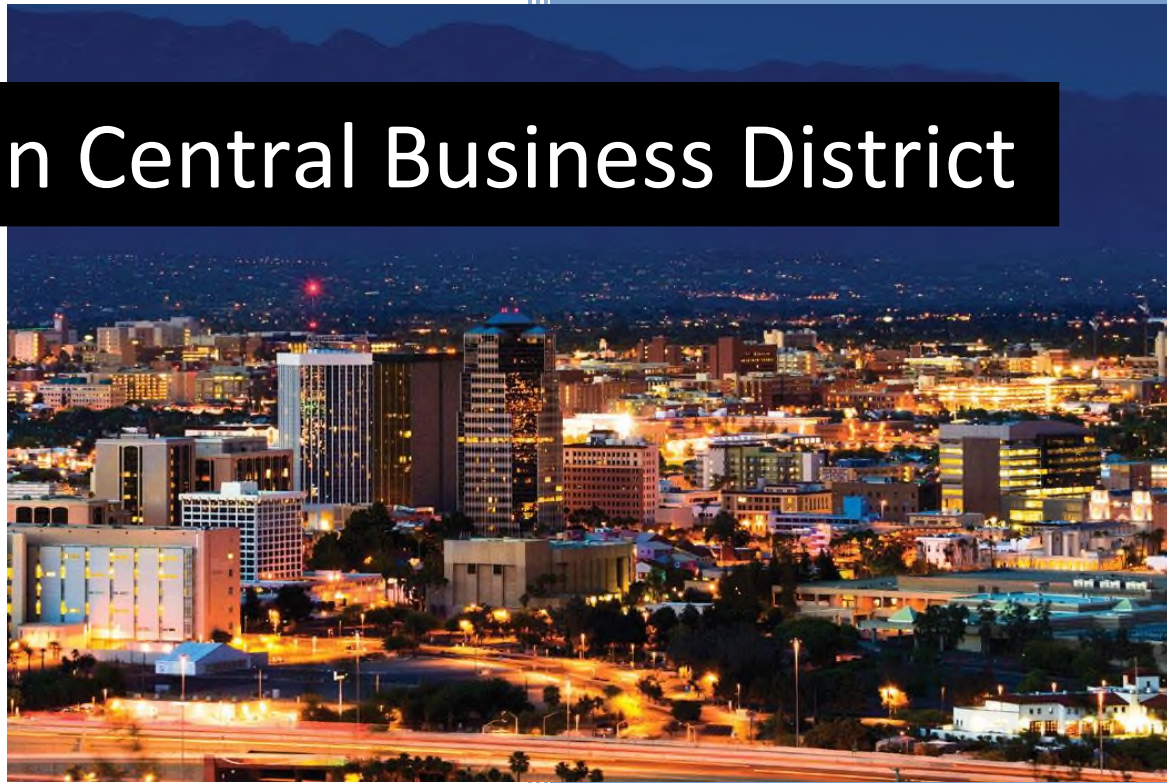


Tucson Central Business District



Findings of Conditions Report

Prepared by
Office of Economic Initiatives
City of Tucson

August 11, 2020

Overview

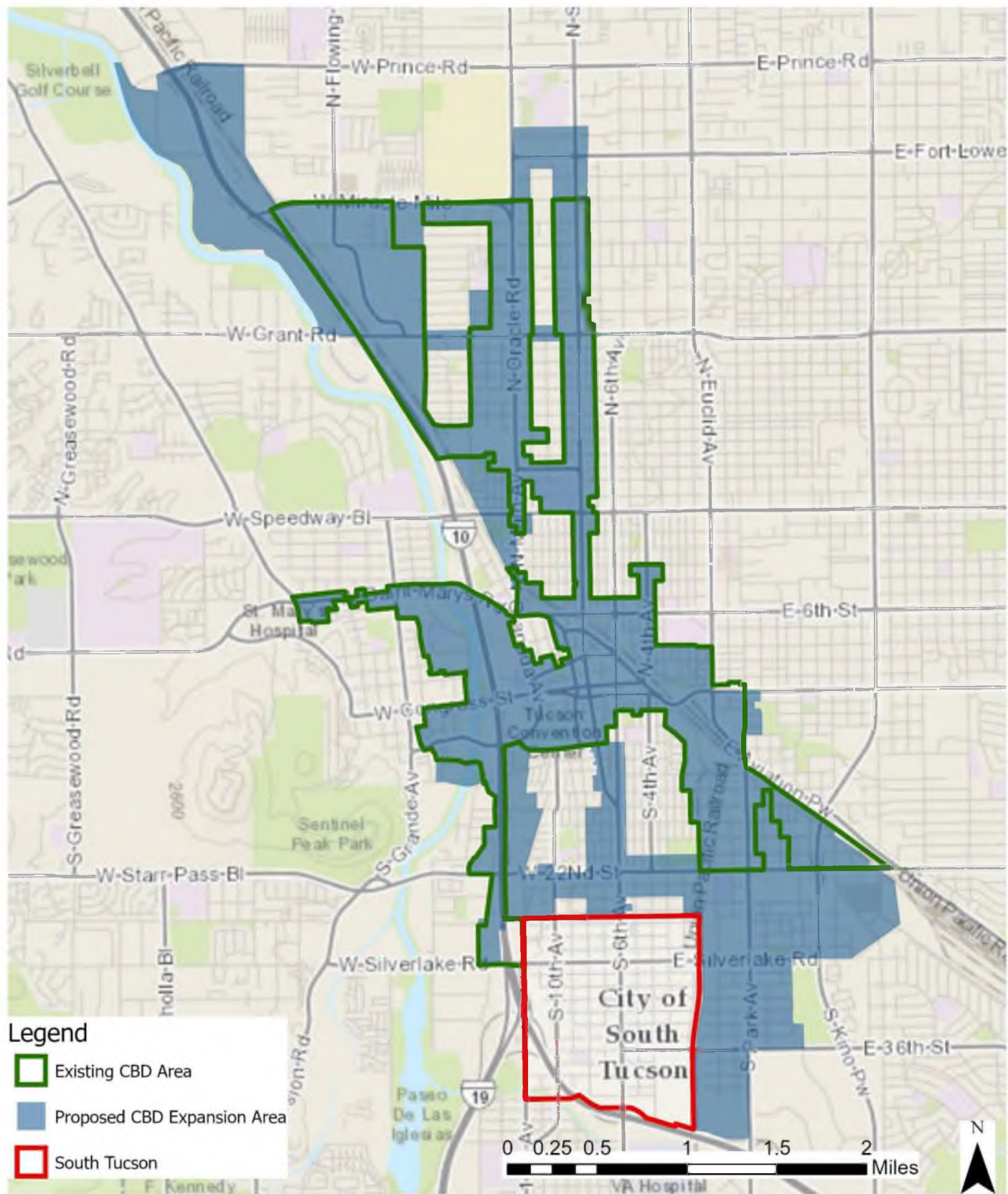
The City of Tucson is seeking to further encourage development in the downtown and the surrounding area. To this end, the City is proposing an expansion of the Central Business District (CBD), as shown on Map 1. In accordance with Arizona Revised Statutes 36-1471, the City of Tucson has determined that the proposed CBD area is a slum area where sound municipal growth is substantially arrested. Both of the following are true for this area:

There is a predominance of buildings or improvements, both residential and nonresidential and the public health safety or welfare is threatened because of

- a) dilapidated, deteriorated, aging or obsolescent buildings or improvements; and
- b) the existence of conditions that endanger life or property by fire or other causes.



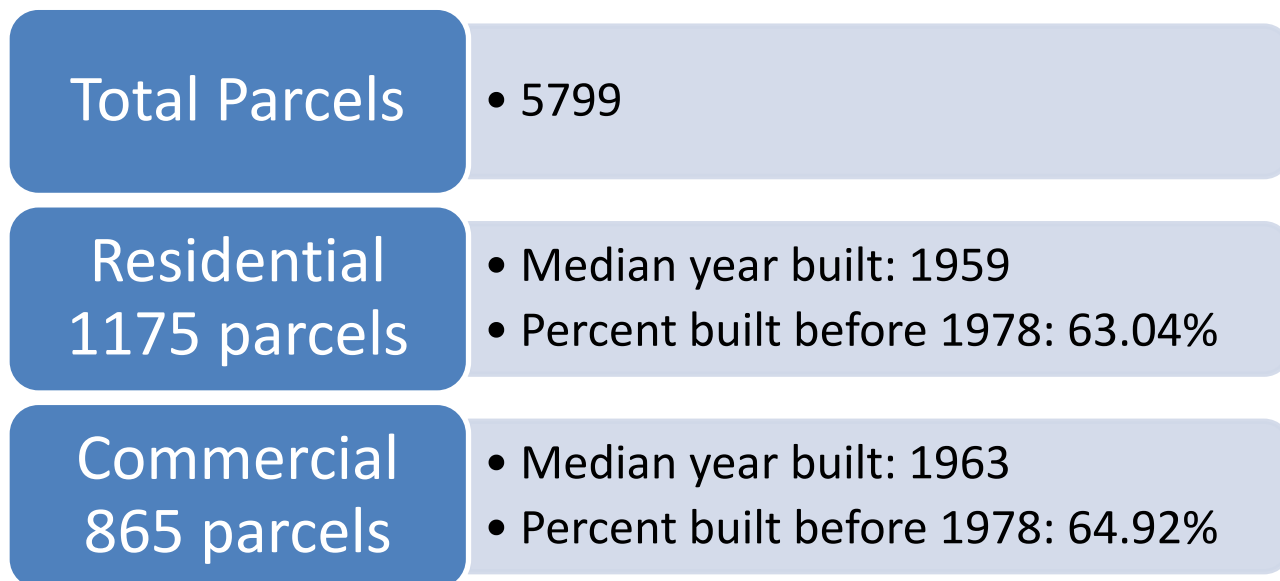
**MAP 1 - CITY OF TUCSON
CENTRAL BUSINESS DISTRICT**



Background

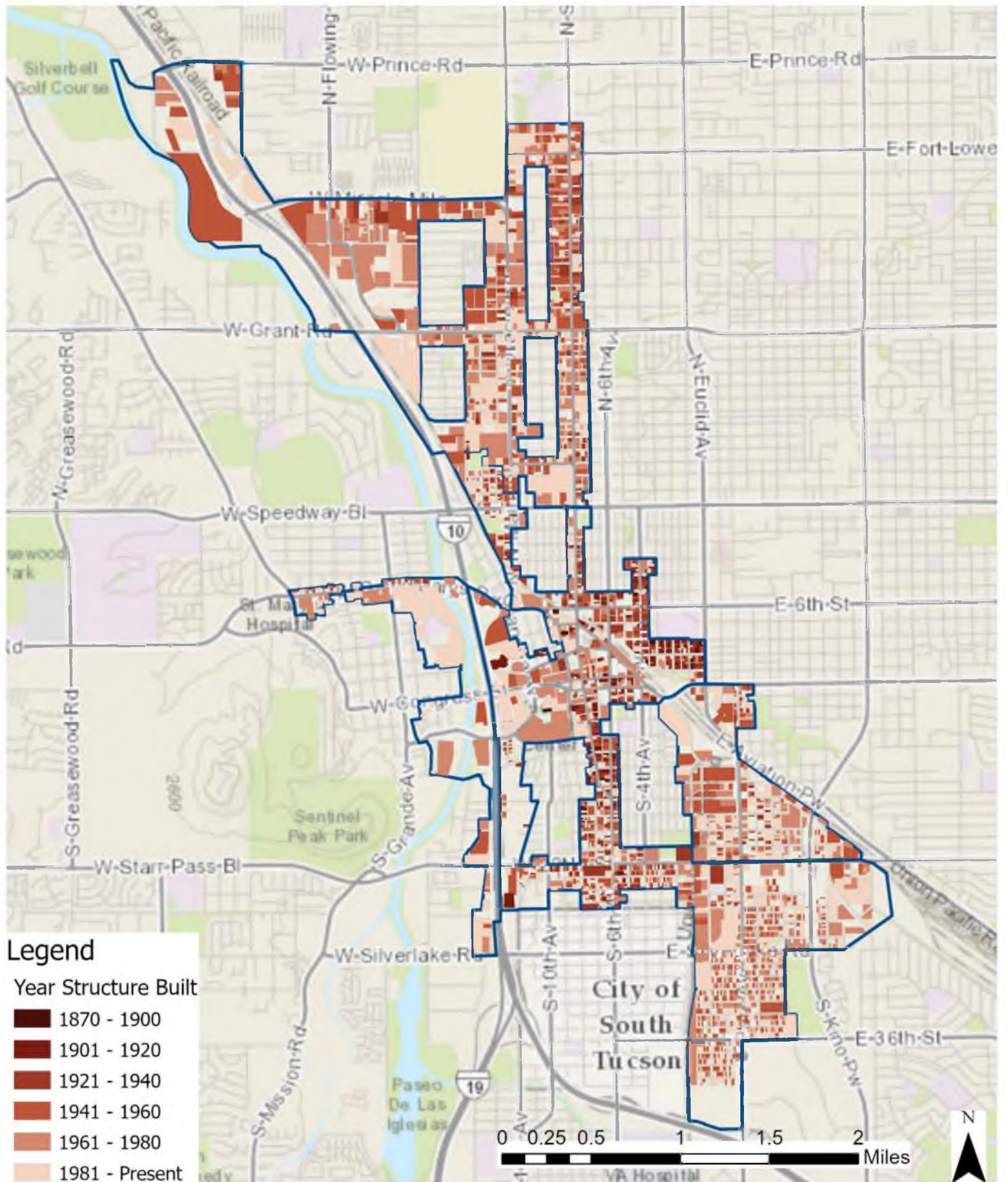
Over the past several years, the Mayor and Council have initiated various incentive policies for the Downtown area. There is, however, a continuing need to attract development and investment activity to the Downtown and surrounding area. This proposed Central Business District expansion area is intended to supplement current incentive policies and increase the potential for development to occur. The proposed Central Business District expansion area is comprised of downtown Tucson and the downtown gateway corridors, including Oracle Road, Stone Avenue, Broadway Boulevard, Park Avenue, South Sixth Avenue, St. Mary's Road and portions of Interstate 10. The area is 5.66 sq. miles, or 3,623 acres, which equals 2.4% of the City of Tucson by area.

Most of the proposed Central Business District expansion area was developed over the last two centuries. The present street and block layout reflects this historical pattern. The age of the commercial and residential structures is considerably older than other areas of the community. Approximately half (49.2%) of all the proposed area structures were built before 1963. Structures built prior to 1963 are age-eligible for consideration as historic properties. Tax abatements for development projects affecting historic buildings within a redevelopment area created through the authority of state statute require review and approval by the State Historic Preservation Office to ensure that historic buildings will be preserved and/or rehabilitated according to the Secretary of the Interior's Standards for Preservation. A historic building is a structure listed on the National Register of Historic Places, individually or as a contributor to a historic district, or which meets the eligibility criteria for listing. Those eligibility criteria include age (at least 50 years old), significance, and integrity; all three of these criteria must be met.



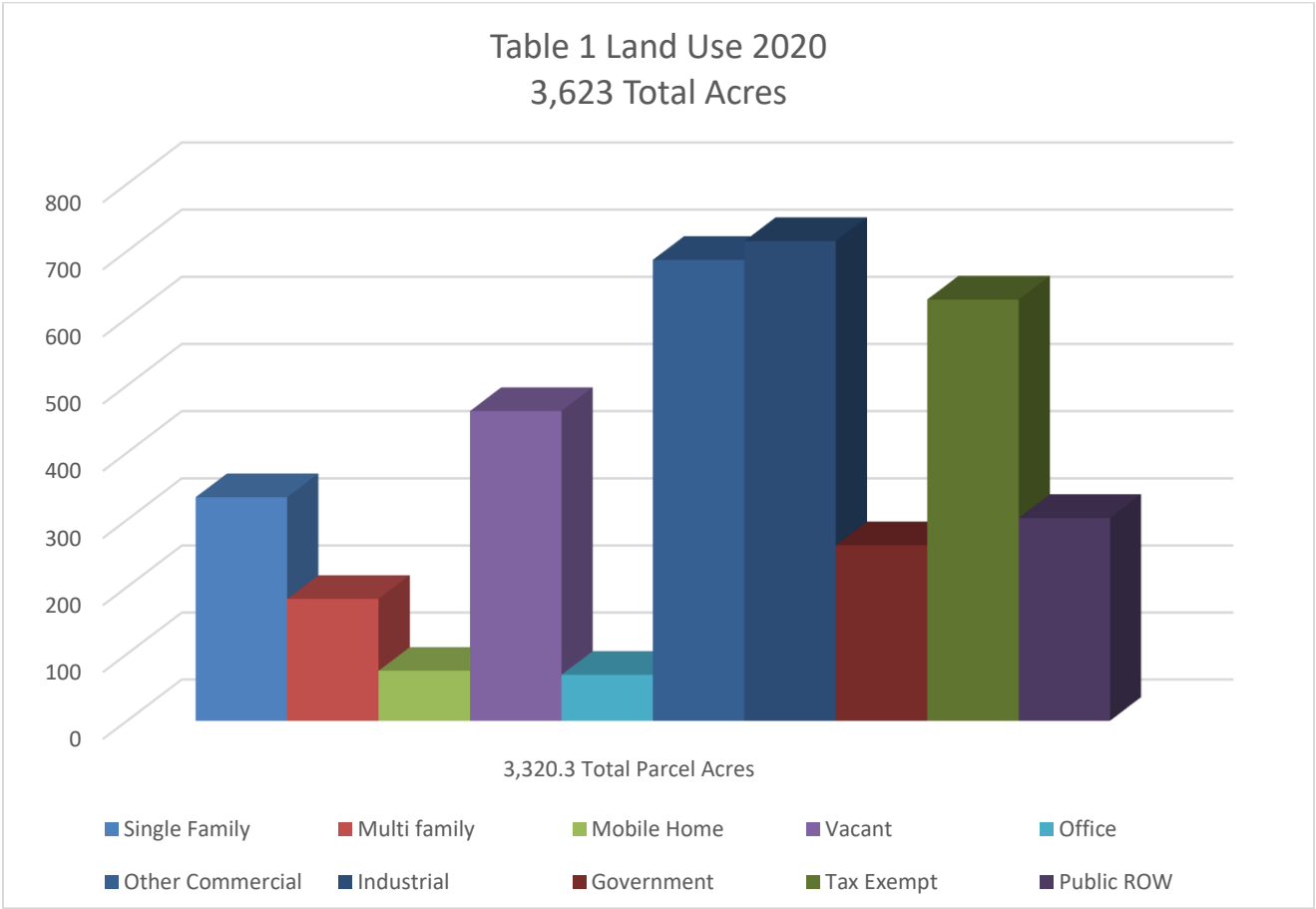
The Map below provides an overview of the age of structures in the proposed Central Business District expansion area. 25.81% of all area structures were built prior to 1950. The median year built for residential structures is 1959 (61 years of age). The median year built for commercial structures is 1963 (57 years of age). 63.98% of all structures were built before 1978. Any home, building, school or daycare center built before 1978 contains some lead paint, suggesting that they may contain lead-based paint hazards. Lead is toxic, especially to children. Renovations and repairs to structures built before 1979 where paint will be disturbed require special handling.

MAP 2
PIMA COUNTY ASSESSORS PARCEL DATA, 2020

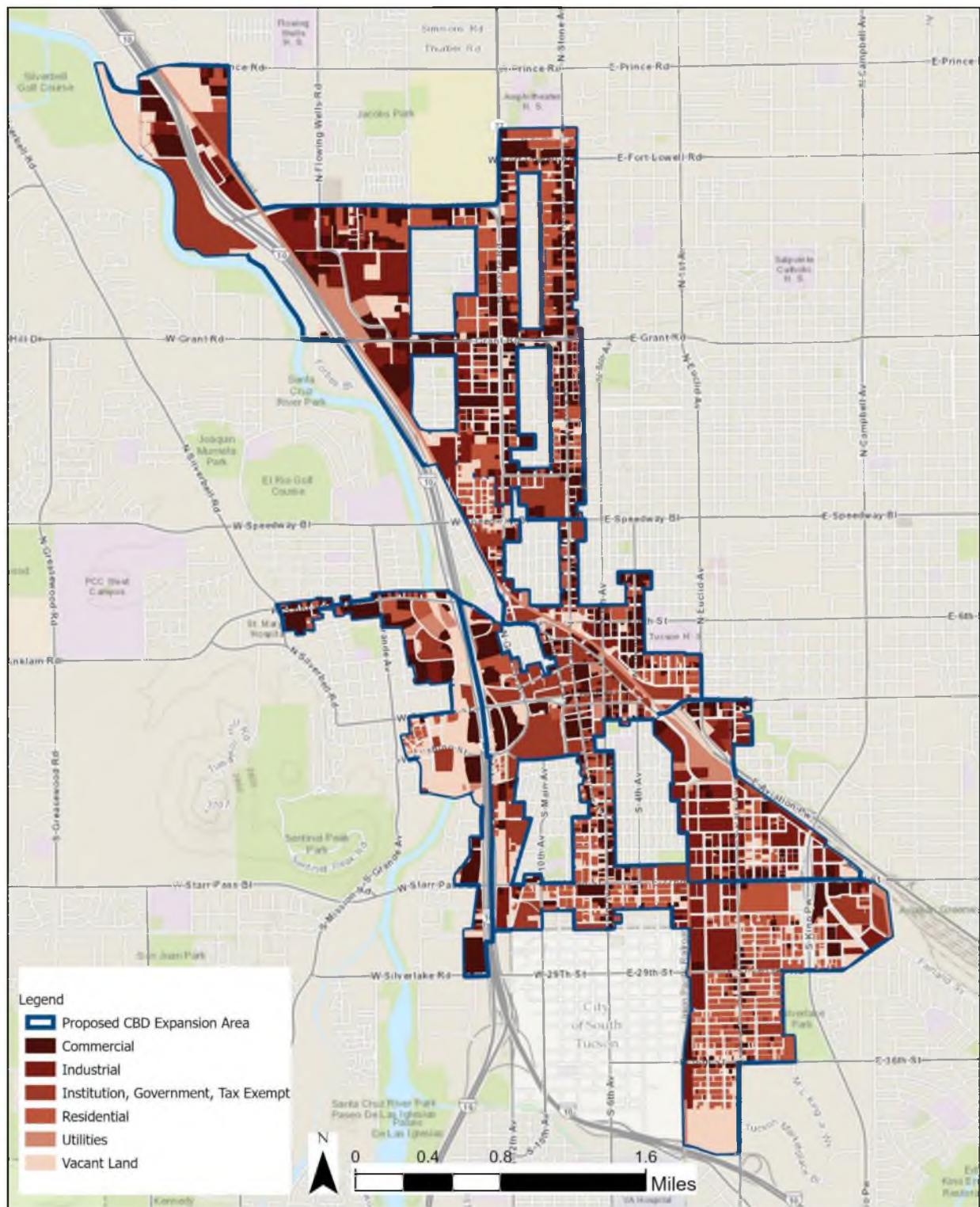


Land Use

The Central Business District expansion area comprises approximately 3,623 acres of Tucson's core. Land use in this area is dominated by commercial land uses (20.9%), followed closely by industrial land uses (19.7%). Table 1 presents land uses within the proposed CBD area (based on Pima County Assessor use codes). Map 3 provides a visual representation of the land use data.



MAP 3 LAND USE BY PARCEL



Population and Housing

An analysis of the 2014-2018 American Community Survey shows that there are 15,465 residents within the proposed Central Business District expansion area. Residential population in this area is less than 3% of the City of Tucson's total population. The median age of the residents is 31.6 years. Children, age 0-19, represent 29.75% of this population, while persons age 65 and over represent 10.6%. The area has a high minority population concentration of over 60%.

Of the 7,571 housing units in the proposed CBD expansion area, over 60% are rentals and just over 24% are owner-occupied. The 2014-2018 American Community Survey reveals a residential vacancy rate of 15%. Tables 2 and 3 provide additional population and housing information on the area:

Table 2-1 Population by Gender

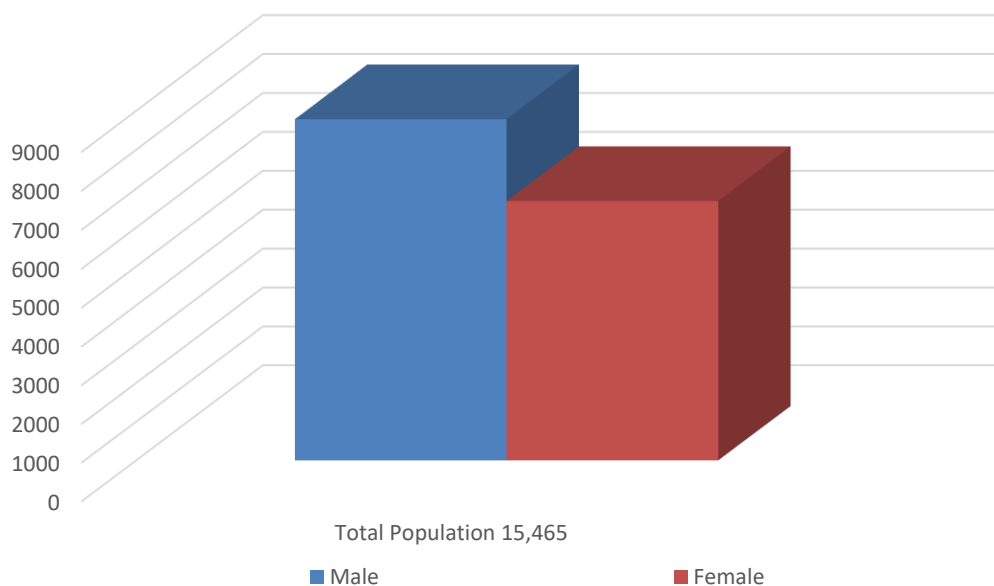


Table 2-2 Population Data

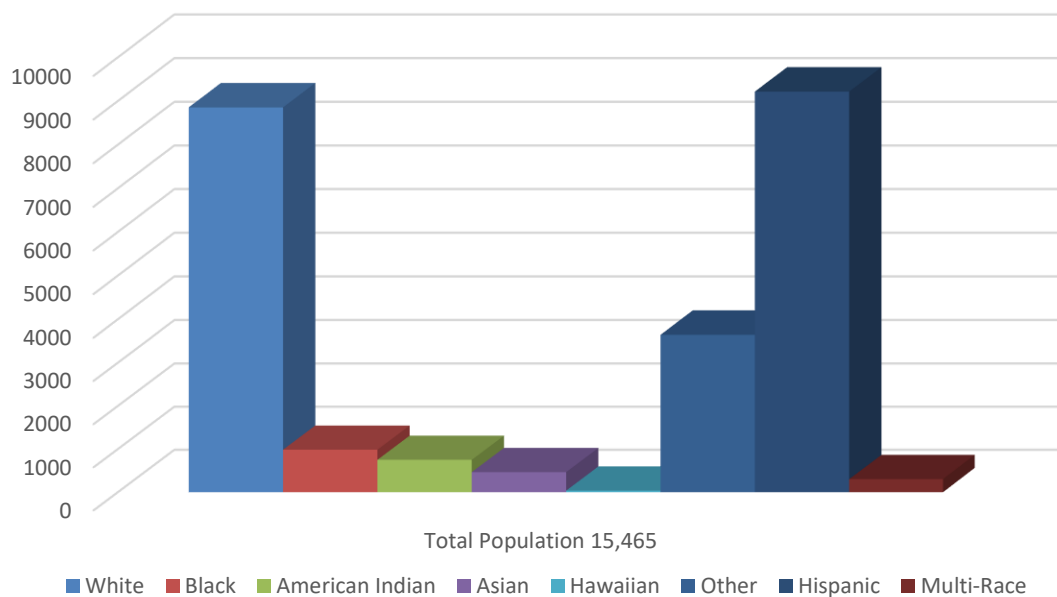


Table 2-3 Population by Age

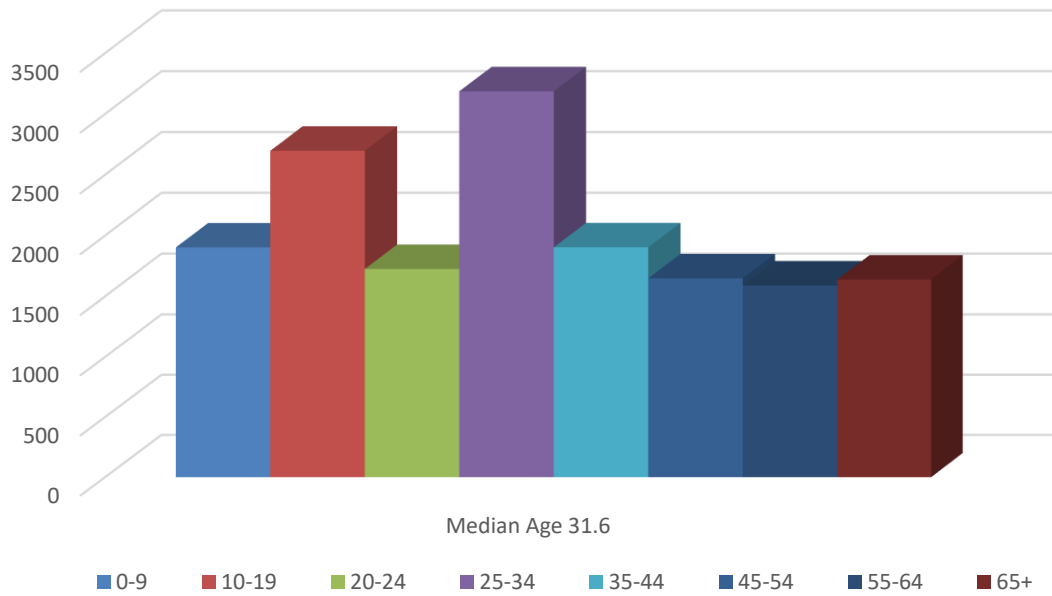
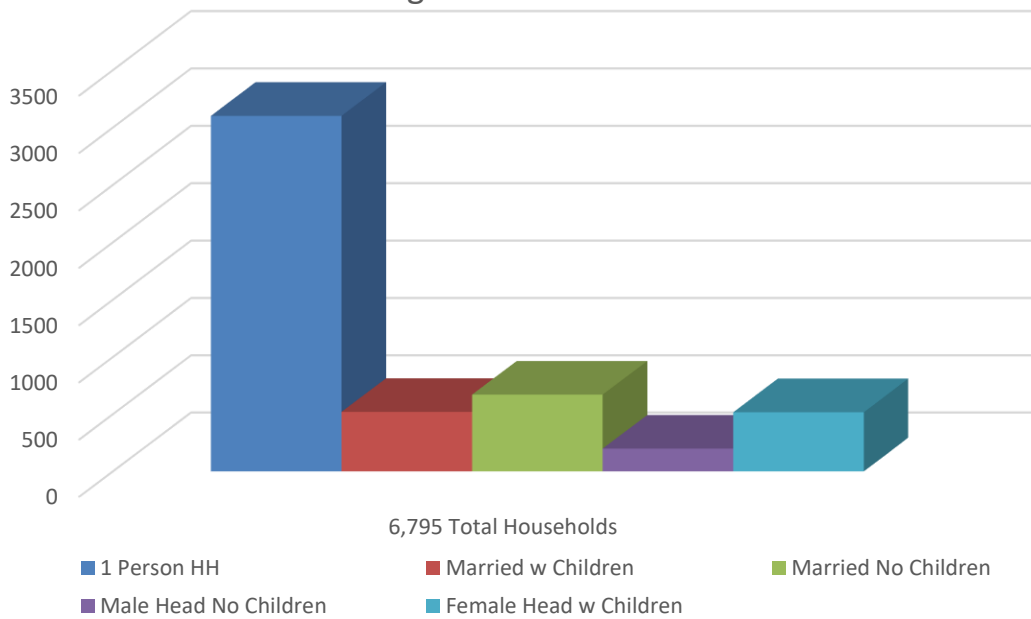
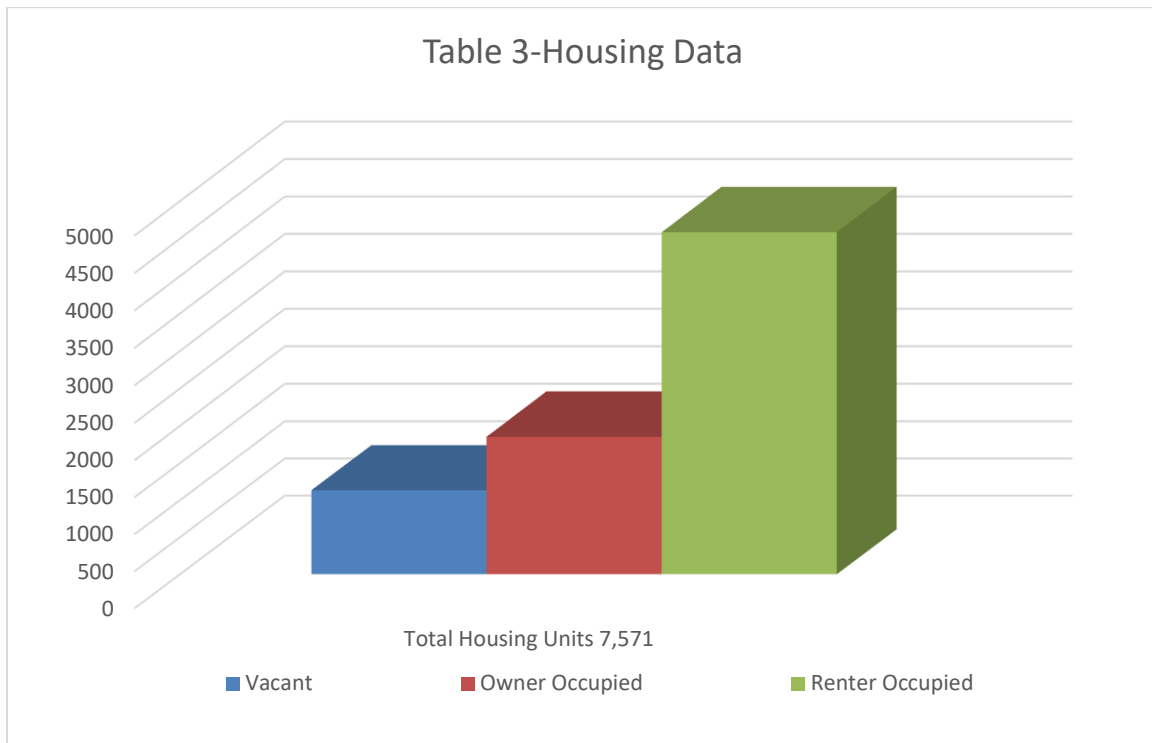


Table 2-4 Total Households
Average Household Size 2.20





Findings

A. Diversity of Ownership

An analysis of current Pima County Assessor records shows that the Central Business District expansion area is comprised of 5,799 parcels, 623 of which are government owned (Federal, State, County, City, and School District). Of the non-government owned parcels, 2,665 parcels (51.5%) have different owners. Additionally, 21.9% of all parcels in the Central Business District expansion area are owned by out-of-town residents or corporations. Based on the City's redevelopment experience, this degree of diversity of ownership impairs and arrests sound growth due to the difficulty of consolidating developable parcels in a timely manner and an increase in land prices caused by undue overhead expense in assemblage of properties.

B. Unsanitary or Unsafe Conditions

1. Environmental Issues

There are four State Superfund sites (7th Street and Arizona Avenue, Park-Euclid, Stone and Grant, and Miracle Mile) within the proposed Central Business District expansion area boundaries, each contributing to soil and groundwater contamination in the form of volatile organic compounds (VOCs) such as trichloroethylene (TCE) and tetrachloroethylene (PCE). Other brownfields properties in the proposed Central Business District expansion area include closed landfills, former gas stations, dry cleaners, automotive repair facilities, abandoned industrial and manufacturing facilities, railroad lines and spurs, and vacant/abandoned inner city structures, businesses, and motels. The proposed Central Business District expansion area represents less than 2.5% of the land area of the City of Tucson, yet, it is estimated that the Central Business District expansion area contains 13% of point source pollution sites in the City of Tucson (235 sites) as identified by the EPA.

2. Code Violations

The Code Enforcement Division of the Environmental and General Services Department is responsible for investigating code complaints that affect the health and safety of residents. They also address property maintenance issues by enforcing several City regulations such as the Neighborhood Preservation Ordinance provisions of the Unified Development Code (UDC), and Sign Code. An analysis of reported code violations in the proposed Central Business District expansion area from January 2016 through February 2020 showed that there were a total of 1825 complaints investigated in the area. Of those complaints, approximately 20% were exterior nuisance complaints, such as reports of junk cars in yards, illegal dumping on vacant lots or washes, visible refuse and vegetation nuisances. Another 20.22% of complaints concerned emergency violations, such as unsecured pools and minimum housing standards, such as lack of heat, inferior plumbing, or insects. These violations represent more than 7.5% of all City violations. Table 4-1 provides a breakdown of reported code violations in the proposed Central Business District expansion area, while Table 4-2 provides the percentage relative to all City violations.

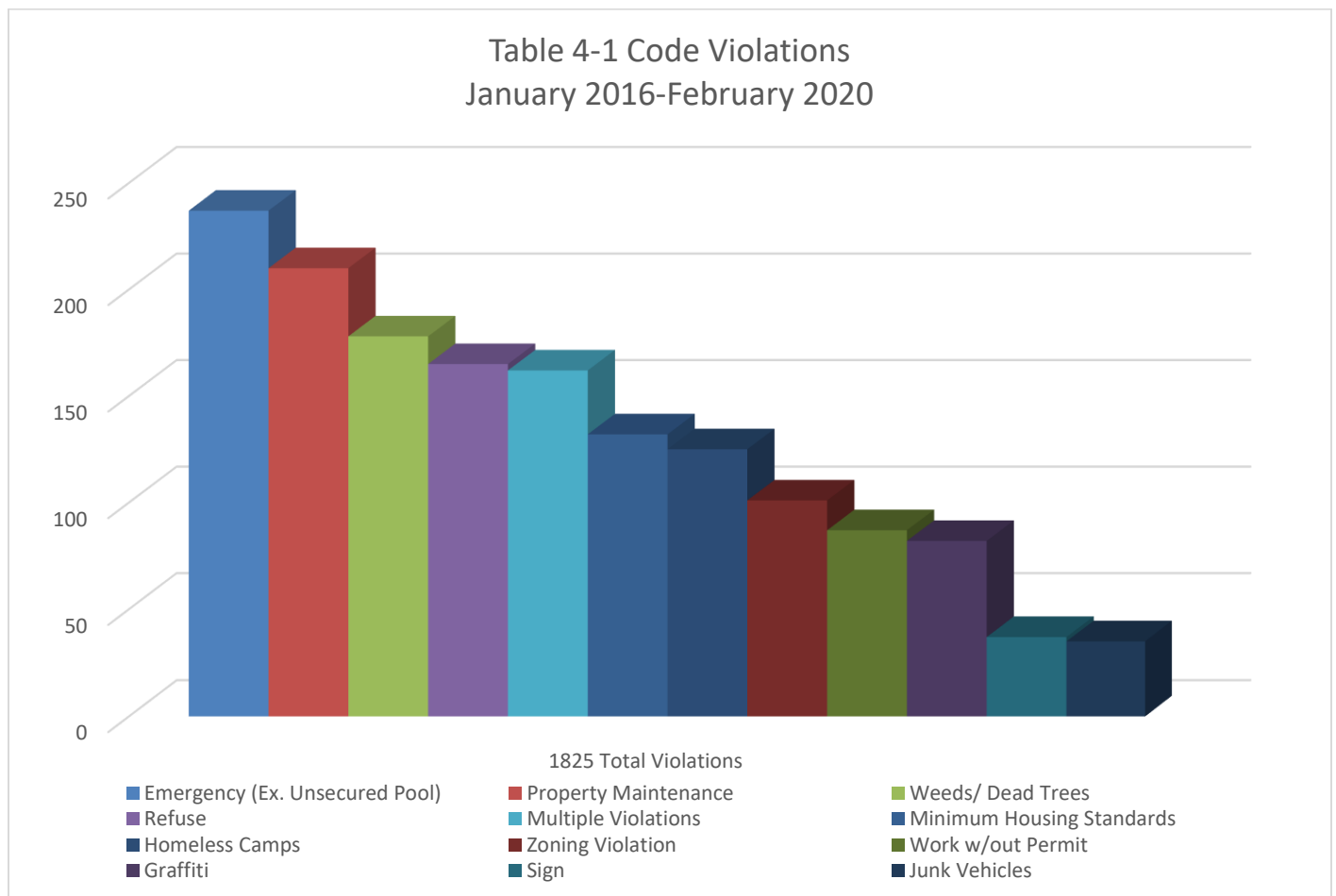
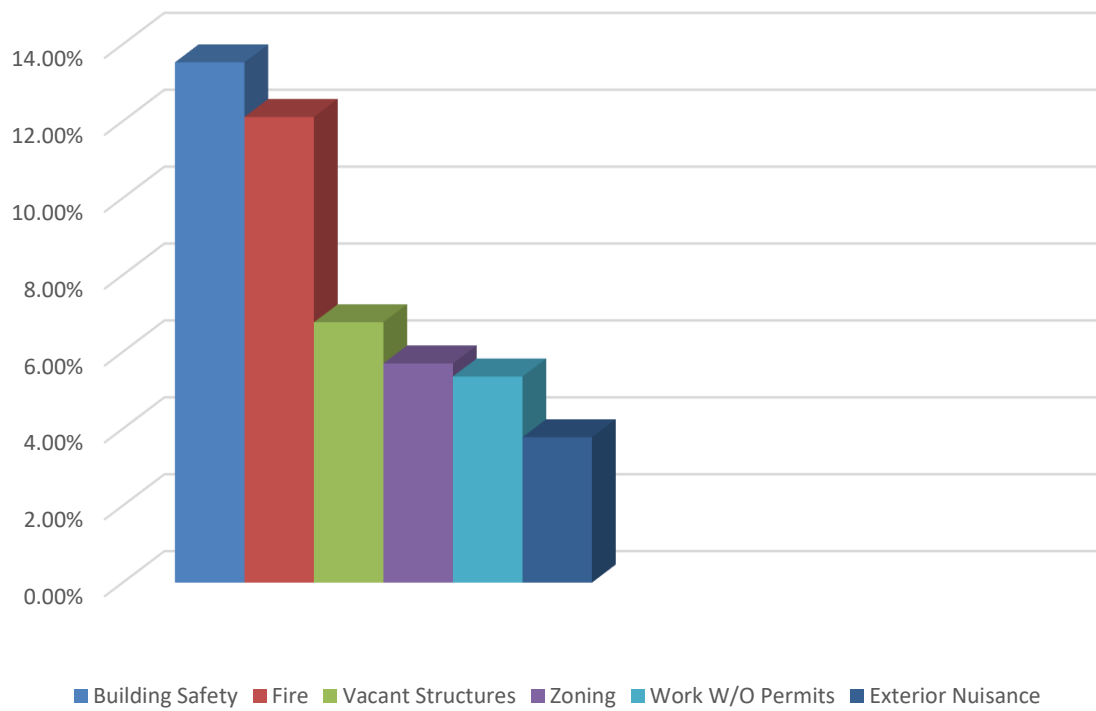


Table 4-2 Code Violations
Total Percentage of City





3. Crime

The proposed Central Business District expansion area has less than 3% of the City's population, 7.9% of employment and 2.5% of the City's total land area, yet an analysis of Part I & II crime data from January 2013 through February 2020 shows that the area accounted for almost 11% of city totals for these crimes. As can be seen in Table 5, major crime categories for the area were larceny/ theft, narcotic drug violations, assaults, disorderly conduct, and criminal damage. It is also worth noting that 34% of all commercialized sex crimes occur within the area. Considerable resources are expended annually to address criminal and safety issues in this area.







Table 5- Crime Data
January 2013-February 2020

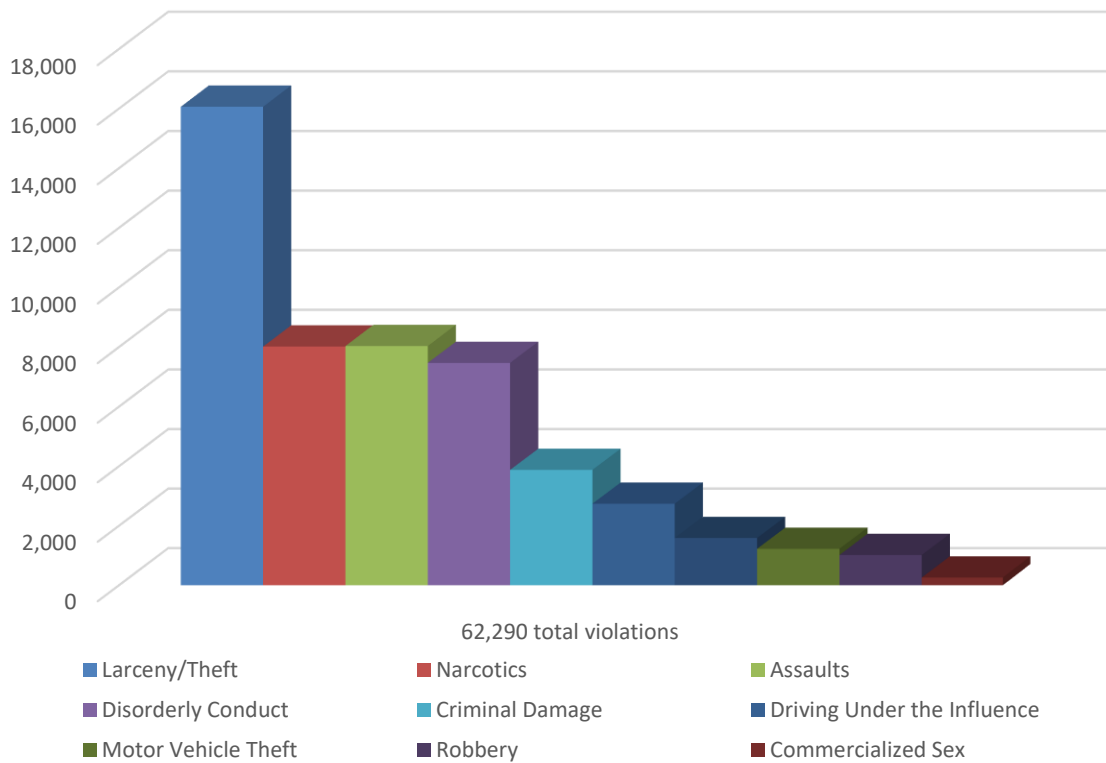
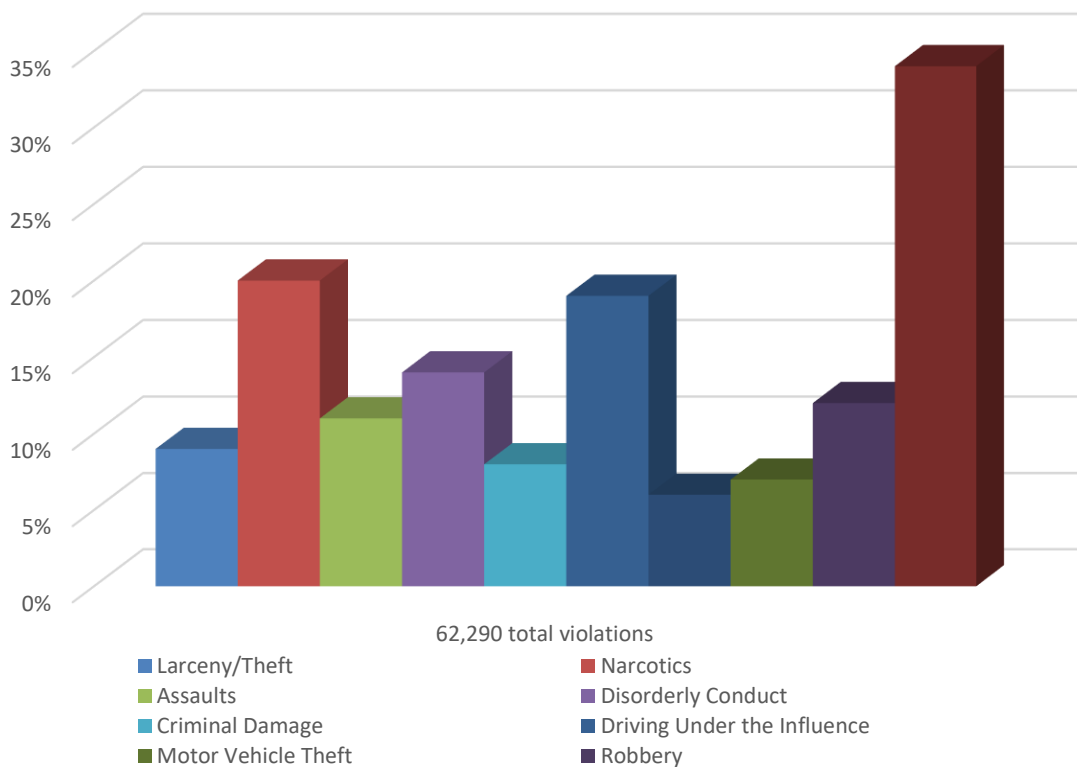


Table 5- Crime Data
Percentage of City

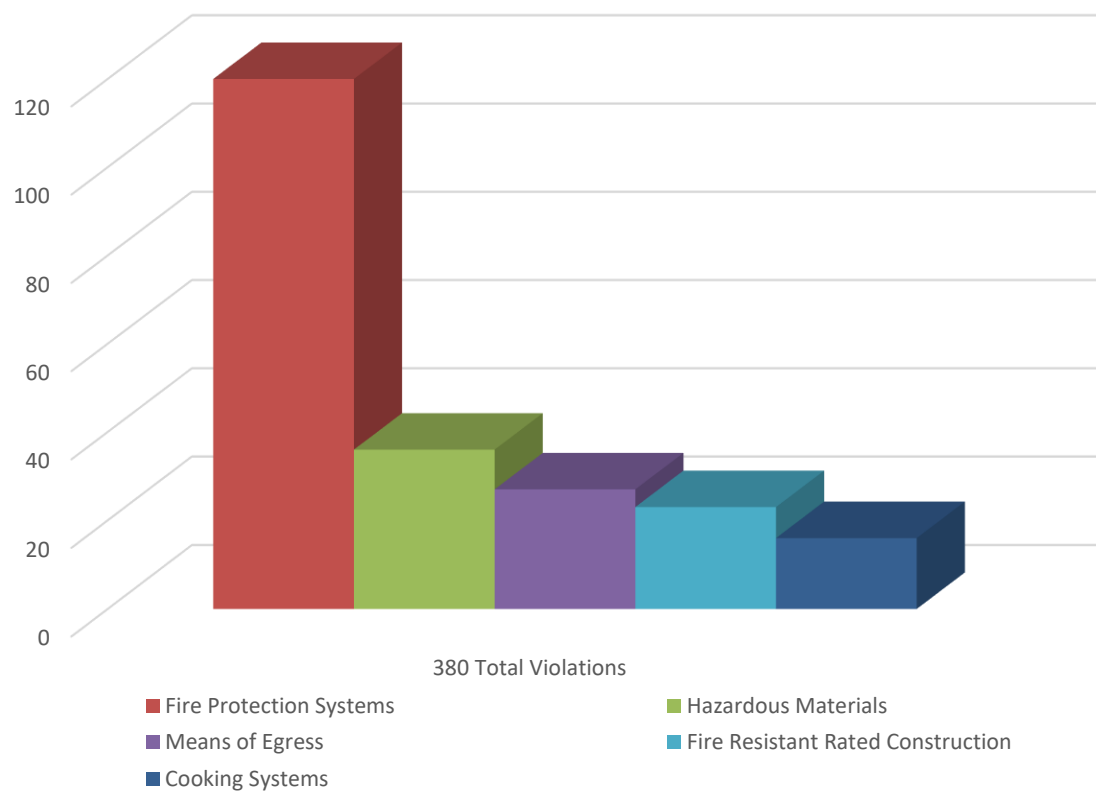


4. Fire Safety Violations & Inspections

A review of fire inspections for 2012-2020 showed a total of 380 inspections within the proposed Central Business District expansion area. A total of 222 (59%) inspections resulted in the determination of violations of the fire code. Most of those violations (54%) were related to fire protection systems. Table 6 provides a summary of violations.



Table 6- Fire Code Violations

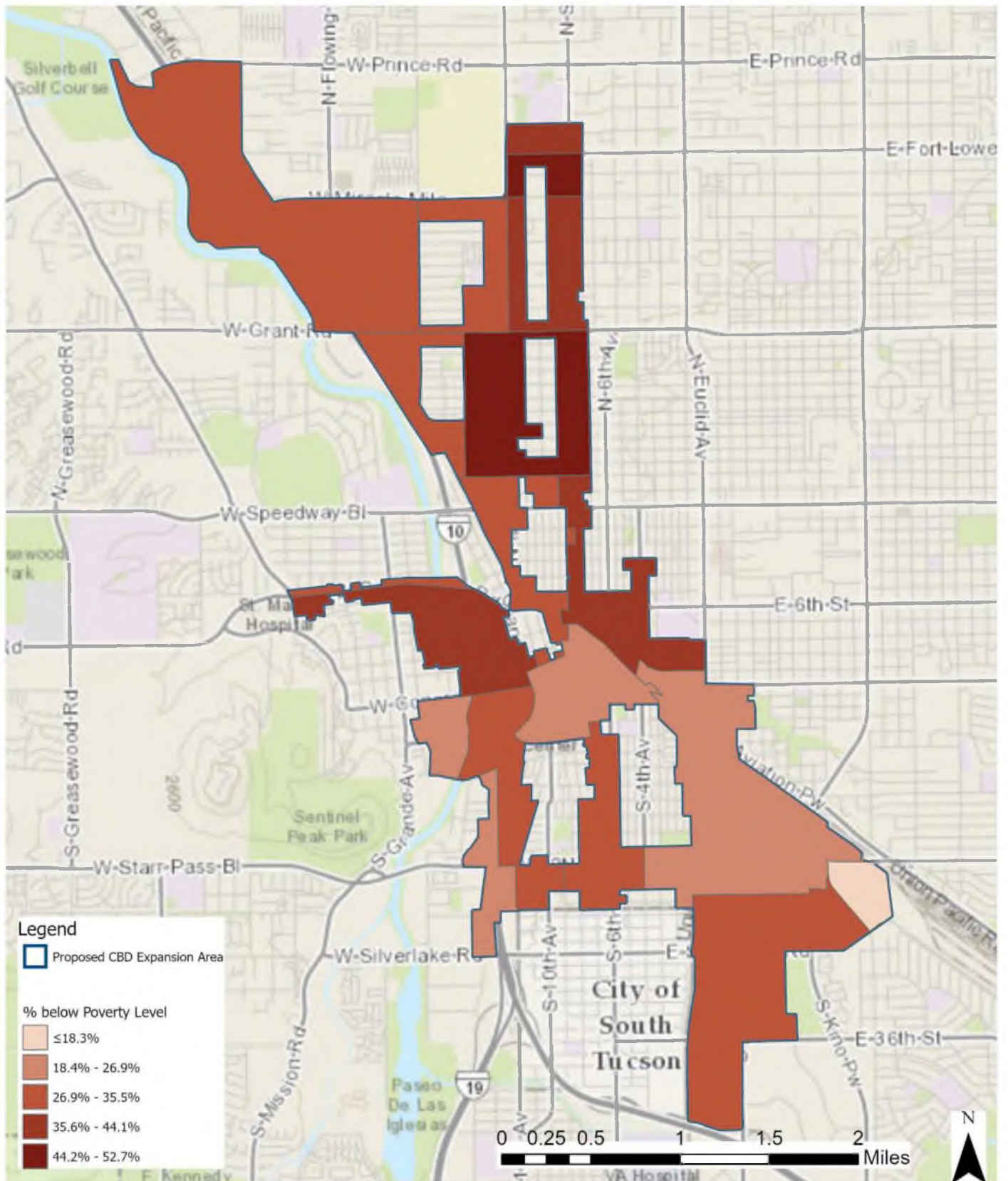


5. Indicators of Stress

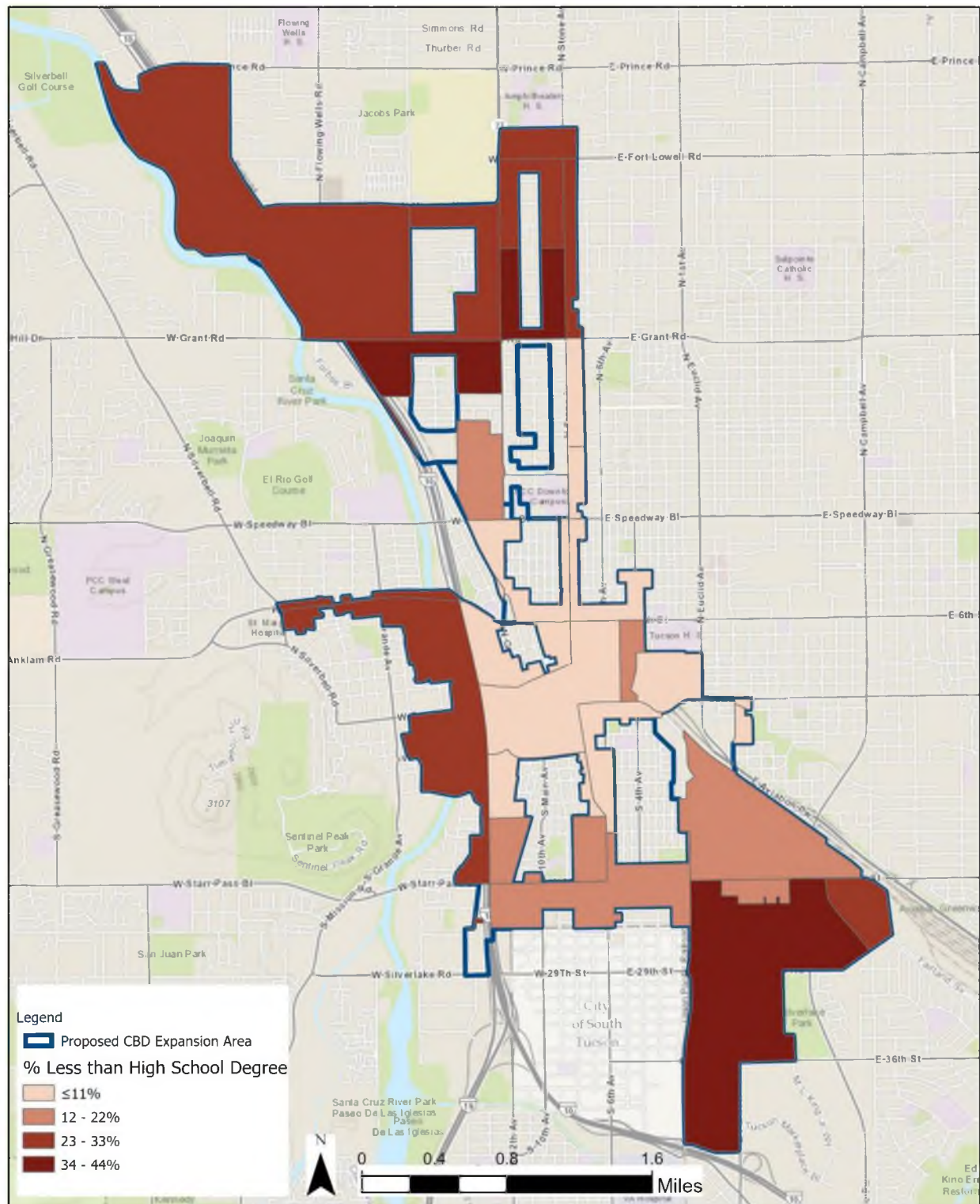
Beginning with the 1980 Decennial Census, the City of Tucson has analyzed data from the Census of Population and Housing every decade. Variables examined reflect housing and social conditions that indicate dependency and need. They relate to economic status, shelter costs and conditions and possible social dependency. The American Community Survey (ACS), for which data became available in 2004, now provides the socioeconomic data utilized in the Indicators of Stress. The 2014-2018 ACS provided data at the tract and block group level for the first time. Variables were selected that were consistent with previous studies. The geographic scale chosen was census tract rather than the former use of census block groups, due to sampling error. The indicators measure census tracts against the average condition of the City as a whole. The statistical method used measures areas in standard deviation units from the mean of the city. Each variable contributes equally to the overall composite score, since there is no credible basis for differential weighting. Maps 4-1 through 4-4 show that the proposed expansion area is significantly lower than the City average for housing and social conditions, as evidenced by the area's high stress scores.



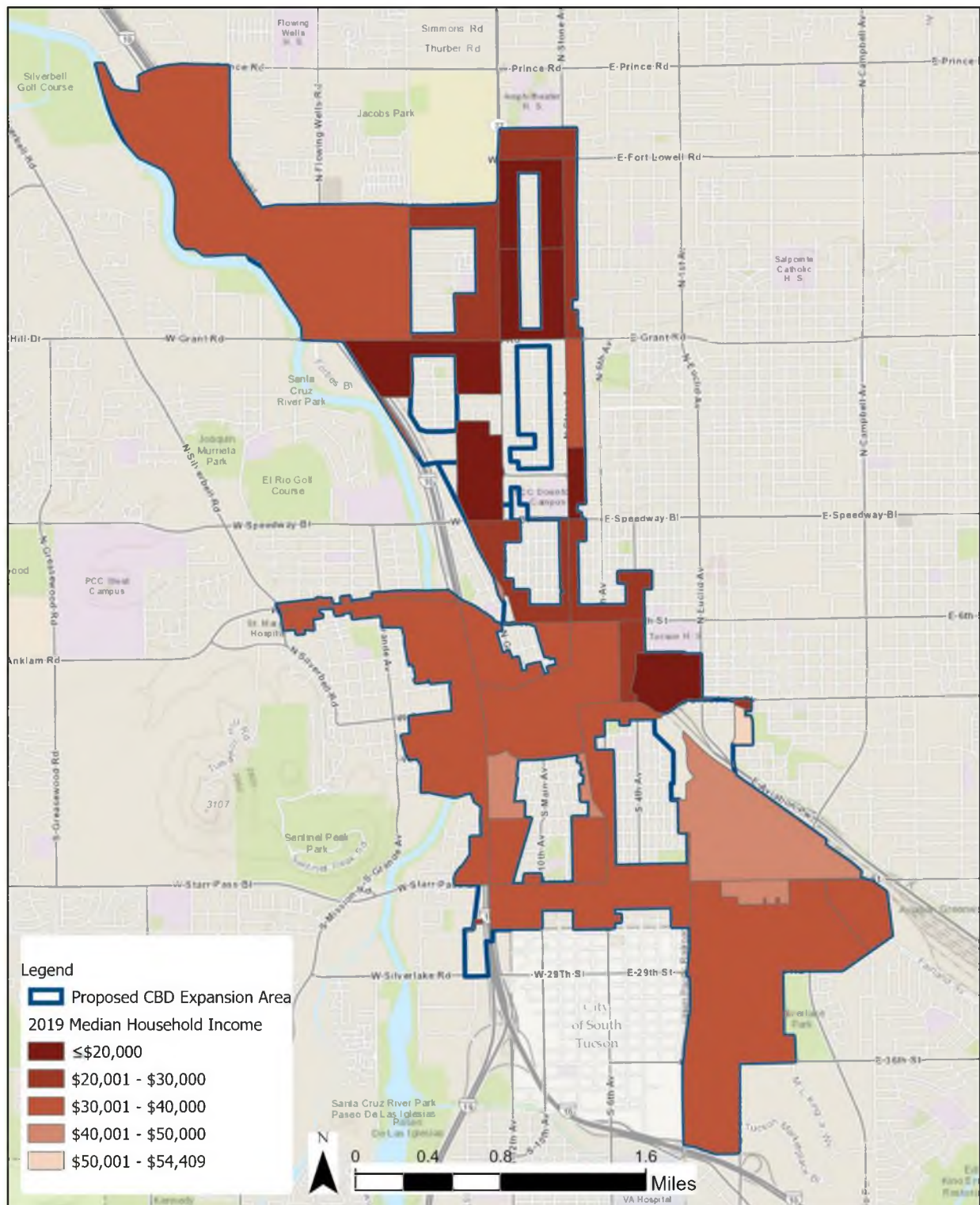
MAP 4-1
PERCENT OF POPULATION WHOSE INCOME IN
THE PAST 12 MONTHS WAS BELOW POVERTY LEVEL, ACS 2014 - 2018



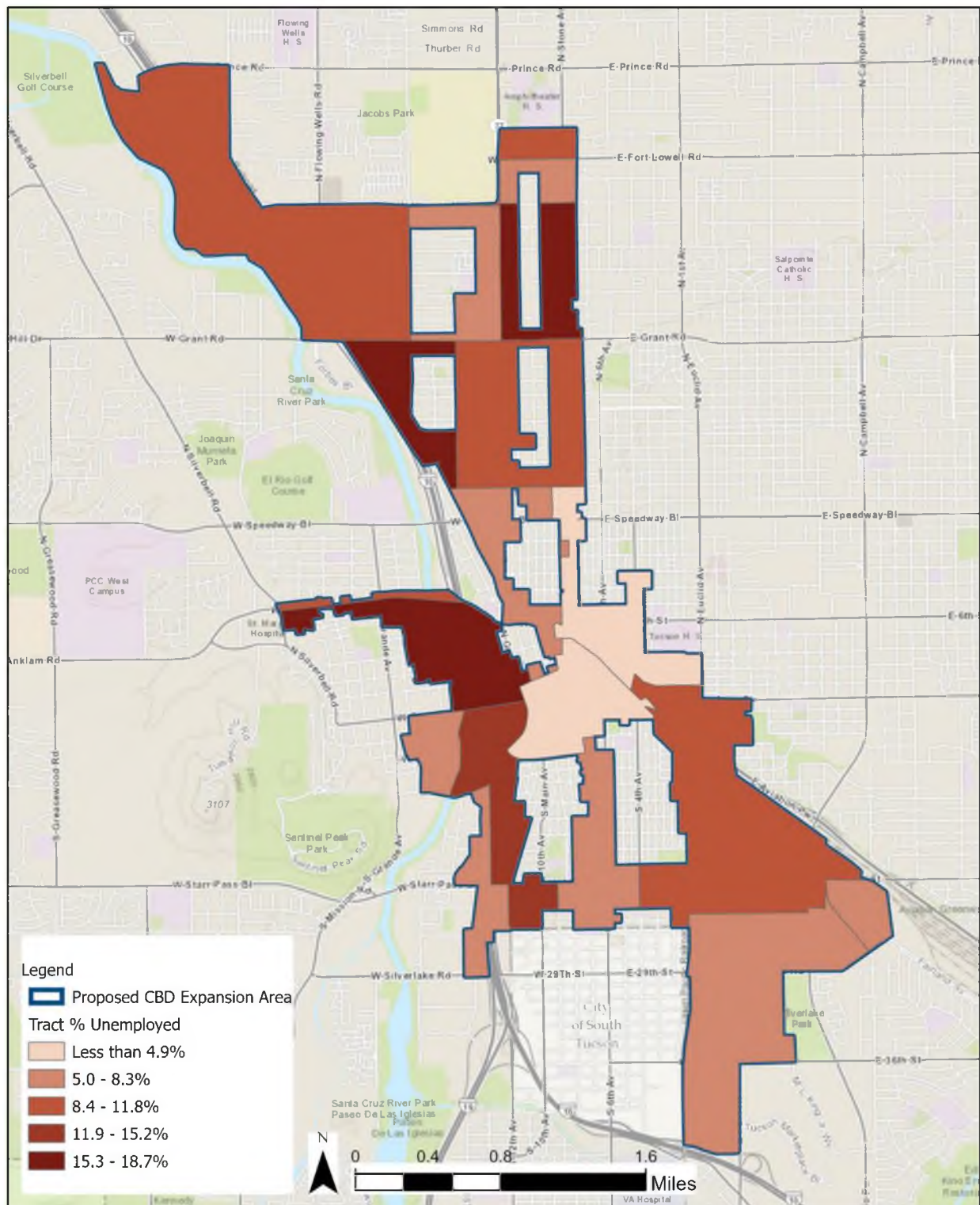
MAP 4-2 PERCENT OF POPULATION WITH LESS THAN HIGH SCHOOL EDUCATION, ESRI 2019



MAP 4-3 MEDIAN NEIGHBORHOOD HOUSEHOLD INCOME, ACS 2010-2019



MAP 4-4 TRACT PERCENT UNEMPLOYED, ACS 2014-2018





Conclusion

The findings provided in this report support the conclusion that the Central Business District expansion area meets the criteria of slum and blight as defined by Arizona Revised Statutes 36-1471.

The findings show that the area suffers from diversity of ownership, unsanitary and unsafe conditions and deterioration of site or other improvements. There exist conditions that endanger life or property by fire and other causes. These conditions singly and in combination are enough to substantially impair and arrest the sound growth of the Central Business District expansion area and consequently the City of Tucson.

