatory processes in the City of Tucson are provided below based on the experiences of affordable housing developers and the Civano Demonstration Project.

- The City of Tucson should create a fast-track review and approval process for publicly-subsidized housing projects.
- The City of Tucson should develop a set of performance criteria determining the certain circumstances under which housing can be allowed in industrial zones without having to go through the rezoning process. This should be made part of the Land Use Code under the requirements for the I-1 zone.
- The City of Tucson should consider forming a separate review team for publicly-subsidized projects in order to expedite the review process and ensure consistency by assigning the same staff to a particular project throughout the process.
- The plan review sessions should be as comprehensive as possible at the earliest possible points in time to prevent add-on requirements during later reviews unless the plans have changed substantially.
- The City of Tucson should develop strategies for building cooperation among different review departments/agencies in order to reduce review time and facilitate consistent decisions and requirements.
- Funding should be designated from the City and the County Housing Trust Funds to establish a “Technical Assistance Resource Center” or program to support builders and developers of subsidized housing through the regulatory processes.
- Professional organizations such as the Southern Arizona Chapter of the American Institute of Architects and Southern Arizona Home Builders Association should provide a technical assistance symposium twice a year in cooperation with the City and County Housing Commissions and Development Services Departments.
to address the barriers described and to develop strategies for assisting builders and developers of subsidized housing to overcome these barriers.

- The City of Tucson should identify infill lots suitable for affordable housing projects considering the sites’ access to public transportation, schools, and other services. The rezoning process should be initiated by the City for these properties to allow for optimal residential densities. This would establish a pool of infill lots on which affordable housing projects will be encouraged and these lots can be turned over to appropriate affordable housing developers without the need for a rezoning process.

- A joint “Affordable Housing Public Relations Council” should be formed with the Housing Commissions of the City and County to bring together affordable housing builders and developers with neighborhood leaders to address the issue of NIMBY-ism. Annual neighborhood acceptance workshops and educational campaigns should be organized to overcome the NIMBY attitude against higher densities and to remove the myths regarding negative impact of good quality affordable housing on property values.

- The City and the County should make a concerted effort to determine certain fees and exactions that can be waived for publicly-subsidized housing projects, particularly on infill lots.

- Decisions should be consistent at all levels of the organizational chart within the reviewing departments/agencies in order to eliminate the need for resorting to the use of social and/or political capital.

- If the City approves a set of plans, that decision should not be reversed at a later date unless substantial health and safety concerns exist.

- Greater collaboration should be developed between the City Community Services and Development Services Departments.

- A formal paired mentoring program should be created, partnering experienced private builders and developers with less experienced non-profit builders and developers of subsidized housing in order to share development expertise. The Drachman Institute is willing to coordinate this mentorship program.

- The City of Tucson should adopt a more flexible and cooperative approach towards performance-based evaluations for reviewing projects with public subsidy instead of “by the book” implementation of prescriptive codes.

- The City of Tucson should work towards eliminating inconsistency between the decisions of the Development Services Department plan review staff and the inspectors.

- The City of Tucson should create an overlay zone to facilitate the development of residential uses in the designated artist studio/residential area (see Map 1, page 23) instead of permitting studio/residences as special exception land uses.
References


City of Tucson. “Land Use Code.” Received from http://www.tucsonaz.gov/planning/codes/luc/lucweb/index.html#TopOfPage


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City of Tucson. “Land Survey Exception.” [draft document].


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Drachman Design-Build Coalition – Mary Hardin, 11/09/2006
Primavera Foundation - Peggy Hutchison, 12/07/2006
City of Tucson Community Services Department - Joe Comella, 02/22/2007
Habitat for Humanity- Danny Knee, 02/26/2007
Tofel Construction - Steve Tofel, 02/27/2007
Drachman Design-Build Coalition – Corky Poster, 03/20/2007
Family Housing Resources - John Glaze, 03/28/2007
Community Development Partners - Pete Chalupsky, 03/30/2007

Note on Photos: All the photos used in this report were obtained directly from the builders/developers interviewed or from the websites of the organizations/companies with which they are affiliated.
RESIDENTIAL DEVELOPMENT IN I-1
(LIGHT INDUSTRIAL ZONE)

OPTION 1: LIMITED NOTICE PROCEDURE
* Used for the approval of Special Exception Land Uses
(Artist studio/residence is the only residential special
exception use in I-1 if located in the designated area.)
* Fees apply as specified by the Development Standards
See Attachment 1 for details

OPTION 2: ZONING EXAMINER LEGISLATIVE PROCEDURE
* Used for Rezonings (All residential developments other than artist
studio/residences require a rezoning.)
* Fees apply as specified by the Development Standards
See Attachment 2 for details

OPTION 2-a: DIRECT ORDINANCE ADOPTION
* If the application includes detailed development plans
in compliance with all the conditions that may be
required by the Mayor and the Council as well as the
Development Standard 1-07
See Attachment 2 for details

OPTION 2-b: AUTHORIZATION FOR CHANGE OF ZONING
* If the application is based on conceptual plans
See Attachment 2 for details

SUBDIVISION PLATTING PROCESS
a) Subdivisions
b) Minor subdivisions
c) Land Splits
d) Land survey exception
See Attachment 3 for details

PERMIT PROCESS
* Building, plumbing, electrical and mechanical permits
See attachment 4 for details
LIMITED NOTICE PROCEDURE

Limited Notice Procedure is one of the three possible procedures to review a Special Exception Land Use. The procedure requires limited notice to be given to parties who may be affected by the proposed development.

In areas zoned as I-1 (Light Industrial Zone), the only residential use that can be considered for special approval as a Special Exception Land Use is an artist studio/residence. The use is limited to the designated artist studio/residence area as shown below. The area falls within the boundaries of the Empowerment Zone.

Map 1 - Designated Artist Studio/Residence Area

Source: City of Tucson Land Use Code 6.2.1

Proposed artist studio/residence developments require approval through a Limited Notice Procedure. Other restrictions stated in the Land Use Code are as follows:
A. The use is limited to structures in existence on February 25, 1991, within the designated artist studio/residence area.
B. The use will not displace existing industrial uses.
C. The appearance and structural integrity of the structure are preserved or enhanced.
D. Residential use of the property is incidental and secondary to the artist studio use, with no greater than fifty (50) percent of the floor area devoted to the secondary residential use.
E. The secondary residential use is occupied by an artist who is also the occupant of the primary artist studio use.
F. Adequate measures are provided to assure the health, safety, and welfare of the occupants in relation to any industrial process, use, or storage carried out in the artist studio/residence or on adjacent properties.
G. The use will not impair or interfere with the continued industrial use of adjacent properties or with the purposes of the industrial zone. (City of Tucson Land Use Code 3.5.7.10)

According to the Land Use Code (3.2.3.2), the following development regulations apply to artist studio/residences in the I-1 zone:

- Minimum site requirement: 0
- Maximum floor area ratio: 2.00
- Maximum building height: 75’
- Perimeter yard: DD

**Limited Notice Procedure Timeline**:¹

- Pre-application conference with city staff to review requirements for the proposal is encouraged.
- Meetings with property owners who are entitled to notice of the application, the neighborhood association and other interested parties are encouraged.
- Notice of application has to be given to property owners within 50 feet of the site and to the neighborhood association that includes the site.
- There is a 10-day period during which the public can submit comments on the proposal.
- The Development Services Director makes a decision regarding the application within 1 to 10 days after the expiration of the public comment period. The Director may impose conditions for approval or require a full notice procedure.
- The Director notifies the applicant and the other parties within 3 days of the decision.
- A party of record may appeal to the Board of Adjustment by submitting a notice of intent of appeal to the Development Services Department within 5 days after the notice of decision. The appeal has to be filed within 30 days of the decision.
- The time period for public comment, for notice of the decision and for the filing an appeal may be waived if the applicant provides written documentation that all parties of record have waived one or more of these provisions.
- Upon receiving a complaint, the Zoning Administrator can invalidate an approval if s/he decides that the notice failed to accurately or adequately describe the

¹ The information presented in the Timeline is taken from the City of Tucson Development Compliance Code, Division2, Sec 23A-40.
effects of the proposed development on other property owners. In that case, the application has to obtain a new approval.

**POTENTIAL BARRIERS**

- The Limited Notice Procedure can be lengthy if there are appeals which may lead to increased project costs, but the process is much shorter compared to the rezoning process if there is no opposition.
- The NIMBY factor can be influential during the limited notice process just like the rezoning process which can lead to increased project costs by causing delays. However, some new residential development might be more likely to be welcomed in industrial areas than in more traditional, established residential neighborhoods.
- The current review procedures for the designated artist studio/residence area do not facilitate and encourage the development of studio/residential uses.

**The fees:** The fees for the Limited Notice Procedure are significantly lower than those required for the Zoning Examiner Legislative Procedure (rezoning process). The required fees are the staff review fee ($250.00), fee for notification of property owners around the project site ($200.00) and microfiche fee ($15.00). (City of Tucson Development Standard No. 1-05.0 - Development Review Fee Schedule)
ZONING EXAMINER LEGISLATIVE PROCEDURE

Zoning Examiner Legislative Procedure is used for reviewing rezoning applications. The Zoning Examiner holds a public hearing(s) regarding rezoning applications for recommendation to the Mayor and Council who make the final decision.

In areas zoned as I-1 (Light Industrial Zone), all residential developments require a zoning change except for artist studio/residences which can be reviewed through a limited notice procedure if located in the designated artist studio/residence area.

Zoning Examiner Legislative Procedure Timeline\(^2\) (See Zoning Examiner Procedure Flow Chart, page 30):

- **Pre-application conference:** A pre-application conference with city staff is required to review the requirements for the proposal.
- **Neighborhood meeting:** A neighborhood meeting must be held 15-60 days prior to the application (A notice about the meeting has to be sent at least 10 days before the meeting)
- **Notice:** Property owners within 300 feet of the site and neighborhood associations within 1 mile of the site have to be given notice by mail regarding the public hearing. Additionally, posted notice and published notice has to be given. (15-30 days prior to the hearing)
- **Public Hearing(s):** The Zoning Examiner holds a public hearing within 70 days of acceptance of the rezoning application. S/he may close the public hearing after the first hearing is held or continue it by scheduling another meeting within 30 days.
- **Preliminary Recommendation:** The Zoning Examiner issues a report with preliminary findings and a recommendation within 5 days of the close of a hearing.
- **Reconsideration:** If a party requests reconsideration of the preliminary recommendation or reopening of the hearing due to errors, the request has to be submitted to the zoning examiner within 5 days of the preliminary recommendation and the Zoning Examiner has 5 days to respond to the request. S/he can deny the request, revise the preliminary recommendation or reopen the public hearing.
- **Final Recommendation:** Within 14 days of the close of the public hearing or the re-opened public hearing, the Zoning Examiner issues a final recommendation report to the Mayor and Council. Minor revisions to the preliminary recommendation can be incorporated into the final recommendation without additional procedures; however, significant changes require reopening of the public hearing.

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\(^2\) The information presented in the timeline is taken from City of Tucson Land Use Code, Section 5.4.3
• **Reopening of the Public Hearing:** If the reopening is necessary, the new hearing has to be held within 40 days of the close of the last public hearing.

• **Mayor and Council Public Hearing Request:** Any person may request that the application be heard at a public hearing before the Mayor and Council if the request is filed with the City Clerk within 14 days after the date of the Zoning Examiner’s public hearing or reopened public hearing.

• **a) Authorization for Change of Zoning (Type II):** If the rezoning is requested based upon **conceptual plans** (The conditions of rezoning are met before the Mayor and Council makes a decision regarding the adoption of the ordinance):
  - o The Mayor and Council make a **preliminary** determination regarding the authorization of the zoning change subject to fulfillment of the conditions that may be imposed.
  - o If the request is authorized, the applicant typically has **5 years** to meet the conditions of approval.
  - o This **preliminary** authorization does not grant any vested rights to the applicant.

• **b) Direct Ordinance Adoption (Early Ordinance - Type III):** If the rezoning is requested based upon **detailed development plans** (building size, setbacks, parking requirements, landscaping and screening requirements, pedestrian and trash dumpster access, and architectural design) in compliance with all the conditions that may be required by the Mayor and the Council as well as the Development Standard 1-07, then the Mayor and Council can directly adopt the ordinance. (The ordinance adoption is considered before the conditions of rezoning are met.

  **Note:** “The Type II and the Type III Legislative Procedures are identical, except for the application requirements and the point in the process at which an ordinance is presented to Mayor and Council for consideration.” (City Of Tucson Development Standard No. 1-07.0 Rezoning Procedures)

• **Mayor and Council Decision:** The Mayor and Council may authorize the case to proceed; modify, delete or add to the proposed conditions for approval; remand the case to the Zoning Examiner for further proceedings; adopt an ordinance changing the zoning; deny the application or take other appropriate action.

• **Ordinance Effective Date:** Ordinances granting changes in zoning are subject to referendum and do not become effective until thirty (30) days after the date of adoption or the date the final ordinance is available from the City Clerk, whichever is later. The effective date of the ordinance is not necessarily the effective date of the change of the zoning (rezoning). The effective date of the change of zoning is when compliance with conditions of approval is completed and certified by the DSD Director.

• **Reconsideration:** A member of the Mayor and Council may request the reconsideration of an authorization decision or decision on a proposed ordinance provided the vote to reconsider is made within thirty (30) days of the date of decision.
• **Change in Conditions of Approval:** The applicant may request a change to conditions of approval which requires additional procedures depending on the extent of the changes requested.

• **Time extension:** Time extension requests regarding completion of all conditions also require additional procedures.

• **Completion and Certification:** Zoning on the property is changed in compliance with the adopted ordinance, when all conditions are met and verified by the DSD Director.

**POTENTIAL BARRIERS**

- Rezoning can be a very lengthy process which may lead to increased project costs. (The decision making process regarding a request that includes detailed development plans can last as long as 139 days (after the pre-application conference) even when the plan is in compliance with the conditions and the matter is resolved in a single zoning examiner meeting. Multiple meetings, applications based on conceptual plans as opposed to detailed development plans, requests for reopening of public hearings, request of a member of the Mayor and Council to reconsider an authorization decision, and delays in meeting the conditions of the rezoning approval can result in a rezoning process lasting much longer.)

- The NIMBY factor can be influential during the rezoning process. It can increase the cost by causing delays or it can lead to the disapproval of the project.

- Rezoning fee depends on the zoning designations and the size of the site. As specified by City of Tucson Development Standards, the fees include the staff review fee (see the table below), current aerial photo fee (variable), Zoning Examiner public hearing fee (variable), ordinance display ad fee (variable), and microfiche fee ($15.00).

**Change of Zoning to:**

<table>
<thead>
<tr>
<th>SR, RX-1, RX-2, IR, RH, SH</th>
<th>0-30 acres</th>
<th>$800.00 plus</th>
<th>$100.00 per acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than 30 acres</td>
<td>$1,500.00 plus</td>
<td>$75.00 per acre</td>
<td></td>
</tr>
<tr>
<td>R-1, MH-1, P, O-1</td>
<td>0-30 acres</td>
<td>$2,000.00 plus</td>
<td>$175.00 per acre</td>
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<tr>
<td>Greater than 30 acres</td>
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<td>0-30 acres</td>
<td>$2,500.00 plus</td>
<td>$250.00 per acre</td>
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<tr>
<td>R-3, O-3, C-1, MU</td>
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<td>$3,250.00 plus</td>
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<tr>
<td></td>
<td>30 acres</td>
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</tr>
<tr>
<td>C-2, C-3, OCR-1, OCR-2, PI, I-1, I-2</td>
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<td></td>
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<td>Planned Area Development (PAD) Zone</td>
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<td>$200.00 per acre</td>
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</tr>
</tbody>
</table>

**Source:** City of Tucson Development Standard No. 1-05.0 - Development Review Fee Schedule
• The direct ordinance adoption option requires significant preparation. Detailed plans need to be prepared at an early stage. This necessitates considerable expenditures even though there is no guarantee or certainty that the intended development will be permitted.

Zoning Examiner Procedure Flow Chart

Source: City of Tucson Land Use Code Section 5.4.3
SUBDIVISION PLATTING PROCESS

1- SUBDIVISIONS

1. Tentative Plat Review

   a. **Pre-application conference with DSD staff:** Encouraged
   
   b. **Application:** A tentative plat serves as a document on which the proposed
development is overlaid on a map showing the existing conditions of the property
and the surrounding area. These conditions include topography and infrastructure
improvements, as well as existing structures. In addition to all the documents
required as a part of tentative plat application, any other documents resulting from
imposed conditions on a rezoning case are also submitted at this time. A
development plan is also included as a part of the application packet if the
property is part of a rezoning or if the development plan is a condition of a Mayor
and Council action on the property. Additional documentation may be necessary
depending on the requirements that the proposed development is subject to.
   
   c. **Review:** Tentative plats applications are reviewed by each CDRC (Community
Design Review Committee) agency. The applicant has 1 year from the date the
application to secure approval of the tentative plat based on the regulations in
place.
   
   d. **Approval:** The Development Services Department approves the tentative plat
within 5 days of receiving notification of approval from all CDRC members. If
there is a rezoning involved with the use of property, the tentative plat can only be
approved after the effective date of the rezoning ordinance.

2. Final Plat Review

   a. **Pre-application conference with DSD staff:** Encouraged
   
   b. **Application:** A final plat serves as a survey document suitable for recordation of
all or part of an approved tentative plat. The final plat must conform to the
approved tentative plat in lot configuration, design, and required conditions of
development.
   
   c. **Review:** Final plats are reviewed by the CDRC. The review is normally initiated
after the tentative plat is approved, however, final plats may also be submitted for
review prior to the tentative plat approval if a minimum of tentative plat reviews
have occurred.
   
   d. **Approval:** Final plats are considered for approval by the Mayor and Council.
   
   e. **Recordation:** The final plan documents are forwarded to the Office of the Pima
County Recorder for recordation within 5 days after the Mayor and Council
approval. If the use of the property is subject to rezoning, the recordation takes
place 5 days after the effective date of the rezoning ordinance.

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3 Information gathered from City of Tucson Chapter 23A-33, Development Standard No2-03.0, and Land
Use Code Article 4
II- MINOR SUBDIVISIONS

A minor subdivision plat is small in size and simple in design to the extent that a tentative plat is not required. The review process of minor subdivision plats require less documentation and take less time compared to large subdivisions. The eligibility criteria for minor subdivisions are established by the Section 4.2.2. of the Land Use Code.

Minor Subdivision Plat Review

a. Pre-application conference: A pre-application conference is required in order to determine whether or not a tentative plat review is necessary.

b. Application and Review: Minor subdivision plats are reviewed following the same procedures provided for final plat review for regular subdivisions as described above. However, because a tentative plat has not been reviewed, any reviews that are normally conducted during the tentative plat process will be conducted as a part of the final plat process.

III- LAND SPLITS

The Land Use Code defines land splits as “the division of improved or unimproved land which is not defined as a subdivision, whose area is two and one-half acres or less in size, into two (2) tracts or parcels if previously platted or three (3) tracts or parcels of land or less if not previously platted of land for the purposes of sale or lease”

a. Pre-application conference: Not required but available to potential applicants

b. Application: Land split applications need to include a drawing of the proposed land split showing the lots, existing structures, streets and easements, setbacks etc.

c. Review: Land splits are reviewed by the Development Services Department within 10 days of application acceptance.

IV- LAND SURVEY EXCEPTION

A Land Survey Exception is a proposed land split that would ordinarily require a plat, but due to the small size and simplicity of the design an exception may be granted under certain circumstances.

a. Pre-application conference: A pre-application conference with CDRC is required in order to determine whether or not the application can be considered as a land survey exception.

b. Application: Blue line prints need to be included in the application showing the conditions within the 1 square mile around the site.

c. Review: Land Survey Exceptions are reviewed following the same procedures as in a plat review.

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4 Information gathered from City of Tucson Chapter 23A-33, Development Standard No2-03.0, and Land Use Code Article 4
5 Information gathered from City of Tucson Chapter 23A-33 and Land Use Code Article 4
6 Information gathered from City of Tucson 2-03.11.0 Land Survey Exception (Draft Document)
POTENTIAL BARRIERS

- The platting process can pose significant barriers especially when inconsistencies are present between the criteria of different reviewing parties.
- The process can be very lengthy particularly when new issues are introduced at each review meeting.

### Tentative and Final Subdivision Plat Review Fees

<table>
<thead>
<tr>
<th>Acres</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00 - 2.00</td>
<td>$1,000</td>
</tr>
<tr>
<td>2.01 - 10.00</td>
<td>$1,500 plus $100 per acre</td>
</tr>
<tr>
<td>10.01 - 50.00</td>
<td>$2,500 plus $75 per acre</td>
</tr>
<tr>
<td>Over 50.1</td>
<td>$5,000 plus $50 per acre</td>
</tr>
</tbody>
</table>
Attachment 4

PERMIT PROCESS

Permits are issued upon the review of all plans for conformity with all relevant codes. More information on the permit review process is available at: http://www.tucsonaz.gov/dsd/Permit_Review_/permit_review_.html

POTENTIAL BARRIERS

- Building code-related barriers typically come into play at the permit review stage.
- The inconsistencies between the decisions of the plan review staff and the inspectors can pose substantial additional barriers.

Development Standard 1.05.0 lists all the fees associated with the permit process.