Revitalizing Downtown Tucson:

Building the New Pueblo

Downtown Tucson Partnership

March 2010
Urban Renaissance

“A visually attractive, highly functioning community is an important competitive advantage for economic development and an important source of pride for community members. Though Tucson is currently undergoing major infrastructure and urban development projects, perceptions are that progress is slow. Much more needs to be planned and accomplished.

Any community’s downtown is not only its outward face, but an integral component of its economic heart and soul. Tucson is no different, and desperately needs a vibrant downtown that includes a robust balance of office workers, residents, cultural/entertainment venues and important linkages with the University of Arizona.

A bustling downtown also is needed to attract young, in-demand, skilled workers who enjoy urban living, active entertainment options and are known to select the community in which they want to live even before they select a job.

Throughout the process of gathering input for this Economic Blueprint, we consistently heard from people who were frustrated by the process and pace of downtown development. We have an opportunity to create a great downtown by leveraging Tax Increment Financing (TIF) funds. However we need a results-oriented private/public partnership that will assure that we construct a downtown that combines market-driven success potential with balanced cultural and infrastructure amenities.”

(TREO 2007)
Preface

The Downtown Tucson Partnership is a non-profit association that was created to act as a catalyst in the revitalization of Downtown Tucson. It is a broadly based organization with roots in many different sectors and communities.

The purpose of this report is to offer a strategy for Downtown Tucson’s revitalization. The report focuses on actions that should occur in addition to Tucson’s Rio Nuevo program. Themes such as encouraging private and non-profit sector reinvestment in Downtown Tucson, in particular, will be explored.

The revitalization strategy is the first of two companion reports. The second report, entitled “Downtown Tucson Partnership: 2009-2012 Business Strategy,” was approved by the Downtown Partnership’s Board of Directors in May 2009. It will assist the Board and staff in governance, operating, and annual budget decisions, as they implement the revitalization strategy.

While the revitalization strategy attempts to chart a path for the public, private and non-profit sectors to follow, the manner in which future events may unfold cannot entirely be foreseen. This is particularly the case in these turbulent economic times.

This report must be read, therefore, with that sense of flexibility in mind. While the goal of revitalizing Downtown Tucson may remain the same, over time the steps that can or should be taken to achieve that revitalization will undoubtedly change in response to new opportunities and challenges.
Table of Contents

Executive Summary 5

1. Downtown Tucson Today 8
   1.1 General Location and Physical Layout 8
   1.2 The Office Sector 9
   1.3 The Retail Sector 12
   1.4 The Hospitality Sector 13
   1.5 The Arts, Culture, and History Sectors 14
   1.6 The Education and Meetings Sectors 17
   1.7 Residential Neighborhoods 18
   1.8 Parks and Open Space 19
   1.9 Transportation and Parking 20
   1.10 Public Attitudes About Downtown 22

2. Current Revitalization Efforts 23
   2.1 Public Sector Development Initiatives 23
   2.2 Public Sector Transportation Initiatives 27
   2.3 Private Sector Development Initiatives 28
   2.4 Non-Profit Sector Initiatives 30

3. 21st Century Cities – The New Urban Economy 31
   3.1 The Creative Economy 31
   3.2 How the Crash Will Reshape America 32
   3.3 The Future of Suburbia 33
   3.4 Implications for Tucson’s Economy 33

4. Downtown Tucson SWOT Analysis 34
   4.1 Strengths and Weaknesses 34
   4.2 Opportunities, Challenges and Constraints 36
5. **Tucson – Not Your Typical American City**

5.1 Typical North American Urban Development Patterns
5.2 Urban Development Patterns in Tucson
5.3 A Fresh Look At Tucson’s Central Area

6. **New Directions for Development in Tucson**

6.1 Economic Realities in Downtown Tucson
6.2 Toward a New Central Area Development Strategy
6.3 Downtown’s Role in a New Corridor Development Strategy

7. **Building the New Pueblo**

7.1 Embracing the Spirit of the Old Pueblo
7.2 Downtown Revitalization: A Recipe For Success
7.3 Making Downtown Tucson A Safer Place
7.4 Making Downtown Tucson More Accessible
7.5 Making Downtown Tucson A Better Place for Commerce & Development
7.6 Making Downtown Tucson More Attractive
7.7 Making Downtown Tucson More Exciting
7.8 Making Downtown Tucson More Livable
7.9 Making Downtown Tucson A Better Place to Visit
7.10 Making Downtown Tucson A Center for Learning

8. **Implementing the Strategy**

8.1 Key Players in the Revitalization Process
8.2 Recognizing and Responding to Opportunities for Change

**Acknowledgements and Process**

Gazetteer

Glossary

**Bibliography**
Executive Summary

Building the New Pueblo offers a strategy for Downtown Tucson's revitalization. It assumes that many of the public projects proposed to be funded by the Rio Nuevo Multi-Purpose Financing District will be developed between now and the end of the tax increment financing (or TIF) program in 2025. TIF supported public investments in infrastructure and public facilities alone, however, will not be enough to revitalize Downtown Tucson. Private sector investment is an essential part of the revitalization process. Without significant private investment, Downtown's prospects for revitalization would be bleak.

Downtown as Part of a Larger Urban Redevelopment Area

This report does not look at Downtown Tucson in isolation. Downtown is seen as being part of a larger central area that stretches along Broadway Boulevard all the way to Park Place. Significant redevelopment of the ‘Broadway’ or ‘Central Corridor’ is recommended as means to achieve a much broader urban renaissance in Tucson. In many ways, the Broadway Corridor is ripe for reinvestment. Implementing such a development strategy would require changes to existing zoning and development regulations, but would not require public subsidy.

Downtown's revitalization would be far easier to achieve if it occurs within the context of this broader urban development strategy. Our goals for Downtown revitalization could become more focused; Downtown’s role could be more specialized; and Downtown's development could be supported by the movement of people and commerce back and forth along the Central Corridor.

Finding Downtown’s Niche in a Broader Development Strategy

To date, Tucson’s downtown revitalization work has primarily focused on developing larger projects led by the City of Tucson, using TIF funding. This includes proposals for a new arena, expanded convention center and hotel, new museums, and the development of mixed-use subdivisions on the West Side. While these investments are important to the revitalization process, other smaller-scale improvements are also required. There exists, for example, a wealth of historic buildings in Downtown Tucson. Most of them are considered to be economically obsolete. Some have been covered over in past ‘modernization’ programs. Many have significant deferred maintenance and are at risk of demolition.

These buildings could become Downtown Tucson’s special advantage. As downtown visitation increases, they can be rehabilitated and returned to productive use as retail, restaurant, and entertainment uses. They can provide Downtown Tucson with the authentic character that cities throughout North America are desperately seeking. Uniqueness and authenticity mean a great deal in the branding of cities. Downtown Tucson has the potential to be quite unlike any other downtown in North America, if only we can tap these hidden historic resources.
Getting Ready for Private Sector Reinvestment in Downtown Tucson

We cannot, however, just sit back and wait for private sector reinvestment to occur. There are many impediments to revitalization both in the Downtown and throughout Tucson in general. Tucsonans must begin to think of business investment, especially as it manifests itself in real estate development, as a normal and healthy part of the urban regenerative cycle.

Our land use and development regulations must become clearer and more understandable. Our entitlement processes must be efficient (in terms of the time required to receive approval) and predictable (in terms of the expected outcome) if private reinvestment is to happen on any meaningful scale. Providing greater certainty to developers can also increase certainty in neighborhoods. If the rules are clear and consistently applied, there should be less conflict and fewer unwelcome surprises for developers and residents alike.

We must also do a better job of maintaining our public infrastructure. Downtown Tucson’s sidewalks and roadways are often in poor repair. Street lighting is insufficient and poorly maintained. The resulting darkness and vacant storefronts feed misperceptions about the relative safety of Downtown. Our public buildings are also not always receiving the care and maintenance that is required to maintain them throughout their lifecycles. Greater reinvestment in both our public facilities and infrastructure is essential.

In the current economic times, it is hard to imagine where the necessary public funds will come from to support improved public maintenance levels. Economic cycles, however, do change. If we can find ways to encourage new investment in Tucson, sales and property tax receipts will increase thus making it possible to support higher maintenance levels for public facilities and infrastructure.

Downtown Revitalization Takes Time – There Are No Quick Fixes

Downtown revitalization cannot occur overnight. Downtown Tucson’s economy and its physical plant have been in decline for two generations (i.e. 40 years). It could take a full generation to fully create the kind of Downtown that Tucsonans are seeking. Significant work in the Downtown is underway right now, however, and the signs of progress are clearly visible. Perseverance is the key to success. Cities that make a long-term and concerted effort to revitalize their downtown areas very often succeed, while those whose efforts are half-hearted are almost always doomed to fail.

This report’s recommendations, contained in Section 7, are based upon strategies that are designed to make Downtown:

- Safer,
- More Accessible,
- A Better Place for Commerce and Development,
- More Attractive,
- More Exciting,
- More Livable,
- A Better Place to Visit, and
- A Center for Learning.
Implementing the Revitalization Strategy

The report does not present a ‘set-piece’ plan, but rather it offers a flexible strategy for Downtown Tucson’s revitalization. Downtown areas are dynamic places whose prospects are shaped by the interaction of many social, economic, technological, cultural, and political factors. There is no one ‘grand scheme’ that can be implemented to revitalize downtown and there is no one person, agency, or corporation that can single-handedly accomplish the task. Within this ‘spicy mole,’ opportunities exist that can be exploited and challenges exist which must be addressed. Our collective ability to seize and take advantage of opportunities, while warding off challenges will largely determine Downtown Tucson’s future.

The Downtown Tucson Partnership is committed to play a key role in the downtown revitalization process and in the implementation of its revitalization strategy. There are very few initiatives, however, that the Downtown Partnership can implement on their own. Solid working partnerships with other key players in the public, private and non-profit sectors are required to move forward with Downtown’s revitalization.

Building the New Pueblo is offered to Tucsonans in good faith and with the hope that it will assist us in building a better city.
1. **Downtown Tucson Today**

This section describes the characteristics and urban structure of Downtown Tucson as it exists today. Technical terms used in this report are defined in the Glossary and places are described in the Gazetteer.

1.1 **General Location and Physical Layout**

Modern Tucson is nestled in the Santa Cruz and Rillito River Valleys. It is surrounded by desert landscapes, saguaro forests, and five mountain ranges; namely, the Santa Catalina, Rincon, Santa Rita, Tucson, and Tortolita Mountains.

**Downtown - General Location and Description**

Downtown Tucson lies in the Santa Cruz River Valley, just east of the Tucson Mountains. Permanent aboriginal settlements have existed in the Santa Cruz River Valley for four thousand years. Early Spanish settlement included the construction of a small Convento on the west side of the Santa Cruz River and, in 1775, the construction of a presidio on the east side of the River. The Presidio provided protection from marauding Apaches and permitted the establishment of a small pueblo (or town) on Sonora’s northern frontier. American immigration followed the Gadsen Purchase in 1856 and the construction of the railway in 1880. Downtown Tucson’s rich history is reflected in the wide ranging mix of Mexican, Western Railway, and Modern buildings that exist in both the Downtown Core and its surrounding neighborhoods.

**Downtown's Strategic Location within the Metropolitan Area**

Today, Modern Tucson reaches well beyond the confines of Tucson’s historic downtown area. Suburban growth has been extensive, particularly to the north and east. This phenomenon has, in effect, ‘relocated’ the Downtown to the metropolitan area’s western periphery.
Physical Layout

Much of the Downtown Core and the residential neighborhoods that surround it are built on a grid system, which is interrupted at various points by the Santa Cruz River, the Union Pacific Railway, Interstate Highway 10, and other major roads.

The standard grid system that was employed in Downtown Tucson, was 6 chains by 6 chains (i.e. 396 feet by 396 feet), which was divided by a 26 foot alley. The standard road width was 79 feet. Twelve lots, 66 feet wide by 185 feet deep, were typically provided on the blocks. In many instances, the lots have been subdivided so that housing could be built fronting the alleys.

The grid system becomes more compressed within the earliest developed areas of the Downtown, including areas formerly occupied by the Presidio and the historic barrios. The system becomes irregular, blocks narrow, and lot standardization disappears.

1.2 The Office Sector

Tucson is has a comparatively small office sector for a metropolitan area of one million people. It is not a corporate office center as most of Arizona’s corporate and regional offices are located in Phoenix. Today, there is slightly more than 20 million SF of office space located within Metropolitan Tucson, of which some 15 million SF is private sector space.

Downtown Tucson’s office sector is small, with about 3.5 million SF of total space, two-thirds of which is occupied by government users.
Government Offices

Both the City of Tucson and Pima County have established their principal administrative operations in the Downtown. Downtown Tucson also serves host to significant state and federal offices. Together, the four levels of government employ approximately 8,000 people in roughly 2 million SF of building space.

Public sector administrative offices are generally located on either side of Congress Street, between Stone Avenue and the I-10 Frontage Road. The largest government center is the City-County complex which surrounds Presidio Park.

Private Office Space

Private sector office space in the Downtown area totals approximately 1.25 million SF. Private office space is concentrated in the areas adjacent to Congress Street and Stone Avenue.

Approximately 4,000 private sector office employees work in the Downtown today.
Class A rents in the Downtown Core range upwards to $15/SF Net, or approximately $23/SF Gross. Average office rents are closer to $10/SF net. The current vacancy rate (Mid-2009) is approximately 15%, and absorption in 2009 has been marginally negative.

Major downtown office buildings/complexes include:

<table>
<thead>
<tr>
<th>Building</th>
<th>Stories</th>
<th>SF</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unisource Tower</td>
<td>23</td>
<td>233,000</td>
<td>1986</td>
</tr>
<tr>
<td>TransAmerica Building</td>
<td>11</td>
<td>193,000</td>
<td>1975</td>
</tr>
<tr>
<td>La Placita Village</td>
<td>3</td>
<td>155,000</td>
<td>1967</td>
</tr>
<tr>
<td>Pioneer Building</td>
<td>11</td>
<td>103,000</td>
<td>1929</td>
</tr>
<tr>
<td>Converted to Office Use</td>
<td></td>
<td></td>
<td>1976</td>
</tr>
<tr>
<td>Chase Building</td>
<td>11</td>
<td>65,000</td>
<td>1929</td>
</tr>
<tr>
<td>407 West Congress</td>
<td>5</td>
<td>51,000</td>
<td>1983</td>
</tr>
</tbody>
</table>

**Recent Office Building Sales**

In 2007, Pima County acquired the Bank of America Building for $24 Million, or $125/SF. The building is 22 storeys in height, has 192,000 SF, and was built in 1977. Pima County is moving into this formerly private sector occupied building over the next few years as existing leases expire.

Other recent office building sales include:

- Pioneer Building in 2004 for $78/SF;
- Chase Building in 2007 for $85/SF; and
- MacArthur Building in 2008 for $75/SF.
1.3 The Retail Sector

For nearly 200 years, Downtown was the mercantile center of Tucson. Downtown Tucson offered a host of local and national department stores including: Jacome’s, Levy’s, Steinfeld’s, Meyerson’s White House, J.C. Penney, Woolworths, Sears, and Montgomery Ward.

Downtown’s mercantile primacy began to change as Tucson’s population growth accelerated in the years following World War II. Post-War growth was accommodated largely in newly developing suburbs located to the north and east of the Downtown area.

In the 1960’s and 1970’s, retailers began to move to new shopping centers (i.e. El Con, Tucson, and Park Place Malls) to better serve this growing suburban population. The decline of the Downtown retail sector, noticeable by the 1970’s, accelerated dramatically in the 1980’s. By the end the 1980’s all of the Downtown department stores had closed their doors and many independent retailers had moved on to the suburbs.

Today, Tucson has over 43 million SF of commercial space, with about 18 million SF of that space located in street retailing establishments and the remaining 25 million SF located in shopping centers.

Downtown Tucson currently has about 550,000 SF of street retail space. The vast majority of this space was developed before World War II and much of it is physically and economically obsolete. Recent vacancy rates have been in the 20% percent range. Net rents vary widely based upon the age and condition of the building, and the type of tenancy. The best street retail spaces would command net rents in the $15/SF Net range, but many spaces would rent for far less than this.

The current Downtown ground floor commercial tenant mix is wide ranging and consists of a few traditional retail establishments, some tourist-oriented retail stores, bars, restaurants, art galleries, and a mix of personal and business service establishments. Bars, restaurants, and entertainment establishments are clustered on Congress Street near the Fox and Rialto Theaters.

The first new retail construction in many years on Congress Street opened in August 2009. This new 8,000 SF retail frontage for One North Fifth is a welcome addition to the Downtown scene.
1.4 The Hospitality Sector

There are two hotels located within the Downtown Core, including:

<table>
<thead>
<tr>
<th>Hotel Congress</th>
<th>Hotel Arizona</th>
</tr>
</thead>
<tbody>
<tr>
<td>40 Rooms</td>
<td>307 Rooms</td>
</tr>
<tr>
<td>Built 1919</td>
<td>Built 1973</td>
</tr>
</tbody>
</table>

Hotel Congress operates a successful restaurant and entertainment center. Hotel Arizona, which is located near the Tucson Convention Center, is a convention-style hotel with significant meeting facilities.

Other hotels are located in the Greater Downtown area along the I-10 frontage road (i.e. Hotel Tucson City Center, the River Park Inn, and Days Inn) and near the University of Arizona (e.g. Marriott-University Park Hotel). A number of bed and breakfast establishments also operate in the Downtown area.
1.5 The Arts, Culture and History Sectors

Tucson has a thriving arts and cultural scene, and Downtown Tucson serves as its center.

The Performing Arts

Downtown Tucson is home to a number performing arts facilities and music halls, including:

**The Tucson Music Hall**
- 2,277 Seats
- Built 1986
- Home to: Tucson Symphony, Arizona Opera, Broadway in Tucson

**The Fox Theatre**
- 1,200 Seats
- Built 1930
- Reopened 2006

**The Temple of Music and Art**
- 623 Seats (Main Theatre)
- Built 1927
- Reopened 1990
- Home to: Arizona Theatre Projects

**The Leo Rich Theatre**
- 511 Seats
- Built 1986
- Home to: Arizona Friends of Chamber Music

**The Rialto**
- 950 Seats/1,380 Total
- Built 1920
- Reopened 2004

**The Screening Room**
- 120 Seats
- Opened 1989

**Beowulf Alley Theatre**
- 95 Seats
- Opened 2005
Museums and Galleries

Downtown Tucson is host to a number of arts, cultural, and historical museums and facilities, including:

- Arizona Historical Society,
- Jewish Heritage Center,
- La Plilta,
- Museum of Contemporary Art,
- Presidio San Augustin de Tucson,
- Sosa-Carrillo-Fremont House,
- Southern Arizona Transportation Museum,
- Tucson Children’s Museum, and
- Tucson Museum of Art.

The Tucson Museum of Art, founded in 1924, and the Tucson Children’s Museum, founded in 1986, are the largest of these facilities. Their 2007-08 attendance was 168,000 and 88,000 respectively. The Children’s Museum occupies a former Carnegie Library. The Tucson Museum of Art occupies a modern facility and a number of historic buildings in the El Presidio Neighborhood.

Other museums are located on the University of Arizona campus. A host of art galleries are also located throughout the Greater Downtown area.
Architectural Heritage

Tucson’s rich history is evident in Downtown’s commercial and residential neighborhoods.

There are scores of commercial and public buildings located within the Commercial Core that are either nationally registered or eligible for registry. Among the more notable are:

- Pima County Courthouse,
- St. Augustine’s Cathedral,
- Historic Depot;
- El Paso and Southwest Depot;
- The Fox Theatre,
- The Rialto Theatre,
- Hotel Congress, and
- The Tucson Children’s Museum (a former Carnegie Library).
There are nine National Registered Historic Districts surrounding the Downtown Core, which showcase a variety of residential styles. Each style is a layer that tells the story of successive cultures in Tucson (i.e. Sonoran, Territorial, Western Railway, etc.).

There is a rich archeological history as well; the ‘Old Pueblo’ is the longest continuously inhabited community in North America, with settlement going back 4,000 years. Downtown Tucson is literally built over ancient aboriginal pit houses, burial grounds, and the foundations of El Presidio de Tucson.

**Festivals and Events**

A number of annual festivals, events, and major conferences occur in Downtown Tucson in addition to the regular performing arts company seasons. They include:

- First Fridays
- Tucson Gem and Mineral Show
- Tucson International Mariachi Conference
- Saint Patrick’s Day Parade
- Cinema La Placita
- Tucson Meet Yourself
- All Souls Procession
- Parade of Light
- Dillinger Days
- Tucson Winter Chamber Music Festival
- Carondelet Downtown Run
- Spring Fourth Avenue Street Fair
- Tucson Folk Festival
- El Tour de Tucson
- Fall Fourth Avenue Street Fair
- First Night

**1.6 The Education and Meetings Sectors**

The University of Arizona is located on the northwest periphery of the Greater Downtown area. The distance between the U of A’s ‘Main Gate’ and Hotel Congress, for example, is only 1 mile. The U of A is a major education, arts, cultural, and employment center in Tucson. It has nearly 40,000 full-time students and 15,000 employees.
Pima College also has three campus facilities on the periphery of the Greater Downtown area, including the ‘Downtown Campus’ located at Speedway Boulevard and Stone Avenue, the ‘West Campus,’ located on West Anklam Road near North Greasewood Road, and a Community Campus on Bonita Avenue and Commerce Park Loop.

A full range of public, charter and private grammar schools are also located in the Greater Downtown area.

The main branch of the Pima County Library, viz. the Joel Valdez Public Library, is located in the Commercial Core on North Stone Avenue at Pennington Street.

The Tucson Convention Center and Arena is also located in the Downtown Core on Church Avenue south of Broadway Boulevard. The Convention Center, built between 1969 and 1971, has 10,640 SF of meeting space and 113,940 SF of exhibit space. The arena, built in 1969, seats 8,962 people.
1.7 Residential Neighborhoods

Approximately 15,000 people live in the Greater Downtown area, most of them in the seventeen residential neighborhoods that surround the Downtown Core. There are about 9,000 dwelling units within the Greater Downtown, the majority of which are single detached houses. Smaller apartments and row houses are scattered throughout the area and a significant number of converted houses (e.g. for students) are located in the vicinity of the University of Arizona.

Downtown residential neighborhoods are listed as follows:

- Armory Park
- Barrio Kroeger Lane
- Barrio Viejo
- Iron Horse
- Millville
- Santa Rita
- Barrio Anita
- Barrio San Antonio
- Dunbar Spring
- Menlo Park
- Pie Allen
- West University
- Barrio Hollywood
- Barrio Santa Rosa
- El Presidio
- Miles
- Rincon Heights

Neighborhood residents have various levels of identification with the Downtown Core. Residents located close to U of A may identify more with it than with the Downtown. Residents in neighborhoods, such as Armory Park and El Presidio, would more closely identify themselves with Downtown Tucson.
1.8 Parks and Open Space

Parks and public open spaces are scattered throughout the Greater Downtown area. The following parks and plazas located within or adjacent to the Downtown Core:

- Armory Park and Seniors Center;
- Jacome Plaza;
- Presidio Sunset Park; and the
- Tucson Convention Center Plaza.

1.9 Transportation and Parking

Automobile transportation is the predominant mode to travel to Downtown Tucson. Interstates 10 and 19 provide high speed north/south access to and from the Downtown. Interstate 10 also provides high speed east/west access to and from the Downtown.
Tucson’s arterial road network also provides access to the Downtown. The major north/south arterials providing Downtown access include:

- Oracle and Main Avenues;
- Stone Avenue,
- 6th Avenue;
- Euclid Avenue; and
- Campbell and Kino Avenues.

The major arterials providing east/west access include:

- Speedway Boulevard,
- Broadway Boulevard, and
- 22nd Street.

**Public Transit**

Public transit buses also serve the Downtown area, running on all of the major arterials and some of the lower-order streets. The Ronstadt Transit Centre (RTC), located at the intersection of Congress Street and 6th Avenue, operates as a major transfer hub. Twenty-two of thirty-eight bus routes pass through the RTC. Ridership at the RTC has increased every year for the past five years. Current ridership, which averages 19,000, is approximately 15% greater than in 2005.

The Old Pueblo Trolley also operates a historic street car route along University Boulevard and 4th Avenue, between Main Gate and the East Congress Area.

**Inter-City Transit**

Amtrak rail passenger service is provided from the Historic Depot on Toole Avenue, while Greyhound bus service is being temporarily provided from a location south of Congress, near the I-10 Frontage Road.

**Parking**

The Downtown Core currently has about 14,400 parking spaces. Approximately 9,700 of these are public spaces, which are located on-street and in 42 garages and lots. Another 4,700 spaces, located in 105 garages and lots, are privately owned and operated.

Major parking garages include: Hotel Arizona, La Placita, Wells Fargo, Joel D. Valdez Public Library, Unisource Tower, Pennington Street, Public Works, El Presidio, and the City-State Garage. They contain about 5,100 spaces, or 35% of the total downtown parking supply. The new Depot Plaza parking garage is set to open in August 2010 with an additional 288 spaces.

On-street parking is available throughout the Downtown area. Approximately 1,200 on-street parking spaces are located in the Downtown Core today. ParkWise currently charges 50 cents per hour for on-street parking.
1.10 Public Attitudes About Downtown

In 2007, the consulting firm, Marketing Intelligence, conducted a web-based survey that was presented to Tucson Regional Community Voice, in which 477 Tucsonans participated. The respondents had volunteered to take a series of surveys involving the Tucson region and, while they did not necessarily represent the Tucson population as a whole, they can be characterized as being a sample of “citizens who are likely to be concerned about issues affecting the local community.” The survey findings are summarized as follows:

Importance of Revitalizing Downtown

Respondents were asked to agree or disagree with a series of statements regarding the importance of revitalizing Downtown Tucson. A scale of 1 to 7 was used for the responses, with 7 being complete agreement and 1 being complete disagreement. The results were as follows:

- Revitalizing Downtown is important to the Community: 5.93
- Revitalizing Downtown is important to Me: 5.54
- Downtown should be revitalized through the Private Sector: 4.83
- Downtown should be revitalized through the Public Sector: 4.10
- Downtown has a positive image today: 3.03
- Considerable progress has been made to revitalize Downtown: 2.80

Most respondents agreed that it was important to revitalize Downtown Tucson. As a group they appear to see roles for both the private and public sector in the revitalization process. And, as a group they felt that Downtown’s current image was not positive and that little progress had been made in revitalizing downtown.

The Starting Point for Revitalizing Downtown

Respondents were asked “What is the first thing they would do if they were in charge of revitalizing Downtown?” Most respondents indicated that they would do one of five things:

- Create a reason for people to want to live in or visit Downtown;
- Improve the transportation system and parking;
- Make Downtown Tucson a place where all residents are able to live;
- Make Downtown Tucson more visitor friendly; and
- Have experts plan and market the area.

Having more retail, services and amenities was the most frequently given response. Those who live in the Central Area or were under 35 years of age were more likely to recommend improving the transportation system as a starting point for revitalizing downtown. Hispanics and those who are in the 35 – 45 year age group were more likely to call for better arts and entertainment options.
Amenable to Living Downtown

Those respondents who did not consider themselves to be living in or close to downtown, were asked to fill in the blank question: “I would consider moving to Downtown if __________.” The most common responses were:

- If better housing options at reasonable prices were available 32.8%
- If more retail options, services, and amenities were available 19.0%
- If downtown were safer or had less crime 17.5%
- If there were more grocery stores 13.2%
- If there was better entertainment 12.3%

Nearly one third of this sub-group indicated that they would consider living Downtown if there were more housing options available to them at prices that they could afford. The housing issue was reported to be particularly important to Hispanics and those less than 35 years of age. Only one third of the respondents indicated that they would not consider living downtown under any circumstances.

The Marketing Intelligence survey results are useful in understanding the public’s attitudes about Downtown Tucson. Respondents believe that revitalizing Downtown is important, but that little progress has been made toward revitalization. They suggested a number of different ways to improve Downtown and nearly a third of the respondents not currently living Downtown stated that they would consider moving there if there were better and more affordable housing options available to them.

2. Current Revitalization Projects

This Section provides a summary of the various urban development projects in Downtown Tucson that are either under construction or in the planning stages.

2.1 Public Sector Development Initiatives

2.1.1 Rio Nuevo

The City of Tucson is undertaking an extensive public infrastructure and economic development program entitled, Rio Nuevo. The program is supported by a sales-tax increment financing district (TIF) established under legislation enacted by the State of Arizona in 1999. The State of Arizona has since extended the duration of the Rio Nuevo Program and TIF until the end of 2025.

The TIF is based on sales tax generated within the district earmarked for Rio Nuevo. This area includes downtown and businesses along Broadway to Park Place shopping mall.

Rio Nuevo receives half of the state portion of the incremental sales tax generated in the district. The sales tax collected in 1999 serves as the base year for calculation of the increment. Sales tax increment revenues can then be used to finance bonds to pay for Rio Nuevo projects.
**TIF Supported Capital Projects**

The Rio Nuevo program includes a host of development projects. A number of the projects have been completed, but many more are in some stage of planning and design. Construction of some of these have been delayed in response to the current economic recession and recent decline in TIF revenues.

Projects identified in the Capital Funding Plan include the following:

**A series of developments in the Commercial Core, including:**

- Rialto Theatre Renovations (completed);
- Fox Theatre Renovations (completed);
- El Presidio de Tucson Reconstruction (completed);
- Depot Plaza Parking Garage (nearing completion); and
- Downtown Infrastructure and Streetscape Project (Scott Avenue completed – Congress Street, Broadway Boulevard and Arizona Avenue delayed).

**A series of developments in the Convention District, including:**

- Tucson Convention Center Renovations (initial work under construction);
- Convention Center Hotel and Parking Garage (detailed design underway); and
- New Civic Arena (delayed).

**A series of developments on the West Side, including:**

- Extensive Landfill Remediation (completed);
- Avenida del Convento (completed);
- Clark Street Underpass (completed)
- Cushing Street Bridge (designed; construction pending);
- Mission San Agustin/Tucson Origins (partly developed; now delayed);
- New University of Arizona Science Center and Arizona State Museum (designed; delayed);
- New Tucson Children’s Museum (delayed);
- Arizona History Museum (delayed);
- Cultural Plaza and Parking Garage (delayed); and
- West Side Library (delayed).

Associated with these projects are various:

- Land Acquisitions; and
- Public Infrastructure Investments.

Rio Nuevo represents an aggressive public investment and economic development program, which could only be undertaken with the special TIF financing.

In many cases, TIF financing is only being provided for part of a project. For example, while TIF funding is being used to the design of the new convention center hotel, it is anticipated that the hotel’s construction costs will be financed using separate hotel revenue supported bonds. Similarly, while TIF funding paid for
the land fill reclamation and the construction of connecting roads, such as Avenida del Convento, private developers are acquiring these lands in the Mission District to build residential and commercial uses.

The TIF is expected to facilitate over $1 billion in private sector investment in the Downtown by 2025.

**The TIF Capital Funding Plan**

In August 2008, Tucson City Council approved the current Comprehensive Capital Funding Plan (CFP) for Rio Nuevo projects. The CFP estimated that the future TIF revenue stream would be capable of financing approximately $454 million.

The TIF has generated approximately $60 million in revenues between 2003 and the end of fiscal year 2007-2008. During that same period approximately $79 million had been spent on Rio Nuevo projects. Rio Nuevo projects either drew funds directly from the TIF revenue stream or used funds advanced by the City of Tucson which would be reimbursed at a later date.

The CFP anticipated issuing bonds in 2008, 2009, 2010, and later in 2014. In December 2008, the first $80 million in TIF revenue supported bonds were issued and sold. The proceeds from that bond sale have been used to reimburse the City of Tucson for advances and to fund on-going Rio Nuevo projects.

**Changing Economic Circumstances and the Impact Upon Rio Nuevo Projects**

TIF revenues, which had been increasing steadily since the first $300,000 draw in 2003, peaked at $14 million in fiscal year 2007-08. The economic recession has severely impacted Rio Nuevo’s spending capacity. In fiscal year 2008-09, TIF revenues fell to $8 million – just enough revenue to support Rio Nuevo’s first $80 million bond issue. It appears that TIF revenues will be in the $8 million range again in fiscal year 2009-10.

As a result, the proposed 2009 and 2010 Rio Nuevo bond issues have been postponed. This, of course, has serious consequences for the Rio Nuevo capital program. In the short term, there will be less funding for Rio Nuevo projects. In the long term, the TIF financing envelop (i.e. the $454 million) could be substantially reduced if the economic downturn persists.

Rio Nuevo is currently reviewing its funding priorities in light of the current economic situation. A number of major projects (e.g. the University of Arizona Science Center and Arizona State Museum, the proposed new Arena) have been delayed pending increased TIF receipts.

Rio Nuevo’s investment strategy, at least in the short term, will focus on providing financial support for the new convention hotel and convention center renovations. These projects are expected to have high sales tax generating capabilities, which when completed can help finance future bond issues.

If the economic recession and corresponding reduction in TIF revenues continue for some time into the future, the status of some of the proposed Rio Nuevo projects may have to be revisited.
Changing Rio Nuevo Governance

To date, the City of Tucson has played the primary role in managing the Rio Nuevo program. Steps are now being taken by the State of Arizona to transfer management and decision making responsibilities to the Rio Nuevo District Board. Legislation was approved in 2009 to expand the District Board’s membership, authority, and reporting responsibilities. The new State-appointed District Board members are scheduled to begin work in March 2010.

The District Board is now expected to play the primary role in managing the Rio Nuevo program and future Rio Nuevo projects. Many of its projects will, of course, be undertaken in association with the City of Tucson, but the lines of responsibility will be more clearly demarcated that they have been in the past.

2.1.2 Other Public Sector Sponsored Development Projects

Other notable City of Tucson sponsored projects include the following:

- **Façade Improvement Program** – The City of Tucson providing financial assistance to private owners to assist in façade renovations to five historic buildings in Downtown Tucson, viz. the Rialto Block, the Screening Room, 64 E Broadway, 111 E Congress Street, and Beowulf Alley Theatre. Three of the renovation projects have already been completed, while the others are scheduled to be completed by mid-2010. This program is being managed by the Downtown Tucson Partnership.

- **Montgomery Ward/Roy Place Building Renovations** – Pima Country is undertaking a substantial façade renovation of building popularly known as the ‘Walgreen’s Building.’ Upon completion the building will be named for its original occupants. Pima County and the University of Arizona are currently in discussions regarding its possible use as a downtown campus facility.

- **New MLK Apartments** – The City of Tucson is developing a new 68 unit public housing and 22 unit home assistance project on top of the Depot Plaza Garage (i.e. immediately to the north of One North Fifth, facing Arizona Avenue and the Ronstadt Transit Center). Project completion is scheduled for Fall 2010.

- **Pima County Courthouse** – Pima County is building a new courthouse on lands located east of Stone Avenue, between Toole and Alameda. Construction has been temporarily postponed due to the current economy. The project is now being divided into two phases. Construction of the first phase of the 400,000 SF project could begin in 2011 or 2012.

- **Downtown Tucson Fire Station** – The City of Tucson has just completed a new fire station and main office facility on Cushing Street, south of the Convention Center.

- **Historic Warehouse Arts District** - The City of Tucson has been attempting to obtain ownership of warehouses currently occupied by visual artists that were originally acquired by the Arizona Department of Transportation for the Downtown Links but are no longer required. Ownership of four buildings have been recently transferred to the City of Tucson. The City of Tucson will work with the Warehouse Arts Management Organization (WAMO) to retain and rehabilitate these buildings. The remaining ADOT-owned buildings and associated vacant lands are being sold by auction. Efforts are currently being made to acquire these properties for use by artists.
2.2 Public Sector Transportation Initiatives

The Regional Transportation Authority (RTA) is responsible for funding most of the major transportation improvements in the metropolitan area.

The RTA has plans to fund three major transportation improvements in the greater Downtown area. They are the:

- Modern Streetcar;
- Downtown Links; and
- Broadway Corridor Project.

The other major transportation improvement involves the expansion and upgrading of Interstate-10.

2.2.1 The Modern Streetcar

In May 2006, voters approved the RTA plan and a ½ cent sales tax that includes $75 M in local funding for the Modern Streetcar Project.

The high-capacity streetcar will connect the University Medical Center, the University of Arizona, Main Gate, and the 4th Avenue Commercial Area to the Downtown Core and the West Side.

The streetcar will operate with 7 vehicles and 10 minute frequencies during the day and 20 minute frequencies in the evening hours. The project will include 19 stations along the 3.9 mile line when it is completed.

In February 2010, the City of Tucson received $63 M in TIGER funding for the project. When previously awarded Federal funding is included, some $69 M of the proposed $75 M Federal matching funds has now been approved.

Construction of the Modern Streetcar will begin later in 2010 and will be completed in 2012.

2.2.2 The Downtown Links

The Downtown Links project involves construction of a 4-lane, 30 MPH road along the north side of the Union Pacific Railway from Broadway Boulevard to Saint Mary's Road. The Downtown Links is designed to relieve traffic congestion in the Core by providing an alternate route for commuter and through traffic.

Major benefits of the project include improved connections to the Barraza-Aviation Parkway and the I-10; as well as improved internal circulation within the Downtown area. Other benefits include improvements to the railway crossing at 6th Street, local drainage systems, and local pedestrian and bicycling routes. Construction is set to begin in 2011 when the $76 million of RTA funding becomes available, with completion slated for 2012.
2.2.3 Broadway Boulevard

Major reconstruction of Broadway Boulevard between Euclid Avenue and Country Club Road is expected to begin in 2014. Broadway Boulevard will be widened to accommodate six travel lanes, two dedicated bus lanes, two bicycle lanes, sidewalks and a landscaped median. Additional turn lanes, signalization and intersection improvements will be included at key intersections. The total project budget is approximately $42 million (in 2006 dollars), which is being funded by the RTA.

2.2.4 Interstate 10

The Arizona Department of Transportation began widening Interstate-10 in the 2007 and the project finished ahead of schedule in the Fall of 2009. Interstate-10 now has eight travel lanes, i.e. four in each direction, with an additional auxiliary lane between entrance and exit ramps.

2.3 Private Sector Development Initiatives

A number of private sector initiated projects are nearing completion; others are either under construction or in the planning and design stages of development.

Armory Park del Sol

Armory Park del Sol is nearing completion after a multi-year build-out, with only a few lots remaining. The project, developed by the John Wesley Miller Companies, consists of 99 single family homes that are inspired by the historic Armory Park Neighborhood where it is located. The development includes two small parks, a community garden, and landscaped common areas with spacious sidewalk areas. The project emphasizes environmentally friendly design and includes a number of zero net energy homes.

One North Fifth

A private sector consortium acquired the formerly city-owned Martin Luther King (MLK) Apartments; they have been renovated for market rental housing. Reopened in September 2008, the 96 units in One North Fifth are now fully leased.
The consortium also recently completed the 8,000 SF retail building in front of One North Fifth on Congress, which opened in 2009 with four new retail businesses. The group also plans to develop another market housing project on top of the Depot Plaza parking garage – facing 5th Avenue.

**The Mission District**

The Mercado District of Menlo Park is a 12-acre development located on the West Side. The project is being developed by the Rio Development Company, in association with four Tucson home builders. The neighborhood is being developed with narrow, winding streets, wide sidewalks, and seven placitas. A total of 250 residential units are planned for including smaller bungalows, traditional Sonoran row houses, Tucson barrio-style townhouses, and custom designed homes. A commercial development undertaken by Gadsden Developments, the Mercado de San Agustin, is nearing completion.

Located directly to the east of The Mercado District along the Santa Cruz River is a new 14-acre project being developed by The Gadsden Company. Gadsden is developing this area in the ‘new urbanism’ style. Included in the phased development will be over 400 housing units, a 125 room boutique hotel, 120,000 SF of retail space, 170,000 SF of office space, and parking. Construction of the first multi-residential project is slated to begin in 2010.
The first project, a 143 unit senior citizens apartment is proposed for a site located on Congress next to the Santa Cruz River. This project, to be undertaken by Urban Innovations of Chicago, would replace the existing 143 unit senior citizens apartment in Armory Park. The 40-year old Armory Park Seniors Building would then be sold for renovation and reuse.

**Tucson Electric Power**

Tucson Electric Power (TEP) recently acquired the 2.5 acre block formerly occupied by the Santa Rita Hotel, which is located south of Broadway between Scott and 6th Avenues. TEP intends to develop a 100,000 SF corporate office, with ground floor retail space, community-accessible second-floor meeting space, and as many as 600 parking stalls. The project is currently in design-development; it is expected that construction of the project will commence later in 2010. This project will be the first office building developed in Downtown Tucson in a generation (i.e. 20 years).

**Plaza Centro**

Oasis Tucson and the City of Tucson are working together on a mixed-use development that would be located at Congress Street and 4th Avenue. Design work is currently underway for a 400-stall parking garage with ground floor commercial and top floor residential uses that would be built on the north side of Congress. Garage construction is slated to begin in the Fall of 2010. Oasis Tucson intends to develop a mixed commercial-residential project on the south side of Congress after the completion of the parking garage.

**Other Private Development Initiatives**

Other private development projects are in the planning stage, including:

- Rehabilitation and reopening of the Rialto Block,
- Renovations to the 200 W Congress Street Block, and
- A possible housing project at Stone Avenue and Franklin Street (El Mirador).

**2.4 Non-Profit Sector Initiatives**

A number of non-profits associations are working to develop new projects in the Downtown. This includes:

- The Museum of Contemporary Art (MOCA) – which has recently moved into the now-vacated Downtown Fire Station at Church and McCormick. MOCA is currently renovating the building and developing an outdoor plaza in front of the main gallery area.
- The Tucson Museum of Art (TMA) – which hopes to occupy the north half of the Pima County Courthouse, following completion of the new courthouse; and
• The Tucson Symphony Orchestra (TSO) -- which is in the exploratory stages of an effort to build a new concert hall in Downtown Tucson.

3. 21st Century Cities – The New Urban Economy

This section discusses how changes in the world economy are reshaping North American cities and the implications for Tucson.

3.1 The Creative Economy

Richard Florida, in his 2002 work, The Rise of the Creative Class: And How It’s Transforming Work, Leisure, Community, and Everyday Life, describes the sweeping changes that are occurring in the North American economy and the effect that they are having upon our way of life and the cities we live in. Florida believes that these changes are just as profound as those that lead to the Industrial Revolution, in which manufacturing replaced agriculture as the primary creator of wealth and employment, and large industrial cities were created to provide the infrastructure necessary to run the new industrial-based economy.

Florida examines the changing nature of the North American employment base in which jobs that require creativity and, particularly technological creativity, are growing while manufacturing employment continues to decline. He describes the stiff competition within the ‘Creative Industry’ for young highly-skilled and highly-mobile professionals – a group that he refers to as the ‘Creative Class.’ Employers are seeking any advantage that they can find to attract these sought after knowledge workers to their companies. Many employers are prepared to either move their business operations to, or create new business centers in, locations that are attractive to them.

The implications for cities are rather obvious; those cities appeal to young, creative, technologically advanced professionals are more likely to be successful in attracting and retaining business investment. Contrastingly, those cities which are not appealing to the Creative Class are likely to lose business investment to more exciting, creative cities.

So the question becomes: ‘Just what are members of the Creative Class and their employers seeking?’ Florida argues that creative companies are seeking locations where large numbers of people from the Creative Class already reside in or are moving to. These knowledge workers tend to gravitate to cities offering certain things that appeal to them; most particularly those with high degrees of:

• Tolerance,
• Diversity, and
• Openness to creativity.

These civic traits are often manifested in:

• An attractive urban environment,
• A lively arts, cultural, and social scene,
• A free and easy mixing of generations, and
• Excellent educational institutions at all levels.
As the Creative Economy advances, North American cities will have to work hard to position themselves to compete for knowledge workers and the creative companies that hire them. And, as business investment continues to aggregate in larger cities, medium-sized cities such as Tucson, must work even harder still to be able to compete.

### 3.2 How the Crash Will Reshape America

Florida, in a recent article in *The Atlantic* entitled, “How the Crash Will Reshape America,” also considers the implications of the current economic downturn on the emerging creative economy. In the article, he reminds us that:

> “Economic crises tend to reinforce and accelerate the underlying, long-term transformation.”

He argues that the downturn will hasten the decline of the manufacturing economy. Henceforward, we will come to rely more and more upon the creative economy for our future growth.

Florida then discusses a number of forces that have been remaking our economic landscape. Among these, is the increasing concentration of the world’s population into ‘Mega-Regions.’ Examples of these regions in North America include: the Boston to Washington Corridor, the Texas Triangle (Houston-San Antonio-Dallas), Southern California (Los Angeles-San Diego), and Northern California (San Francisco-Oakland-San Jose-Sacramento).

Florida’s work parallels that of the Santa Fe Institute which, through quantitative analysis, has demonstrated that:

> “The pace of social life in the city increases with population size.”

The implications of this phenomenon for cities is described by Institute members as a “tension between economies of scale and wealth creation,” in which “open-ended wealth and knowledge creation require the pace of life to increase with organization size and for individuals and institutions to adapt at a continually accelerated rate to avoid stagnation or potential crisis.” (Bettancourt: 2007).

Essentially, as Florida paraphrases the Santa Fe Institute’s findings -- big, talent-attracting places benefit from accelerated rates of growth or ‘urban metabolism.’ The larger a city’s population becomes, the greater the extent of innovation and wealth creation per person that one is likely to see. Florida points to New York with its finance and media industries, Los Angeles with film and music industries, and the Silicon Valley with high-tech industries as examples of high metabolic places that are most likely to prosper in the coming years.

Florida identifies other cities already successful in attracting the Creative Class, including Seattle, San Francisco, Austin, Raleigh, and Boston, that will be more able to rebound from the recession.

Florida also identifies places which are more likely to suffer from the Crash. He focuses on manufacturing cities in the Rust Belt, in particular. The prospects for cities like Detroit, Cleveland, Buffalo and St. Louis, he believes are not promising. He does note that exceptions do exist, suggesting for example that the transformation of Pittsburgh from a steel town to a creative city should bode well for its future.
Florida also speculates about the effect of the Crash on Sunbelt cities. He argues that those cities whose economic growth had been largely driven by housing development will have a harder time rebounding that those with more robust economies. These ‘housing boom’ cities which failed to develop “sustainable, scalable, highly productive industries or services,” to support their increased population base are particularly vulnerable.

Florida cites the city of Phoenix, in particular, as an example. He notes that between October 2007 and 2008, it produced the largest decline in housing values in the country (i.e. 32.7 %). He also refers to the ‘double-whammy’ affecting Phoenix, as its large retirement community faces a dramatic decline in their life savings in addition to the decline in housing values.

Florida wonders whether cities such as Phoenix will face a population decline, whether will they gradually attract the businesses necessary “to build a more-diverse and more-resilient economy,” or whether they will merely “subsist on tourism – which may be meager for quite some time – and on the Social Security checks of their retirees.”

### 3.3 The Future of Suburbia

Richard Florida also muses about the relative future of suburbia – both in the The Rise of the Creative Class and in “How the Crash Will Reshape America.” He characterizes suburban development as a rational response to industrial era needs. As manufacturing companies moved their production facilities from their congested (and expensive) central city locations to the suburbs, it was only natural for their employees and their families to follow. This trend became possible when the automobile began to be mass produced and accelerated after World War II when modern expressways were built and housing finance practices adapted to the growing demands of the marketplace.

Florida argues that the places that thrive today are those with “the highest velocity of ideas, the highest density of talent and creative people, the highest rate of metabolism.” As he says:

> “Velocity and density are not words that many people use when describing the suburbs.”

He concludes that if “the economy is driven by key urban areas; a different geography is required.”

This, of course, would not mean the end of the suburbs as we know them or even the end of suburban development. But, it does suggest that opportunities to redevelop in the urban centers should increase and that a larger proportion of higher income wage earners should be located in them.

Florida notes that “if there is one constant in the history of capitalist development, it is the ever-more-intensive use of space.” He argues that “we need to begin making smarter use of both our urban spaces and the suburban rings that surround them – packing in more people, more affordably, while at the same time improving their quality of life.” He goes on to state “this means liberal zoning and building codes within cities to allow more residential development, more mixed-use development in suburbs and cities alike, the in-filling of suburban cores near rail-links, new investment in rail,” etc.
3.4 Implications for Tucson’s Economy

Tucson, by itself, is too small to be described as anything but a third-tier region. But, as the metropolitan areas of Phoenix and Tucson, grow closer together, it is becoming easier to think of us all living together in second-tier economic region – not able to compete with Mega-Regions dominated by the likes of New York, Los Angeles or San Francisco, but possibly able to compete with the smaller second-tier Mega-Regions such as Cascadia (i.e. Portland-Seattle-Vancouver) or Carolina (i.e. Charlotte, Raleigh, Winston-Salem).

Some might question whether Phoenix, operating alone, has the characteristics needed to become a magnet for the creative class. For example, Phoenix ranked 28th on Florida’s Creativity Index, while Austin ranked 1st, Seattle 3rd, and Portland 7th of cities over 1 million in population. Some may also question whether Phoenix, which is in many ways a collection of suburbs with a weak downtown, will ever be able to provide an attractive urban environment that members of the creative class are seeking.

A big question for Tucsonans is whether their city can maintain its separate identity as the two metropolitan areas become more and more economically intertwined. That is, will people in the rest of the country refer to the Mega-Region as Arizona, Phoenix-Tucson, or just Phoenix?

While Tucson’s development patterns are similar to Phoenix (i.e. suburban dominated with a weak downtown), it has a more open, diverse, and tolerant culture. Tucson is a haven for independent souls and non-conforming behavior permeates local society. In comparison to Phoenix’s 28th ranking in cities over 1 million people, Richard Florida ranked Tucson 3rd on the Creativity Index for cities between 500,000 and 1 million people.

Research undertaken for the Tucson Pima Arts Council finds that Pima County’s ‘creative workforce’ represents 3.4% of the employment base – exceeding the national average. And, Tucson is one of only 37 major cities that have professional opera, symphony orchestra, ballet, and theatre companies, in addition to major natural history and heritage museums. It also worth noting that Tucson is one of the least populated of those 37 cities. TPAC also discusses in its report, the importance of Tucson’s ethnic and cultural diversity and its positive effects on the local creative economy. (TPAC 2008)

The answer to the big identity question, for Tucsonans, may lie in what we choose to do with in our downtown area. If Downtown Tucson grows and prospers, while retaining its uniqueness, it can provide us with a distinct identify that members of the creative class will recognize and appreciate. If it doesn’t, Tucson could well be thought of as just another suburb of Phoenix.

In the first scenario, creative companies seeking to locate in the Arizona Mega-Region may be attracted to Tucson because the knowledge workers are happy to live there. In the second scenario, creative companies may choose to locate in Phoenix, possibly concentrating in Tempe, thinking that Tucson is just another suburb that is located too far away from Skyport. Or, alternately, they may avoid Arizona entirely thinking that they won’t be able to attract the knowledge workers that they are seeking.

Fort Worth provides an example of how a smaller city can retain its identity while living in the shadow of a behemoth. Outsiders often refer to the region as being ‘Dallas-Fort Worth. Locals commonly refer to the Dallas-Fort Worth as the ‘MetroPlex’ – a term that connotes a combining of the two metropolitan areas. And, Fort Worth is thought of as being a city in its own right, with its own separate and special identity which manifests itself in its Downtown and neighboring Stockyards area.
Tucsonans, of course, will want to resist any loss of civic identity to Phoenix. But will they actually take the steps necessary to protect it? That remains to be seen.

4. **Downtown Tucson – SWOT Analysis**

This section summarizes Downtown Tucson’s strengths and weaknesses, its opportunities and challenges, and the constraints affecting its future revitalization prospects.

4.1 **Strengths and Weaknesses**

Any consideration of Downtown Tucson’s strengths and weaknesses should rightly begin with a similar review for the metropolitan region.

Modern Tucson’s strengths include:

- A rich history, with strong Aboriginal, Hispanic, and Western American cultural influences;
- A warm and welcoming populace;
- An attractive Sonoran desert climate and landscape;
- Positive name recognition throughout North America and much of the World;
- A growing population and strong tourist trade; and
- The University of Arizona, with all of its arts, cultural, economic, medical and technological benefits.

Modern Tucson’s weaknesses include:

- A relatively weak economic base that produces comparatively lower household incomes;
- A weak Downtown both in terms of its economic influence and the size of its employment base;
- Limited water resources, which may eventually affect the future growth prospects;
- A sprawling development pattern which tends to reduce municipal operating efficiencies, increase reliance upon the automobile, and increase commuting times;
- A socio-economic dichotomy which produces growing affluent suburban areas and limited reinvestment in older urban areas; and
- A number of separate municipalities and developed unincorporated areas which can be problematic in terms of regional planning, coordination, and funding.
Within this context, Downtown Tucson’s strengths can be described as:

- A rich history and large collection of heritage buildings;
- A strong arts and cultural community;
- A sizable government employment center;
- Healthy residential neighborhoods surrounding the Downtown Core;
- Proximity to the University of Arizona, its workforce and student population;
- Comparatively large amounts of public parking available at low cost;
- A low violent crime rate;
- A business community that is committed to Downtown revitalization and is working, through the Downtown Tucson Partnership, toward to its realization;
- A significant municipal commitment to public investment in the Downtown area as part of its broader revitalization strategy; and
- Substantial public financial resources resulting from the Rio Nuevo Tax Increment Financing District.

Downtown Tucson’s weaknesses can be described as:

- A less than central geographic location, with limited development potential to the West;
- A small private sector office presence;
- An aging convention center and arena;
- Very limited hotel accommodations;
- The lack of a retail anchor and a sufficient number of mainstream retail establishments;
- High vacancy and deferred maintenance issues associated with many of the older commercial buildings;
- Very few examples of contemporary urban multi-residential projects and an extremely limited condominium market;
- A perceived lack of parking and related cost concerns;
- Public safety issues, some real and most perceived; and
• Limited public confidence in the prospects for Downtown revitalization.

4.2 Opportunities, Challenges and Constraints

Downtown Tucson possesses certain opportunities and challenges, and is limited by various constraints, a summary of which follows:

Downtown Tucson’s most significant opportunities include:

• A large amount of available developable land on the West Side and in the Convention District;

• A significant number of infill development sites within the Downtown Neighborhoods and especially along the various arterial streets within the Greater Downtown Area;

• The prospect of increased demand for commercial and residential space associated with the completion of the modern street car route;

• Increased demand for student housing that cannot likely be accommodated on the University of Arizona campus or in the adjacent historic neighborhoods;

• Municipal commitments to undertake a series of major public investments which include construction of the modern street car and various developments on the West Side and in the Downtown Core; and

• A wealth of older historic buildings, which with proper reinvestment, can once again become ‘character pieces’ for a ‘distinct urban setting.’

Downtown Tucson’s most significant challenges include:

• Reaching public consensus on the need to embrace urban-oriented development in Tucson;

• Developing public confidence in the management of the Rio Nuevo capital improvement program;

• Obtaining meaningful public recognition and support for the private sector’s role in the urban development process;

• Reforming the land use and development approval processes such that private sector-initiated, urban-oriented development will be encouraged in Tucson.
Downtown Tucson’s revitalization prospects are also limited by the following constraints:

- The small size of Tucson’s private office sector in general, and particularly the lack of corporate head and regional offices; and

- Low average household incomes in the metropolitan region and particularly within the Municipality of Tucson.

5. **Tucson – Not A Typical American City**

Tucson really is a different kind of city. Its uniqueness is manifested in many ways; the most obvious of which is its eclectic local culture. Tucson’s urban development patterns are also distinctly different from the North American model and are worthy of discussion.

5.1 **Typical North American Urban Development Patterns**

Central business districts (CBDs) in North American cities remain economically competitive. As Michael Pacione in *Urban Geography: A Global Perspective*, writes:

“Although some CBDs experience fierce competition from business nuclei located elsewhere, most cities retain a strong downtown. Even the archetypical polynucleated metropolis of Los Angeles has a CBD.”

Pacione defines the key characteristic of the central business districts (CBDs) as being accessibility. Activities requiring an accessible location for their economic viability tend to gravitate to CBDs. Pacione describes the economic implications of this need for an accessible location:

“The differential need for, and willingness to pay for, accessible sites determines the internal land use pattern of the central city, with land uses placing the greatest value on accessibility outbidding others for central city sites. The demand for central locations is translated into high land values, which turn produces a high intensity of land use, expressed most visibly in the high-rise physical structure of the downtown as developers seek to maximize use of costly sites.”

5.2 **Urban Development Patterns in Tucson**

Development patterns in Tucson are atypical of a North American city. Development in Tucson has been directed more to the north and east. Physical obstructions (e.g. mountains, air fields, etc.) have limited Tucson’s growth to the south and west.

Unlike, many cities of its size, Tucson does not have a large, centrally-located urban core. Midtown is actually more centrally located, perceived to be more accessible, commands higher office rents, and has a much larger private sector office component.
Demand for space in Downtown Tucson has not been significant enough to place a premium on either land values or building rents. This has occurred, because of Tucson’s lack of corporate and regional offices, its non-central location, and its history of development.

The Old Pueblo

Many Tucsonans still affectionately refer to their city as ‘the Old Pueblo.’ They value their heritage which begins with thousands of years of continuous aboriginal habitation along the Santa Cruz River and proceeds to the founding of the El Presidio de Tucson in 1775 by the Spanish. It continues with Tucson’s subsequent existence as a small Mexican outpost in Northern Sonora and, later, as a small but notable Western American railway town. In their minds, Tucson has always been an intimate and personable place, in contrast to the larger industrial cities of the East. Tucson was never a major office center. It never had a significant industrial base. Tucson’s growth was limited by its environment, especially by a scarcity of water.

Downtown Tucson reflects this heritage as well. The Downtown Core is extremely small, less than one mile square in size. It largely consists of one and two story ‘historic’ commercial buildings and it is surrounded by neighborhoods populated with one-story single-family homes. In its hey-day, Downtown Tucson was the mercantile center of a city of not more than 50,000 people. Elder Tucsonans remember Downtown Tucson as an active, but personable place. This is what many of them long for when they recall the changes that have happened over the last forty years.

The Rambling Metropolis

Tucson experienced tremendous growth in the years following World War II. Hundreds of thousands of people moved to the Old Pueblo and permanently changed it. After the War, nearly every family moving to Tucson owned an automobile. Living in close proximity to Downtown mattered much less to them than it did to Tucson’s original residents. New suburbs were built first, within the City limits, and later well into the surrounding Foothills. In the 1960s and 1970s, retailers followed their new customers to the suburbs. Later, many employers did as well.

The early low density patterns of development in the Old Pueblo were not only replicated in the suburbs, but in many ways they were exaggerated. Land at the edge of the city was inexpensive and readily available. Single-family homes were the norm and increasing in size. As development moved farther afield, homes were built on larger and larger lots. One-story commercial strip retail developments were built along the city’s arterial roads as they were extended into the county-side. Later, shopping centers with their virtual ‘seas of parking’ developed. Warehouse-style industrial and office parks followed.

Downtown Tucson, however, grew only marginally during this period. A few government and private sector office buildings were built, but any gains in Downtown employment were off-set by a ‘hollowing out’ of the old mercantile core. As retailers moved to the suburbs, the older commercial buildings became underutilized and many were abandoned. Downtown was no longer the dominant employment center in the city; nor was it the center of commerce.

Today, Tucson truly is a ‘rambling metropolis of one million people.’ It stretches in a sweeping arc along the face of the Santa Catalina Mountains, from Marana and Oro Valley in the Northwest toward Vail in the Southeast. It is future growth is constrained by the Tucson Mountains in the West, the Tohono O’odham
Nation to the Southwest, and by the Davis-Monthan AFB and Tucson International Airport to the South. Tucson is largely a low-density, one and two story community with no dominant urban center.

Recognizing these facts is important when considering the future of Downtown Tucson and its revitalization prospects.

5.3 A Fresh Look at Tucson’s Central Area

Downtown Tucson is not the only significant activity node within Central Tucson. A number of notable concentrations are scattered to the east of the Downtown area.

The University of Arizona campus, with its 37,000 students and 14,000 employees, is located approximately one mile to the northeast of the Downtown Core. The Main Gate and 4th Avenue commercial areas are located nearby and serve the University population. As an activity center, the U of A campus has many times the drawing power of Tucson’s Downtown Core.

Other activity nodes are located to the east along Broadway Boulevard, including:

- El Con Mall;
- Reid Park;
- Williams Center; and
- Park Place Shopping Mall.
El Con Mall

While the El Con Shopping Mall has now been at least partially eclipsed by its competitor to the east (viz. Park Place); it remains a major commercial center with a J.C. Penney Department Store, Burlington, Office Depot, Target, Home Depot, and a major cinema complex. El Con has approximately 1.1 million SF of commercial space located on 25 acres of land. One of its three department stores are currently vacant.

Reid Park

Reid Park, in many ways functions as Tucson’s ‘Central Park’ with its many activities and events. The park is located across from El Con Mall on Broadway. It accommodates a municipal golf course, professional baseball stadium, municipal zoo, and numerous recreational and cultural facilities. It is approximately ¾ of a square mile in size.
Williams Center

Williams Center and the buildings that surround it in Midtown have become a major office center in Tucson, with approximately 2 million SF of space and perhaps 8,000 employees. Williams Center was developed as a centrally-located alternative office location to Downtown. Today, there is more private sector office space in the Williams Center area than there is in the Downtown.

Park Place

Park Place Mall is Tucson’s premier shopping center, with four department stores (Dillards, Macys, Sears, and Old Navy), a cinema, and countless retail establishments. Park Place has approximately 1 million SF of commercial space located on 64 acres SF of land.
Other large retailers (i.e. Best Buy, OfficeMax) are also located along Broadway Boulevard, between Williams Centre and Park Place.

Surrounding all of these activity centers are a series of stable residential neighborhoods commonly referred to as ‘Mid-Town,’ which together have approximately 58,000 residents. While single-family homes predominant in these neighborhoods, some multi-residential development is located there as well.

Implications for Tucson's Future Development

Had all of this activity been combined into one place, Tucson would have the makings of a downtown appropriate for a city of one million people. In ‘Tucson fashion,’ however, its urban activities are ‘stretched’ over 6.5 miles of Broadway Boulevard.

Intentionally or not, it is reasonable to conclude that Tucson has rejected the concept of a single concentrated downtown area in favor of a ‘sweeping central area.’ Recognizing this fact can prove helpful in considering Tucson’s urban future and Downtown Tucson’s role therein.

6. New Directions for Development in Tucson

6.1 Economic Realities in Downtown Tucson

Cy Paumier is his Urban Land Institute publication, Creating A Vibrant City Center: Urban Design and Regeneration Principles (2004), identifies the major components of the downtown marketplace, namely:

• Offices,
• Shopping,
• Housing,
• Arts and Cultural Facilities, and
• Hotels and Conference/Convention Centers.

Paumier presents each component as being important to the vitality of the downtown and then discusses the contribution that they make to the downtown economy. The following is a summary of that discussion.

Office Demand

Paumier describes office uses as the “strongest and most prevalent economic function” in downtown. Offices provide the largest market for higher intensity uses as well as a critical mass of potential customers for other uses such as restaurants, retail stores, and entertainment establishments.

Paumier reminds us that downtowns often compete with suburban locations for office uses and that a range of variables are at play in that competition, including:
Office demand, of course, varies from city to city. In smaller cities, demand is largely based upon professional service providers such as banks, insurance companies, accountants, lawyers, etc. who are inclined to locate their businesses in close proximity to their customers (who may or may not be located near the downtown). In larger cities, office demand increases with the presence of regional or corporate head offices and that presence drives the demand for professional service providers to locate downtown.

In Tucson’s case, the private sector office market is very small (i.e. only 15 million SF) and Downtown Tucson’s share of that market is particularly weak (i.e. only 1.25 million SF, or less than 10% of the overall market).

The small size of the total private sector market reflects the fact that Tucson is neither a corporate nor a regional office center. There are very few large corporate head offices in Arizona and those that exist are located in Phoenix. Downtown Tucson’s limited market share also reflects strong competition from Williams Center – another Central Area office location as well as other suburban locations closer to the Foothills.

By contrast, there is 65 million SF of private office space in Portland, of which some 30 million SF is located downtown. And, there is 36 million SF of private office space in Austin, of which nearly 9 million SF is located downtown. Even neighboring El Paso and Albuquerque, which have smaller metropolitan populations and less office space than Tucson, have more private office space located downtown (i.e. 2.9 and 2.7 million SF respectively).

Retail Demand

While Paumier describes retail use as a “visible indicator of economic health” of a downtown area, he does not see it as an economic engine of the downtown economy. Paumier argues that retail shopping is usually developed in response to existing or anticipated demand which is created by other uses (i.e. most commonly office or residential). Because of this, Paumier does not see retail development as the first step in downtown revitalization. He believes, however, that retail development when concentrated in a distinct area can help to create a vibrant street life, especially when it is mixed with restaurant and entertainment uses.

In Tucson’s case, the Downtown Core has lost all of its former department stores and most of its mainstream retailing. The University of Arizona’s “Metropolitan Tucson Land Use Study – Fourth Quarter 2007,” published in March 2008, reports that Downtown Tucson has 550,642 SF of commercial space, with a vacancy rate of 22%. This compares to a street-side commercial inventory of 17.9 million SF throughout the metropolitan area and a vacancy rate of only 9%.

Much of the existing retail space in the Downtown Core is considered to be economically obsolete and high levels of deferred maintenance exist in many properties. This same space, however, has historic character and, with sufficient Downtown pedestrian activity, could be returned to productive use as an urban shopping
and entertainment district. Demand for retail space, however, has been sluggish for many years and cannot be expected to increase substantially until additional office, hotel, or housing development occurs.

Fourth Avenue and the Main Gate areas, however, are thriving commercial districts. While their proximity to the University of Arizona and its student population is a significant element in these districts’ success, they each possess strong management organizations and very capable entrepreneurs. The Downtown Core has much to learn from 4th Avenue, which appeals to both university students and families, and Main Gate which has been completely transformed through comprehensively-planned private reinvestment.

Housing Demand

Paumier, like many urbanists, considers housing to be an important element to a downtown’s vitality. He notes that “local residents extend the level of activity, as well as provide a market for a variety of uses.” Paumier believes that demand for downtown housing is expanding in America for a number of reasons, including:

• Changing demographics, with increasing numbers of young professionals and empty nesters;
• A revived interest in urban lifestyles;
• A growing white-collar workforce; and
• Concentrated cultural and entertainment activities in the downtown.

Paumier cites a number of impediments to downtown housing development, including:

• Difficulty in assembling sites and relatively high land costs;
• Greater market risk, especially in the pioneering stage; and
• Negative perceptions about crime, congestion, and parking.
Very little housing exists within Tucson’s Downtown Core, but some 15,000 people live in the surrounding Downtown Neighborhoods. The opportunity to build additional housing exists and could be accommodated in various ways, including:

- Single family and townhouse developments in the Mission District;
- Apartment development in the Mission District and in the Downtown Core;
- Infill development on vacant sites in the Downtown Neighborhoods; and
- Apartment and stacked townhouse development along many of the arterials within the Greater Downtown area.

Downtown housing demand in Tucson remains, however, in the ‘pioneering stage.’ There is little contemporary product in place and there exists only a fledgling urban condominium market. Very little multi-residential development is occurring in Tucson during the current economic slowdown.

Additional housing development is expected to occur, however, in the short term in the Mission District and in other Downtown locations as the real estate market recovers. The depth of the downtown housing market, however, remains to be seen. Its success will very likely be tied to the success of the overall downtown revitalization effort.

**Cultural and Entertainment Facilities**

Paumier reminds us that cultural and entertainment facilities help to establish the downtown “as a leisure and visitor destination.” He suggests that these facilities serve to “enhance a city’s self-image and quality of life.” They also “provide a market for business and convention trade and increased leisure activity.”

In this respect, Downtown Tucson shines. The arts, cultural, and entertainment scene is very strong in Tucson (as previously discussed). It is centered in facilities that are concentrated in the Downtown Core and at the University of Arizona. This is arguably Downtown Tucson’s greatest strength.

**Hotels and Conference/Convention Centers**

Paumier discusses the ways that modern hotels and meeting centers support downtown areas. Hotels obviously provide accommodation for visitors to the city, but they also (along with conference and convention centers) provide meeting and entertainment opportunities for the local population. Business and leisure travelers can make a significant contribution to the downtown economy if they are present in sufficient numbers.

Downtown Tucson currently lacks enough hotel rooms to have a significant impact upon the Downtown economy. Plans to develop as many as 800 hotel rooms in the Downtown Core and on the West Side are in the works. If all of the proposed developments materialize, the number of hotel rooms in Downtown Tucson will quadruple and the associated annual spending on accommodation, food, shopping items and services could increase by nearly $100 million. This would provide a major boost to Downtown businesses.

The most significant of the proposed hotel developments is the 525 room convention hotel, which is being developed along with the expansion of the Tucson Convention Center. The new convention center complex
should allow Tucson to retain its world-class Gem Show for many years to come and to be more competitive in the business convention and meetings market than it recently has been.

6.2 Toward a New Central Area Development Strategy

It would be easy for Tucsonans to assume that a revitalized Downtown would assume a typical North American form. Under such a scenario, Downtown would become the dominant commercial center within the metropolitan region, in addition to being the center of government, arts, culture and entertainment. Residents would flock to the Downtown Neighborhoods as new office and commercial centers were built.

Supporters of downtown revitalization in Tucson have pointed to cities, such as San Diego, Portland or Austin, as examples to follow. While there is much to be learned from these cities and their successful downtown revitalization efforts, the patterns of development in these cities are very different from Tucson’s. Each of them has, for example:

- A larger metropolitan population;
- A significantly larger private office sector both in downtown and in the metropolitan region; and
- Historically, a larger, denser, and more multi-faceted downtown core.

Austin, the smallest of these cities, is also a state capital and benefits from a large, centrally-located concentration of government employees.

Downtown Tucson’s small size, particularly in terms of its private office sector, is a significant limiting factor in the downtown revitalization equation. While the private office sector in Downtown Tucson can increase significantly over time, it cannot be expected grow from the 1.25 million SF existing today to the 10+ million SF that these exemplary downtowns possess anytime soon.

Before considering the implications for Downtown Tucson, it is appropriate to reconsider our sense of ‘central place’ in Tucson. After all, Tucson began as the small and personable ‘Old Pueblo.’ Then as it grew, Tucson transformed itself into a ‘Rambling Metropolis’ with no dominant city center. Perhaps there is value in considering the prospect of concentrating office and multi-residential development not only in the Downtown, but also along the Broadway Corridor. It may very well be that Downtown Tucson’s role can be better defined and more likely fulfilled, when it acts as a ‘special place’ within a much broader commercial investment context.

Developing Broadway Boulevard as Tucson’s Central Corridor

The Broadway Corridor, as defined in this report, stretches approximately 6.5 miles between Downtown and Park Place Mall. Including Downtown, the Corridor contains approximately 5 million SF of public and private sector office and perhaps 2 million SF of main-stream retail space. Some 75,000 people live along the Central Corridor in the Downtown and Midtown Neighborhoods.

While the Broadway Corridor has significant nodes of commercial activity, it also includes a great deal of vacant and underutilized land. Not only are there 13 acres of vacant land located along the Corridor today, but there are another 862 acres of land that are developed with one story buildings. Much of this one-story building stock consists of 1950s-vintage, strip-commercial development. Many of these older buildings are
considered to be economically obsolete today and are also lacking in meaningful historic character. In other words, they are prime candidates for redevelopment.

With so much potentially developable land available along the Broadway Corridor, it is possible to build large amounts of urban-oriented, commercial and multi-residential space at medium densities in low-rise (i.e. 2-4 story) buildings.

The Broadway Corridor has the potential, assuming an average of 1.5 FAR of redevelopment, to accommodate about 60 Million SF of built space on these vacant and underutilized lands. If even half of these lands were made available for redevelopment, the urban space needs of Tucson could be accommodated for generations.

Urban development along the Broadway Corridor, like development Downtown, could serve many of Tucson’s needs. Broadway Boulevard could become an urban corridor, populated by a mix of low-rise office and multi-residential buildings (i.e. stacked townhouses and apartments). Retail uses, either in one-story complexes (such as Rincon Market or Broadway Village) or located on the main floors of larger office and residential buildings could be developed at key intersections. The actual mix of uses along the street would be less important than the urban forms that they would take. Some blocks of Broadway could become predominantly residential, while others (i.e. near Williams Center) could become predominantly commercial. Examples of such developments are shown as follows.
The basic development form that could be built along Broadway Boulevard should be fairly simple and straightforward.

As best described by David Sucher, author of *City Comforts: How to Build an Urban Village* (2003), developers should be asked to:

- Build to the front sidewalk;
- Make the building front permeable with windows and doors; and
- Prohibit parking in front of the building.

There are, of course, other elements of urban-oriented development that should be promoted along Broadway Boulevard, including the use of using quality materials and finishes, the provision of street trees, street furniture and – in Tucson – opportunities for shade, but if developers follow these three essential rules, they will achieve the desired urban form.

The shallow lot depths along Broadway Boulevard will also influence project design. Buildings will be lineal, stretching along the Boulevard. Parking will very likely provided behind and underneath the buildings. Landscaping will have to be strategically placed to provide privacy to adjacent residential lots.

Some concentrations of development can also be expected on large, underutilized commercial sites like El Con Mall, the former Mervyn’s Department Store site, and possibly Wilmot Plaza. In these areas, an ‘urban village’ style of development is possible mixing retail, office and commercial uses in a comprehensively development scheme.

Tucson’s development community should be very interested in building along the Broadway Corridor, at least initially, because development along the Corridor would involve simpler development models and less risk
than Downtown development does today. Suburban developers who build almost their entire product beyond
Tucson’s municipal boundaries (and who, today, would not consider building Downtown), could be enticed by
development opportunities in the Broadway Corridor. Neighboring communities should also be willing to
accept these projects if they are high-quality developments and low-rise in scale.

Over time, Broadway Boulevard would become Tucson’s “urban promenade,” bustling with businesses,
shops, and residences – and leading to Downtown.

Transportation Initiatives Proposed for Broadway Boulevard

The RTA’s proposed reconstruction of Broadway Boulevard, between Euclid Avenue and County Club Road,
which is scheduled to begin in 2014, is an important catalyst for such a development scheme. When this
project is completed, dedicated bus lanes will exist along almost the entire Broadway Corridor, between
Downtown and Park Place. Public transit should become an essential element of the Corridor and, as
ridership increases and public funding becomes available; a street car should be developed along Broadway
to replace the bus service.

In September 2009, the Pima Association of Governments completed its “High Capacity Transit System
Study (HCTS).” The Study considers public transit options as the metropolitan area grows from 1 to 1.8
million people (i.e. between now and 2040). PAG reviewed many different public transit options, including:
express buses, modern street cars, bus rapid transit (BRT), light rail transit (LRT), and commuter rail transit
(CRT). A series of potential north-south, and east-west routes were selected for evaluation using these
various public transit modes.

The HCTS recommends a phased implementation of public transit improvements along Broadway Boulevard,
which could include initiation of a BRT line between Downtown and Houghton Road (located to the east of
Park Place Mall) and a Modern Streetcar route between Downtown and El Con Mall. While this is the first
step in a long term public transit planning process, the prospects for the Broadway Corridor are indeed
promising.

The HCTS also discusses the relationship between public transit investments and land use, calling for higher
intensity developments along major public transit routes. Given the more limited development risk in the
Broadway Corridor, there should be no need for the City of Tucson to offer subsidies to attract development.
Redevelopment can happen in its own time and at its own pace on Broadway.

The RTA’s role would be to ensure that:

- The Broadway Boulevard reconstruction project begins in a timely manner (i.e. in 2014);
- Public transit service along the Corridor is operated at very high service levels (e.g. advancing to
  BRT service); and
- Steps are taken to develop a future street car line along the Corridor.

The City of Tucson’s role would be to ensure that:

- The Broadway Corridor concept be included in the new General Plan now under preparation;
- The rezoning necessary to accommodate and urban mix of uses, densities, and forms of
development are put in place;
• Minimum parking requirements for the new developments are reduced to lower development costs and encourage public transit use along Broadway Boulevard (i.e. at a minimum to 1 space per 500 SF); and
• The necessary steps are taken to protect neighboring residential communities from overflow traffic and parking (e.g. traffic calming measures and residential parking zones as warranted).

Other Urban Development Opportunities

Developing both Downtown and the Broadway Corridor could form part of a broader strategy designed to attract increased development activity to the Municipality of Tucson. The City of Tucson has promoted increased development along the major north-south corridors connecting to Downtown. This includes:

• North Main and Oracle Avenues;
• North Stone Avenue; and
• South 6th Avenue.

Development along these corridors is likely to occur over time, albeit at a slower pace than Broadway and with less office development included in the mix.

Public Finance Implications of Redevelopment

As private sector investment returns to Tucson’s urban areas, we can expect to see increases in local:

• Employment,
• Population,
• Business and household income,
• Sales and sales tax receipts, and
• Property values and property tax receipts.

Since the Broadway Corridor essentially corresponds to the boundaries of the Rio Nuevo TIF District, development along the Corridor would help to finance the revitalization of Downtown.

6.3 Downtown’s Role in a New Corridor Development Strategy

Downtown’s role would not diminish under a Central Corridor development strategy. If anything, its role should be more clearly defined and our revitalization goals should be more realizable. For example, Downtown would:

• Not have to strive to be the dominant business center in Tucson, but rather together with Williams Center, could work to attract office tenants and developers back to Central Tucson (i.e. both Midtown and Downtown);
• Not have to attempt to compete for mainstream retail tenants with El Con and Park Place Mall, but rather could focus on serving the specific needs of Downtown employees and residents – as well as specialty goods, and tourist-oriented goods and services.
• Continue being the arts, cultural, and entertainment center of Tucson, sustaining that role by reinvesting its facilities and companies;

• Work to become a center for tourism, accommodating both business and leisure travelers in new hotels, the expanded convention center, retail shops and restaurants;

• Work with the University of Arizona and Pima College to bring some educational opportunities into the Commercial Core;

• Continue to be the center of government and political decision making in Tucson, developing new administrative buildings when required; and

• Work to become a special place in the hearts and minds of Tucsonans without attempting to be everything to everybody.

There are symbiotic relationships that can be established between Downtown and the Broadway Corridor. For example, people who work Downtown could choose to live along the Broadway Corridor and take transit to work, or vice versa.

The same type of relationships will exist between Downtown and the University of Arizona when the modern street car is built. Students living on campus will be able to take the street car downtown for shopping and entertainment, while other students (or U of A employees) may choose to live Downtown and take the street car to campus.

The forms of development along Broadway and in the Downtown would be similar as well. While, the density of development and the mix of uses in Downtown developments may be somewhat greater than on Broadway, developers in both areas will be building urban, street-oriented projects.

Residential developments, in particular, are likely to be very similar in both locations, as Tucson’s lower average household incomes will lead developers to build more competitively-priced, low-rise apartments and stacked townhouses not just along Broadway but also in the Downtown Core.

Downtown, the University of Arizona Campus, and the Broadway Corridor will always be distinct places with their own physical, social and economic characteristics, but they can also form part of a greater urban whole that provides a means for repopulating, renewing, and reinvesting within the city of Tucson. By adopting such a development strategy, we would be creating an urban structure well suited to the needs of the 21st Century City. In doing so, we would also be building a city quite unlike any other in North America – one befitting of the name, Tucson.
7. **Building the New Pueblo**

7.1 **Embracing the Spirit of the Old Pueblo**

In Spanish the word, *pueblo*, refers to a large village surrounded by its own fields and not having any outlying farms. Pueblos in Spain and, even more so, those in the Americas stood alone. Life progressed at a slower pace following the rhythms of the seasons.

Tucson’s earliest settlements (both Aboriginal and Hispanic) took this form, partly in response to the harsh, arid environment, and partly to protect its residents from marauding Apaches. Life in early Tucson was simple and more familiar, as people greeted each other as they walked to work, to church, to social or family events, or to run errands. In time, Tucson affectionately became known as the ‘Old Pueblo.’ While Tucson may now have grown to more than 1 million people, the sentiments of the Old Pueblo still run deep in the minds of many Tucsonans.

In revitalizing Downtown Tucson, we must aspire to create a ‘New Pueblo.’ We must build a series of neighborhoods in which a preference is given to walking and, when longer distances are involved, to using public transit. We must build neighborhoods where, although you may not know all of the people passing you on the street, you have a sense that you share something in common with them. We must build a place where visitors from other cities and from other neighborhoods in Tucson feel just as welcome as those of us who live and work there do.

We have not lost all of the vestiges of the Old Pueblo. Many of the buildings from the territorial period still exist in the Downtown. Today, however, all too often they are vacant or underutilized. Many of them have been covered over (i.e. modernized in the 1950s and 1960s) and now are in poor repair. But these wonderful buildings still exist and, with private sector reinvestment they can provide one of the foundations with which a New Pueblo can be built.

Nor have Tucsonans lost that hospitality that makes us unique. People still smile at each other and say hello as they pass each other on the street -- perhaps not everyone and perhaps not all the time, but often enough to make a stranger feel welcome Downtown.

7.2 **Downtown Revitalization -- A Recipe for Success**

There is much to be accomplished, if we are to build a New Pueblo. To be successful, Downtown Tucson must become:

- **A safer place**, where people feel comfortable walking on the street not just during business hours, but also in the evenings and on weekends;
- **An accessible place**, which relies upon walking, bicycling, and public transit far more than any other part of the city;
- **A center of commerce and development**, where business investment activity flourishes and provides employment for many;
• **An attractive place**, that as Tucsonans, we are proud of;

• **An exciting place**, with many arts, cultural, and entertainment events to choose from, shops to visit, and many restaurants to sample;

• **A place to live**, for people of all ages, social and economic backgrounds;

• **A place to visit**, full of memorable experiences whether you come from Minneapolis or Marana; and

• **A center for learning**, which offers opportunities to advance your career, expand your knowledge, or just pique your interest.

The remainder of this section discusses how we can remake Downtown Tucson in each of these dimensions, identifying steps that either are being taken or need to be taken to assist in the revitalization effort over the next ten to fifteen years. In almost every case, we are not starting from scratch, but rather are building upon solid foundations.

### 7.3 Making Downtown Tucson A Safer Place

In Downtown Tucson, the perception of public safety is far worse than the reality. By any comparative standard, Downtown Tucson is a safe place and people walk about freely day or night.

**Violent Crime**

The Tucson Police Department (TPD) statistics consistently show low violent crime rates in the Downtown area. TPD staffing levels and response times are comparatively good. TPD operates bicycle and walking patrols in the Downtown, in addition to the standard vehicular patrols. Theirs efforts are augmented by para-police patrols operated by the Downtown Tucson Partnership (i.e. the Purple Shirts) and the Fourth Avenue Merchants Association (i.e. the Yellow Shirts).

**Nuisance Behavior**

Downtown, however, is not without its safety issues. While the violent crime rate is much lower than might be expected, nuisance behavior poses problems in the Downtown. This includes disorderly behavior, occasional illicit drug or alcohol use, loitering, etc. Much of this behavior is caused by adolescents who either should be in school or are ‘passing time’ in the Downtown on their way home from school. Street prostitution or organized street sales of illicit drugs, however, do not exist in the Greater Downtown area.

Nuisance problems are highest in and around the Ronstadt Transit Center (RTC). Such problems are not uncommon at transit stations in large cities, which serve as places for people to congregate. In some respects, the RTC’s design, which was intended to provide pedestrian comfort, encourages malingering and serves as a magnet for adolescents in the late afternoon on school days. The RTC also takes away prime commercial frontage along Congress and 6th Avenue, thereby reducing normal pedestrian traffic. This serves to create an in-balance between legitimate and illegitimate users along the RTC’s street frontages.
Homelessness

The number of homeless people present in the Downtown is not comparatively large -- perhaps 150 of Tucson’s 3,000+ homeless people frequent the Downtown Core. The overwhelming majority of these people are not threats to the general public. If anything, they are among the most vulnerable members of our society, preyed upon by a small number of their peers. The presence of homeless people on the streets particularly at night, however, reinforces negative public perceptions of safety in the Downtown.

Street Lighting

The low lighting levels on Downtown streets also contribute to the perceived safety problem. Few Downtown streets meet modern lighting standards and lighting maintenance (i.e. bulb replacement and globe cleaning) has been deficient for many years.

Empty Streets and the Positive Effects of Redevelopment

Low pedestrian activity levels, particularly during the evenings, also affect perceptions of safety. For many Tucsonans less knowledgeable about the Downtown, there is perceived safety in numbers. Individuals walking alone on Downtown streets feel less safe than when among a crowd, especially when they are unfamiliar with the neighborhood.

Over time, development on vacant land and rehabilitation of vacant and underutilized buildings in the Downtown will serve to increase the number of people on the street during both business and non-business hours. This should help to reduce perceived safety problems. On specific streets, such as Scott Avenue, Street, streetscape improvement projects have resulted in significantly increased lighting levels.

Additional steps, however, should be taken to improve both real and perceived public safety in Downtown Tucson.

Safety Recommendations

To make Downtown a safer place, it is recommended that:

1. The Downtown Tucson Partnership undertake a lighting survey in the Commercial Core to identify poorly lit streets and public areas. Upon completion of the survey, the DTP should begin discussions with local property owners and the City of Tucson regarding the steps necessary to redress the situation. This may include the creation of a special lighting improvement district.

2. The City of Tucson take steps to improve public safety at the Ronstadt Transit Center. This would involve a Crime Prevention Through Environmental Design (CPTED) study. It could also involve the sale of portions of the Congress Street and 6th Avenue frontages for commercial development.

3. The Downtown Tucson Partnership, the City of Tucson, and other public agencies (i.e. Pima County Public Library) work together to improve the utilization of Jacome Plaza and Armory Park. In the interim, steps should be taken to increase park lighting and public visibility where warranted.
7.4 Making Downtown Tucson More Accessible

Downtown Tucson’s non-central location has hindered its ability to attract new investment. While little can be done to change the geography, steps are being taken that will reduce travel time to Downtown from various parts of the city. These projects include: the I-10 improvements, the Modern Street Car, the Downtown Links, and the proposed Broadway Boulevard upgrading.

One-Way Streets – An Impediment to Way Finding and Local Circulation

Within the Downtown, however, there remain impediments to accessibility. Far too many of Downtown’s streets are restricted to one-way traffic. Except for Broadway Boulevard and Congress Street, these one-way streets do little to facilitate the movement of through traffic and do much to confuse the driving public.

Parking Concerns – Supply versus Demand

Downtown Tucson has a perceived parking problem, which in many respects defies reality. The Downtown Core has 14,000 parking spaces (i.e. slightly more than the number of people who work there).

There are, of course, locations where the competition for on-street parking is stiff (i.e. Stone Avenue between Alameda and Pennington during the business day, and near the Convention Center and the various theatres during popular evening events), but there is always a sizable amount of parking available somewhere in the Downtown – often, just around the corner from your destination. It is fair to say, however, that Tucsonans who are unfamiliar with Downtown may not know how much parking is available, where it is located, and what it costs.

Redevelopment and the Cost of Providing Public Parking

As the existing Downtown surface parking lots are redeveloped, the amount of off-street surface parking will invariably decline. So too will the supply of on-street parking -- at least, relative to demand. This will undoubtedly lead to the construction of new public parking structures, but we should be careful about building too much public parking in Downtown Tucson too quickly.

Current parking prices are only a fraction of what it costs to finance the construction of structured parking today (i.e. $15,000 to $20,000 per stall for above grade parking and up to $50,000 per stall for below grade parking). Taxpayers should not be asked to shoulder too great a share of this burden.

Efforts should be undertaken, wherever possible, to make better use of existing on and off-street parking. For example, the Presidio and Public Works parking garages currently are closed on evenings and weekends due to limited demand. As demand increases, they can remain open and absorb the additional demand.

Efforts should also to encourage those commuters who do not need their cars during working hours to take public transit, car pool, or use alternate means to travel to work (i.e. walking, bicycling, etc.). This places less demand upon both the road system and Downtown Parking.

There are places, however, where construction of new public parking structures are currently justified or would be with new development. ParkWise is working to develop two new parking structures, including the...
Plaza Centro Garage (Congress at 4th Avenue), a garage to be build in association with the new convention hotel (Granada at Cushing). In the future, ParkWise may also build a public garage near the 4th Avenue commercial district.

Parking Prices – Perception vs. Reality

Many Tucsonans complain about parking costs in Downtown Tucson. This perception is largely unsubstantiated by the facts. Current public parking rates (i.e. $0.50 per hour at street meters, and $5 - $8 per day, and $50 - $85 per month off-street during business hours) in Downtown Tucson are among the lowest in North America. Almost all of this parking is offered for free in the evenings and on weekends. Even when parking is charged for on evenings and weekends, the costs are nominal; for example, the Pennington Garage charges $2 for parking during non-business hours.

Those who complain about the cost of Downtown parking, are very likely comparing it to the free parking that is available to them in the suburbs. Such comments, however, say as much more about Downtown’s perceived attraction as it does about the cost of parking. If Downtown can provide strong attractions, suburban residents will visit the Downtown, they will find places to park, and they will pay the parking fees.

As demand for public parking increases with redevelopment, parking prices will invariably increase. ParkWise should, therefore, implement a parking time and price allocation model that responds to changes in parking supply and demand on a location by location basis.

Accommodating Increased Bicycle Traffic

To be successful, Downtown Tucson must not only create pedestrian-friendly streets within the Commercial Core, but must also provide safe and attractive routes for alternate modes of transit. This is especially the case with bicycling. For many years, the City of Tucson has been working to accommodate bicycle lanes into its major road projects. These efforts can be expected to continue as the Downtown Links and Broadway Boulevard improvements area undertaken. Additional bicycle routes, such as ‘the Greenway’ near the I-10 Frontage Road and a route connecting the Downtown Links to Arroyo Chico have been proposed and should be built to accommodate bicycle commuter traffic.

Accessibility Recommendations

To make Downtown more accessible, it is recommended that:

4. The City of Tucson, over the next five years, convert the following streets to two-way traffic:
   o Stone Avenue (between Broadway and Toole);
   o 6th Avenue (between Broadway and at least Speedway);
   o Pennington Street (between Scott Avenue and Church); and
   o Alameda Street (between 6th Avenue and Church).

   The immediate priorities for conversion should be Pennington and Alameda. Conversion of Stone and 6th Avenue would most likely occur as part of the Downtown Links project.

5. The Downtown Tucson Partnership and ParkWise establish and maintain programs which better inform the public about the location of Downtown parking, the cost, and the best ways to access it.
6. ParkWise adopt a market-based pricing and time allocation model for the most heavily used on-street parking areas in Downtown to ensure their optimum utilization.

7. Pima County open its two Downtown parking structures (i.e. The Presidio and the Public Works Garages) to public parking on evenings and weekends as demand warrants.

8. The City of Tucson, ParkWise, the Downtown Tucson Partnership, and private developers work together to ensure that as Downtown develops, additional public parking can be provided in a cost-efficient manner.

9. The City of Tucson begin development of the proposed ‘Greenway’ project, as well as a new bicycle route as part of the proposed landscape improvements along Arroyo Chico that will eventually connect to similar bicycle routes along the Downtown Links.

10. ParkWise increase the number, and improve the quality of, bicycle lockers in its parking facilities as demand warrants.

11. TDOT increase the number of bicycle racks on the street as demand warrants.

### 7.5 Making Downtown Tucson A Better Place for Commerce and Development

**Encouraging Office Development**

While Downtown Tucson is not likely to become a major office center in the manner of San Diego, Portland, or even Austin, it is still important to attract as many of Tucson’s local office operations as possible.

There are certain types of companies that should logically be located in the Downtown. This includes those companies involved in finance and law, those that would benefit by being close to Pima County’s and the City of Tucson’s administrative offices (i.e. real estate developers, engineers, architects, etc.), and those that would benefit from having a more public location for their head offices (e.g. utilities that serve local consumers). These companies should be targeted and recruited to relocate to the Downtown.

Any increase in the Downtown office population will lead to the development of new office buildings. Developers who specialize in downtown office-commercial development should be recruited to assume this task.

Current downtown net rents are approximately two-thirds of what is required to build new office product, but rents will rise as demand increases. Today, development of a four-story office building, with some ground floor retail, and one level of underground parking would require a net rent of between $25 and $30 per SF. This is slightly more than the $20 - $25 per SF net rents being charged for premium office product in the suburbs, where surface parking can be readily provided.
For this reason, Downtown’s first new office buildings are likely to be owner-occupied. TEP’s proposed 100,000 SF office building is an example of this. In time, however, multi-tenant buildings can be developed as well.

**Adopting a Consumer Service Culture in the Development Services Department**

It is critical that when private developers attempt to build in the Downtown they are working with a development services department that exists to serve them. This begins with a simple, straightforward set of development regulations and application procedures. Developers should know what is required of them before they purchase land for development. And, they should be assured that if they build according to the rules, they will receive their entitlements in a timely manner (i.e. within a few short months).

The same goes for the renovation and reuse of older buildings. Permission to reoccupy of buildings which remain in service should not be unduly withheld. Certificates of Occupancy, in this situation, should be granted *within one week.*

Building renovations to historic buildings, in particular, should not be inordinately delayed by procedural matters. Where building code equivalencies are required, they should be granted in a timely manner. Reinvestment in historic buildings is an expensive and economically risky task, development services must assume an assisting rather than an inhibiting role in this process.

**Changing the Land Use Code**

Tucson’s Land Use Code is poorly organized, awkward to use, out-dated, and anti-urban in its bias. The City of Tucson is currently in the process of revising the Land Use Code. The initial work, which has resulted in changes to the Infill Incentive District and parking requirements, is promising.

By the end of 2011, the new Land Use Code should be in place. A new land use district specifically designed to accommodate urban-oriented development on arterials in Central Tucson (e.g. Broadway, N Main, Oracle, Stone, S 6th Avenue, etc.) should be included in the new Land Use Code. Revisions to the Downtown land use districts should also be undertaken especially as they related to parking (see below).

**Improving the Certificate of Occupancy Process**

Changes have recently been made in the Certificate of Occupancy process. Prior to these changes, reoccupation of vacant commercial buildings in Tucson often required expensive changes to the building, landscaping or on-site parking. Where these changes were necessary for human safety, they were justifiable. Where they were the result of post-development Land Use Code changes (e.g. additional parking required beyond what was part of the building’s original entitlements), they were wholly unjustified.

The Certificate of Occupancy process should continue to be streamlined. Changes in the Land Use Code in areas such as parking should be helpful in this regard. Reoccupation of existing historic buildings is critical to the revitalization of Downtown Tucson; all necessary steps should be undertaken to facilitate this process.
Reforming the Sign Code

Tucson’s Sign Code does not permit the development of the ‘Landmark Signs’ that, Tucson is ironically known for. Many of the remaining historic landmark signs in Downtown and along arterials such as Oracle and Miracle Mile are threatened by these regulations.

The Sign Code also does not permit the development of ‘Retro Signs,’ i.e. recreations of landmark signs on historic buildings. At one time, Downtown was a virtual sea of landmark signs stretching along Congress and Broadway as far as the eye could see. Downtown’s historic buildings must be given the opportunity to ‘reacquire’ their landmark signs.

Tucson’s Sign Code should be changed to protect existing landmark signs and accommodate contemporary versions of the landmark signs that formerly dominated the Downtown Tucson streetscape. The City of Tucson has begun the process of reforming the Sign Code; hopefully the necessary changes will be made in 2010.

Revising Downtown Parking Requirements

The current Land Use Code requires 1 parking stall for every 400 SF in most office developments and 1 parking stall for every 300 SF in other commercial developments within the Downtown core. These parking requirements may be relaxed by as much as 100% if the property is located within the Rio Nuevo Overlay District. The cost of providing parking in the Downtown core is a major development expense.

These are particularly high parking standards which do not encourage office or commercial development in Downtown. Provision of parking is an expensive component of downtown development projects. Developers need to have certainty about the amount of parking that they will be required to provide when they are considering purchase of a Downtown property for development. The parking relaxations potentially allowed in the Rio Nuevo District Overlay do not provide that level certainty.

A reasonable parking standard for new office and commercial developments in Downtown Tucson would be 1 stall per 1,000 SF. This would amount to approximately 1 parking space for every three office employees. Such a parking standard would be designed to accommodate medium density development (i.e. 2 -3 FAR) and encourage greater use of public transit. No additional parking should be required in the reuse of existing historic properties. The Rio Nuevo Overlay District parking relaxation should also remain in place to address special circumstances.

Sale of Surplus Government Lands and Buildings

It is difficult to find large developable sites in Downtown Tucson. This situation is aggravated in part by extensive government land holdings.

The City of Tucson and Pima County are the two largest property owners in Downtown Tucson. Surplus lands and buildings exist within each of their holdings. These properties should be sold for private sector use or development.

The City of Tucson recently sold the historic MacArthur Building to Madden Media for $1.7 million. The sale has allowed Madden Media to bring its 75 employees to the Downtown. This addition alone is expected to
add $200,000 in retail and restaurant sales to the Downtown economy. It will also result in additional TIF revenues being generated, as well as increased sales and property taxes.

The City of Tucson has offered large tracts of land in Mission District for sale for development as part of the Rio Nuevo program. They have also offered other lands for development in the Commercial Core (i.e. the Presidio Terrace, El Mirador, and Plaza Centro sites) for redevelopment. Pima County is also offering a site at 77 E Broadway for sale for development, as well.

The City and the County should continue offer surplus lands and buildings for sale for reuse or development as they become available. The City should move forward with the sale of its surplus lands in the Convention District for commercial development. Additional surplus lands may also exist in the Mission District.

Pima County should move forward with its plans to sell for development its property located along the street car route (i.e. Southbound 1-10 Frontage Road and Cushing Street), currently occupied by an aging health care facility. In the latter case, relocation of the health facility would be required.

The Industrial Development Authority owns a prime development site, known as Lot 175, on Stone and Council. It too should be sold for redevelopment.

Holding onto surplus public and quasi-public lands and buildings is an impediment to encouraging private reinvestment in Downtown Tucson; it also does nothing to assist in developing the public tax base.

**Development of the new Pima County Courthouse**

Construction of Pima County’s proposed new Courthouse, located on Stone Avenue between Toole and Alameda, was halted in 2008 because of insufficient funding. This occurred partly as a result of increased archeological costs associated with the relocation of a former burial site on the lands.

Pima County intends to carry on with the development as funding permits – a new bond issue is anticipated in 2010. The project is currently being redesigned to be built in two phases. Construction of the first phase could begin in 2011.

**End the Location Restrictions on Licensed Establishments In Downtown Tucson**

The State of Arizona has legislation that restricts the location of a business with a liquor license within 300 feet of a church, school, or playground. While this legislation may be appropriate in suburban communities, it is wholly inappropriate in a mixed-use area like Downtown.

This legislation was written prior to the advent of charter schools – many of which are now located in Downtown Tucson. Today, there are virtually no locations in the Downtown Core in which a new liquor license would be permitted. The licensed establishments that remain in the Downtown Core exist only because they have been ‘grandfathered,’ i.e. they existed before the legislation was put into effect and have an exemption.

A State Representative has introduced a Bill, which would reduce the area restriction from 300 feet to 100 feet in areas, like the Downtown, which could be designated by the municipal council. It would also allow schools and churches to waive their rights to the new 100 foot buffer zone, to end situations in which the introduction of new churches and charter schools faces local business opposition because the effect of the
buffer zone. The proposed legislation is designed to protect suburban areas, while allowing mixed-use areas like Downtown to function. It should be enacted.

Grant the Municipality Greater Powers to Influence Change through Rezoning

Proposition 207, which became law in the State of Arizona, has made it very difficult for municipalities to rezone land for redevelopment. Proposition 207 expanded a property owner’s right to compensation for a loss in value caused by changes in land use laws.

While Proposition 207 was designed to protect homeowners in residential areas, it has significant unintended consequences. Municipalities are reluctant to consider either minor or wholesale changes to their zoning regulations for fear of compensation claims (including spurious claims) by property owners – even when those zoning changes are likely to have the effect of increasing property values.

Municipalities, such as the City of Tucson, now have to try redevelopment approaches that aren’t well-suited to the task, such as the introduction of ‘overlay zones,’ which retain the property owners’ original zoning while providing property owners the option of developing under a new set of rules. This is very awkward way of directing change. It creates situations where a property may be zoned for industrial development but have a higher-density mixed-use zoning overlay applied to it. This will, as more and more overlay districts are created, lead to a confusing maze of potentially contradictory land use regulations being applied to properties.

One possible solution would be to change the legislation adopted as a result of Proposition 207 to allow the municipality to designate an area, like Downtown Tucson, as a redevelopment area in which the requirements of Proposition 207 would not apply. In declaring a redevelopment area, the municipality would be required to ensure that future changes in zoning would involve increases in density or changes accommodating higher-order uses. This change which would require approval by the voters of the state could help to facilitate private reinvestment in urban redevelopment areas, while protecting residential communities not included in the redevelopment area.

Commerce and Development Recommendations

To make Downtown Tucson a better place for commerce and development, it is recommended that:

12. The Downtown Tucson Partnership work to recruit new office tenants and commercial developers to Downtown Tucson.

13. The City of Tucson create and maintain a new ‘assisting culture’ in the Development Services Department by making changes to the development review process to provide greater certainty and timeliness of development approval for projects in Downtown Tucson.

14. The City of Tucson change the land use code to reduce the minimum commercial (i.e. office, retail, and restaurant) parking requirement in new Downtown buildings to 1 stall per 1,000 SF of development; and eliminate the minimum parking requirements for historic buildings (including expansions) in the Downtown.
15. The City of Tucson complete the changes to the Certificate of Occupancy requirements currently underway and make changes to their review processes, so that a tenant seeking to reoccupy an existing space (where no building safety issues exist can receive approval) within one week’s time.

16. The City of Tucson complete the proposed changes to the Sign Code to allow Landmark and Retro Signs on historic properties and in the Downtown Core, as called for by City Council.

17. The City of Tucson initiate a process for the sale of surplus lands for commercial development in the Convention District.

18. Pima County continue its efforts to sell surplus lands for development in the Downtown area, including 77 E Broadway and the 1-10 Frontage Road/Cushing Street property.

19. Pima County proceed with a phased development of the new Court House as funding becomes available.

20. The State of Arizona approve legislation which would reduce the buffer between licensed establishments and schools, churches, and playgrounds from 300 to 100 feet, in areas designated by the municipal council, such as Downtown Tucson.

21. The State of Arizona amend its legislation (Proposition 207) to allow municipalities to more freely rezone land in designated redevelopment areas without the risk of spurious compensation claims.

7.6 Making Downtown Tucson More Attractive

Downtown Tucson, like any North American downtown, provides both attractive and unattractive settings. A number projects are currently under construction or proposed which are intended to improve Downtown Tucson’s appearance. This includes extensive street improvement projects such as those recently completed on Scott Avenue and in the East Congress Area. Other improvements are planned for Congress Street, Broadway Boulevard, along the Downtown Links route, in the Convention District, and on the West Side. These projects will do much to improve Downtown’s appearance.

Congress Street and Broadway Boulevard Improvements

Scott Avenue, Congress Street, Broadway Boulevard, and two blocks of Arizona Avenue were to be upgraded as part of the Downtown Infrastructure Improvement Project (DIIP) which is to be funded as part of the Rio Nuevo program. The improvements on Scott Avenue were completed in May 2009, but the remaining improvements have been postponed as a result of the economic recession. Completion of these street improvement projects is called for as funding permits. Ideally, the improvements should be undertaken prior to commencement of regular Modern Street Car service in 2012.

Second Phase – Façade Improvement Program

Downtown revitalization efforts must include its Downtown’s vacant and underutilized historic buildings, many of which are in advanced states of disrepair. The prospects for many of these buildings are limited. Vacant buildings obviously cannot provide the owner with income that can be reinvested in the building. Deferred
maintenance not only makes the building less inviting to prospective tenants but also more expensive to renovate. A similar situation exists with underutilized buildings, where the rents are too low to pay for more than just every day operating costs.

Recent steps have been taken to change this situation. The City of Tucson, for example, is currently funding a façade improvement program to assist owners to rehabilitate their older buildings. The program, administered by the Downtown Tucson Partnership and the Business Development Finance Corporation, is providing approximately $450,000 in matching funds to assist five building owners with façade renovation work (i.e. 64 E Broadway, the Screening Room, the Rialto Block, 111 E Congress, and Beowulf Alley Theatre).

There has been a very favorable response to this program. In July 2008, 23 applications representing over 30 buildings were received. The hearty response to the program suggests that many Downtown property owners are prepared to reinvest in their buildings if the risks can be mitigated.

A second phase of the Façade Improvement Program should now be funded, perhaps at a 40% public contribution. The Downtown Tucson Partnership should lead the effort to find a source of funding for the program.

**Short Term Adjustments to Jacome Plaza and Armory Park**

As previously discussed, both Jacome Plaza and (to a lesser extent) Armory Park are recipients of nuisance behavior. In the short term, steps should be taken to improve their lighting and public visibility. One such project is now underway. The City of Tucson and the Downtown Tucson Partnership have committed $90,000 to remove the ‘grassy knoll’ on Jacome Plaza, replacing it with a level lawn, new seating area, and improved street vending area along Pennington Street. Other interim measures, such as improved lighting, should be considered in both parks.

**Redesign and Reuse of Jacome Plaza**

Downtown Tucson lacks a major outdoor event space. All too often Downtown producers are forced to accommodate their events in spaces ill-designed and equipped for such purposes (i.e. Presidio Park) or by closing streets (i.e. Congress). Use of such spaces creates additional expenses (e.g. temporary stages, lighting, and equipment must be brought in to service the site) and unnecessary congestion (when streets are closed to serve as sites for events).

Jacome Plaza is well-suited to becoming a major Downtown event space. It is a large, centrally located open space which provides an attractive setting for such a venue. It has significant spaces which are not, at present, intensively used. It currently suffers from underuse – which can be an encouragement to those who engage in nuisance behaviors.

It is proposed that Jacome Plaza be redesigned and redeveloped to incorporate:

- An improved street vending area, that can front both Pennington Street (to the south) and a performance area (to be located to the north);
- A permanent and fully equipped performance stage, that can be opened for performances but enclosed and contained during non-use periods;
• A large, flat open area that can accommodate temporary seating for performances, but can also be used for an expanded street fair or market;
• An outdoor ‘reading room,’ adjacent to the Joel Valdez Public which contains shaded seating, a small children’s play area, refreshment stand, water feature, and site for temporary art installations;
• A small, but permanent, restaurant facility with an outdoor seating area;
• Self-cleaning, self-secured public washrooms;
• Improved lighting; and
• An enclosed storage facility for parks maintenance and events-related equipment.

This is a major redevelopment of the Plaza and it is expected that it will take a number of years to obtain the necessary funding (e.g. perhaps $2 Million). One possible source of funding, in addition to traditional tax-support sources, could involve proceeds from the sale of a portion of the Plaza for redevelopment.

Originally, the Pennington Street frontage was designated as a future development site. A more appropriate location would be at the NW corner of the Plaza. A three to four story development in this location would not interfere with the Plaza’s main area of operations and would not obstruct views to the historic Pima County Court House. The proposed restaurant facility could be incorporated into the development. Proceeds from the sale of the land could assist in funding the Plaza Improvements.

**Development of a Public Plaza on the Convention Center Development Lands**

Development of a public plaza that would include a major fountain and public performance area should be included in the lands to be developed adjacent to the Tucson Convention Centre and new convention hotel. The proposed plaza should include a public fountain and performance areas and could be incorporated into a new restaurant district to be created in the area – possibly located on the east side of Granada north of the new convention hotel.

**Redesign and Reuse of Armory Park**

Armory Park is a much loved Downtown open space, which has experienced diminished use in recent years. Many of the park’s facilities, including the performance stage, require replacement. The current stage is unequipped and poorly sited. The park’s outdoor recreational facilities are poorly maintained and underutilized. The park’s landscaping, in its mature state, blocks the view of the stage and makes the location of performance seating problematic.

Improvements to Armory Park should be undertaken to improve stage and seating areas, and to improve lighting levels and visual surveillance.

**Expansion of Iron Horse Park**

Iron Horse Park is a small community open space near Broadway and the Barraza-Aviation Parkway. The construction of the Downtown Links will leave residual land parcels that, if incorporated into park, would nearly double its size. The Iron Horse Neighborhood Association has prepared plans for the expansion of the park. One issue, that remains to be resolved, involves Arroyo Chico. The Arroyo currently is partly covered and partly open within the Park. The open portion has been fenced to control illegal camping. Covering the remainder of the Arroyo would significantly increase the Park’s utility and should be considered in its redesign. The expansion of Iron Horse Park in either format is recommended.
Residential Street Narrowing and Landscaping

Enhanced landscaping along residential streets in the Downtown Neighborhoods can play a significant role in the revitalization of Downtown. Such landscaping projects can take the form of:

- Boulevards, such as those found on Main Street in El Presidio, or
- Narrowed roadways with wide curb-side landscaping, such as Scott Avenue.

The potential exists to substantially increase the number of boulevards or road narrowings within the Downtown Neighborhoods, as the right of way on many local streets are significantly greater than what is required to accommodate local traffic.

One such street is 4th Avenue, south of Broadway. It is recommended that a demonstration project be developed on 4th Avenue that would result in the creation of a boulevard, landscaped with drought-tolerant plantings, sustained by using water harvesting techniques. Should this project be well-received, additional locations should be found for this purpose.

Attractiveness Recommendations

To make Downtown Tucson a more attractive place, it is recommended that:

22. The City of Tucson undertake street improvements on Congress Street, Broadway Boulevard, and the remainder of Scott Avenue as called for in the Downtown Infrastructure Improvement Project as funding permits.

23. The Downtown Tucson Partnership should seek funding for a second phase of the Downtown Façade Improvement Project.

24. The City of Tucson undertake the necessary renovations to Jacome Plaza that would allow it to function as Downtown’s premier outdoor event space as funding permits.

25. The City of Tucson designate the NW Corner of Jacome Plaza as a potential development site, instead of the Pennington Street frontage, and at a future date consider selling the site for development and that the proceeds from the sale of that property be used to assist in funding the proposed improvements to the Plaza.

26. The City of Tucson make provision to include the development of a public plaza, with a major fountain and public performance area, on the lands to be developed adjacent to the Tucson Convention Center and new convention hotel. Sale of the lands to be commercially developed could be used to fund the proposed plaza.

27. The City of Tucson undertake minor improvements to Armory Park to support its continued use as both a Downtown and neighborhood open space.

28. The City of Tucson undertake the expansion of Iron Horse Park, in association with the Downtown Links project.
29. The City of Tucson undertake a residential road landscaping demonstration project on a selected neighborhood street (e.g. possibly 4th Avenue S) as funding permits.

7.7 Making Downtown Tucson More Exciting

While some Tucsonans may not realize it, Downtown Tucson already is an exciting place. The breadth and depth of its arts, cultural and entertainment programming far exceeds what could normally expected in a city of one million people and that programming is concentrated in the Downtown Core and nearby at the University of Arizona.

Arts, Culture and Entertainment (ACE) is Downtown’s greatest strength and successful downtown revitalization strategies almost always begin from positions of strength. In Downtown Tucson’s case, we must take steps to not only support our current ACE facilities and companies, but expand ACE programming beyond them.

The Rio Nuevo program has already funded renovations to the Rialto Theater and the Fox Theatre. It has also paid for the development of El Presidio de Tucson. Rio Nuevo's capital investment plan also contains proposals to develop new major facilities on the West Side including: Tucson Origin’s historic park, and a new Arizona State Museum, University of Arizona Science Center, Tucson Children’s Museum, and Arizona Historical Museum.

Other investments in ACE facilities and the non-profit companies that operate them will, however, be required over the next 10 to 15 years, including:

- Refurbishments to the Tucson Music Hall and Leo Rich Theater;
- Development of a new concert hall for the Tucson Symphony Orchestra;
- Improvements to the Rialto Theatre;
- Increased programming at the Fox and Leo Rich Theatres;
- Increased capitalization for the Fox Theatre, Beowulf Alley Theatre and The Screening Room;
- Renovation and reopening of the Cursillo (community arts theatre);
- Expansion of the Tucson Museum of Art;
- Reuse of the former Fire Hall by the Museum of Contemporary Art;
- Financial stabilization for many of Downtown’s smaller museums and attractions; and
- Renovation, Reuse, and New Development in the Historic Warehouse Arts District.

7.7.1 Performing Arts Facilities

Leo Rich Theater

The 511 seat Leo Rich Theater was built in 1986 and served briefly as a home for the Arizona Theatre Company. ATC then relocated to the historic Temple of Music and Art following its renovation in 1990. Since that time, Leo Rich Theater has been underutilized. It serves well as a home for the Friends of Arizona Chamber Music, who program about 15 to 20 dates per year. Beyond this, however, the Leo Rich Theater receives little use. This facility is now over twenty years old and requires refurbishment to support its continued use. It also needs to be more intensively programmed.
The Downtown Tucson Partnership is committed to increasing the use of Leo Rich Theater, in which it hosted First Night 2009 and 2010, as well as the 2010 Downtown Tucson Latin Jazz Festival. The Leo Rich Theater needs more than these additional events to become successful, however. Acquisition of another resident arts company (i.e. in additional to the Friends of Arizona Chamber Music) is proposed.

**The Tucson Music Hall**

The 2,227 seat Tucson Music Hall was built in 1986 as a multi-purpose music hall. It currently hosts the Tucson Symphony, the Arizona Opera, Ballet Tucson, and Broadway in Tucson (BIT). The Music Hall has all of the advantages of a multi-purpose facility – i.e. it accommodates four major performing arts companies. It also has many of the disadvantages of a multi-purpose facility – i.e. it does not serve the Tucson Symphony well by contemporary artistic standards.

The Music Hall is over twenty years old now and requires refurbishment to support its continued use. Development of a new symphony hall would have the effect of providing additional dates for the remaining performing arts companies that utilize it, giving them the potential increase their programming. This is particularly important to Broadway In Tucson which has difficulty acquiring the dates necessary for its continuing operation – especially the ‘block-buster’ performances requiring three-week bookings. This would also increase use by single-event performances other performing arts companies with lesser schedules.

In the interim period, however, steps need to be taken to make the Music Hall more available to shows produced by Broadway In Tucson. The current reservation system, which gives precedence to the TSO and the Opera, needs to be revised.

**A New Symphony Hall**

One of Tucson Symphony Orchestra’s long term goals involves the development of a new symphony hall. While the Tucson Music Hall has provided suitable accommodation for the TSO for many years, the Music Hall’s configuration and acoustics are not up to modern standards and the performing arts companies that utilize it must compete for available dates.

Over the next 10 years, steps should be taken to achieve the TSO’s goal of building a new symphony hall. The first step in this process involves securing a site. The site would preferably be located within the Convention District and should be reserved by the City of Tucson for the TSO’s future use.

The new symphony hall could very well cost between $60 and $80 million, in today’s dollars. This project is not included in the Rio Nuevo program and cannot, therefore, be expected to receive TIF funding. It will take considerable time and community support to achieve its realization, but construction of a new symphony hall will certainly be worth the effort.
The Fox Theatre

The 1,200 Fox Theatre was originally built in 1930 as a movie palace and vaudeville theater. It operated for many decades as Tucson’s premier cinema, but closed in 1974. The Fox had become obsolete by modern standards, i.e. having too many seats, only one screen, and very high operating costs per showing.

The Fox reopened in December 31, 2005. Funds for its restoration and reopening were provided from a community-based fundraising campaign and Rio Nuevo. The modern Fox Theatre shows classic movies, operates as a ‘road house’ for musical events, and is used for various private and public events. It has struggled financially since its reopening. The Theater’s classic movie program is not self sustaining – movie attendance rarely provides sufficient sales receipts to meet full operating and rental costs. Similar cost difficulties have also plagued the Theater’s music and public/private events programming.

Fox Theatre management is now being reorganized with assistance of the City of Tucson. The Fox Theatre Board of Directors is attempting to raise new working capital and book enough musical events to provide sufficient operating revenues. The Fox Theatre is still exploring ways to show movies economically as this is part of its heritage and, in its most recent season, progress is being made.

The next step in the Fox reorganization is a successful capital campaign, which may include the sale of naming rights. With recapitalization, the Fox would be better to operate its own programming, partner with other groups to produce programs, etc. The possibility adding ‘house’ performing arts companies that could operate a season of events should also be considered.

Beowulf Alley Theatre

The 95 seat Beowulf Alley Theatre, located on 6th Avenue between Broadway and Congress, fills a unique niche in the Downtown Tucson arts scene. Beowulf provides opportunities for emerging artists and playwrights. The Theatre’s small size has both advantages and disadvantages – operating costs are reduced, but so is revenue potential. What the performing arts company really needs is additional capital for licenses and equipment to increase programming capacity and revenue potential.

Beowulf Alley Theatre has begun a modest capital fundraising campaign for these purposes and community funding support is required. In this case, a small amount of working capital could allow Beowulf to double the use of its existing facility.

Beowulf is also a recipient of the City of Tucson’s Façade Improvement Program. The Theatre is currently raising matching funds to undertake the renovations.

The Screening Room

The Screening Room is a small arts cinema that operates out of a storefront on Congress Street. It is one of the beneficiaries of the City of Tucson’s Façade Improvement Program. The Screening Room will be adding a marquee to the front of the building and undertaking other related façade restoration work. The organization expects to substantially increase its programming following the completion of the improvements. Like Beowulf, a modest amount of additional working capital could greatly assist the Screening Room in its operations.
Reopening the Cursillo

In the 1980’s, the historic All Saints Church began to be used by arts and community groups. Commonly known as the ‘Cursillo,’ the City of Tucson-owned Tucson Center for the Performing Arts was managed by the Arizona Theatre Company on behalf of the community. It operated until 1999, when structural problems with its foundation forced its closure. Funds from Pima County were recently used to repair the foundation. About $500,000 is still required to complete repairs to the roof, which would allow the building to be reoccupied safely. Further renovations to the interior would be necessary for theater operations – depending upon the extent of the renovations, these additional costs could be another $1 Million +/-.

Many community groups are interested utilizing the 150-200 seat theater space. Before proceeding with any plans to renovate the building for theatre use, however, a business plan should be prepared. The reopened theater requires a capable operator, sufficient working capital, and a rental rate structure that is sufficient to support operations costs. Following the completion of a suitable business plan, which would include identification of a suitable operator, a capital fund-raising campaign could begin. Reopening of the Cursillo could be a low-cost, high-return project for Downtown Tucson.

7.7.2 Museums

The Tucson Museum of Art

The Tucson Museum of Art (TMA) has been located in Downtown Tucson for 85 years. It has outgrown its current facility and is looking to expand. The TMA is interested in moving into the north half of the Historic Courthouse. Space in this County-owned facility could become available following completion of the new Court House (whose construction is suspended pending refinancing).

This would be an excellent move for the TMA. It would allow the TMA to remain in their current facilities, while expanding to the historic Court House only a block away. The Court House and the TMA could have a symbiotic relationship. The Museum would provide the Court House with a suitable use, while the Court House would provide the Museum with an iconic structure that could become part of the TMA’s branding.

Estimates of the capital costs required for this move are $20 Million, half of which would be used to support increased programming. The TMA has proposed that $10 Million be raised through Pima County Bonds and that the other half come from a TMA-led community fundraising campaign.

Museum of Contemporary Art

Downtown Tucson’s newest museum, MOCA, has just moved into the former Downtown Fire Hall on a 5-year lease. MOCA is well advanced in its capital fundraising campaign to occupy the building.

This represents the next phase in MOCA’s expansion plans. It will provide them with permanent show space, improved offices, and the ability to offer an artist in residence program. The five-year lease and one-year notice provision is problematic, however, as it discourages capital investment in the facility. These provisions should be altered to accommodate more permanent occupation by MOCA.
Other Museums in Downtown Tucson

The Arizona Historical Society and Tucson Children’s Museum are expected to receive Rio Nuevo funding for new facilities on the West Side.

Other museums, such as the Presidio San Agustin de Tucson, Jewish Heritage Center, La Plilita, the Southern Arizona Transportation Museum, the Brown House (now occupied by El Centro Cultural de Las Americas), and the Sosa-Carrillo-Fremont House operate in Downtown Tucson with extremely limited funding. The Sosa-Carrillo-Fremont House was recently closed for lack of funding. The risk is that other may follow. A concerted effort needs to be undertaken to assist these small museums in attracting additional funding. They offer glimpses of Tucson’s history from some its most historic buildings and places.

7.7.3 The Historic Warehouse Arts District

The proposed Historic Warehouse Arts District is located on either side of the Union Pacific Railway, between Toole and 6th Avenues. Many of the properties along the Railway were acquired by the Arizona Department of Transportation (ADOT) for future road construction (i.e. an earlier version of the Downtown LINKS). ADOT leased the warehouses to visual artists at below market rents as an interim use. Other galleries and art studios are located in privately-owned warehouse buildings on the north side of the Railway.

This concentration of arts studios is now known as the Historic Warehouse Arts District. The City of Tucson and the non-profit Warehouse Arts Management Organization (WAMO) are attempting to create a permanent visual arts district out of this largely temporary situation. The City of Tucson has acquired some of the ADOT properties and hope to transfer ownership of them to WAMO. The goal is to capitalize WAMO, who could then renovate the existing warehouses and work with private interests to develop new studios, galleries, and artist housing on the vacant lands. In order for this occur, the remaining ADOT lands which are currently being offered for sale need to be acquired.

This is a very ambitious undertaking. The ADOT warehouses, which were slated for demolition, have not been properly maintained. The current rents that artists pay are too low to allow for renovation of the buildings. The ADOT lands are located along the Railway and many are subject to hydrocarbon contamination. WAMO is not as yet capitalized and no ready source of funding is yet available.

The idea of preserving, enhancing, and developing the Historic Warehouse Arts District is a good one. Time, however, is needed to obtain the resources needed to see this project to fruition. ADOT is not prepared to postpone the sale of its properties, some of which have already been sold. Purchase by sympathetic investors is now required.

7.7.4 Festivals and Events

There are a number of major festivals and events in Downtown Tucson, but there is room for many more. The Downtown Tucson Partnership is working to increase the number of significant festivals and events in the Downtown. Their program assumes that the new events will largely be financially self-supporting. Events recently initiated by the Downtown Partnership include: First Night on New Year’s Eve, the Downtown Tucson Latin Jazz Festival in September, and Dias de los Ninos in April. Other events will be added to the Partnership’s program in the future.
Beyond the Downtown Partnership’s programming plans, there is opportunity for additional initiatives. Many of the Downtown festivals are operated by non-profit societies and the majority of individual events are hosted by the existing performing arts and entertainment facilities.

7.7.5 Exciting Recommendations

To make Downtown more exciting, it is recommended that:

30. The City of Tucson include in its medium-term capital plans, funds for the refurbishment of Leo Rich Theater and the Tucson Music Hall.

31. The City of Tucson reserve a site in the Convention District for the development of a new symphony hall.

32. The Tucson Symphony Orchestra conduct a feasibility study as a first step in a long-term plan to build a new symphony hall.

33. The Fox Theatre, with community support, initiate a major recapitalization drive to increase programming and financial sustainability, which may include sale of the naming rights to the Theatre.

34. The Downtown Tucson Partnership assist Beowulf Alley Theater and the Screening Room in the initiation of modest recapitalization drives to allow them to increase their programming capacity and financial sustainability.

35. The Downtown Tucson Partnership and the Tucson Pima Arts Council work with local community performing arts groups to prepare a business plan as the first step in process or the reopening of the Cursillo.

36. Pima County and the City of Tucson each include funds for completing the Cursillo renovations in its next bond issue, based upon the completion of a satisfactory business plan.

37. Tucson Museum of Art, working with Pima County, prepare a feasibility study and capital fundraising plan for its share of the costs of moving into the historic Court House.

38. Pima County include in its next bond issue the funds necessary for renovations to the Pima County Court House to accommodate a new tenant – the Tucson Museum of Art.

39. MOCA continue, with community support, its current fundraising campaign to allow it to continue its renovation program for its new location, in the former Downtown Fire Hall.

40. The City of Tucson consider amending its lease with MOCA to eliminate the one-year notice provision and offer a series of five-year extended lease options, thus encouraging capital re-investment in the former Fire Hall.

41. The Downtown Partnership, work with a number of the smaller museums in Downtown Tucson as described in this report, explore ways and means of increasing their funding and capitalization.
42. The City of Tucson and the Warehouse Arts Management Organization continue their efforts to create a permanent financial base for the Historic Warehouse Arts District and work with sympathetic private interests to acquire the remaining ADOT properties now offered for sale.

43. The Downtown Tucson Partnership, working in association with appropriate partners, develop an expanded festival and events program for Downtown Tucson.

7.8 Making Downtown Tucson More Livable

Downtown revitalization will never be fully complete until large numbers of Tucsonans choose to live there – not only in the Downtown Neighborhoods but also within the Downtown Core. Attracting new residents will not be an easy task. Tucsonans who would be interested in living in the Downtown are deterred by the lack of shopping (i.e. grocery, pharmacy, etc.) and shopkeepers (who should be interested in expanding their market into the Downtown) are deterred by the current lack of residents.

Target Markets for Downtown Living

Residential development in Downtown areas is all about niche marketing. There are certain groups within the general population who would be interested in living downtown, if suitable conditions and housing opportunities existed. The most likely Downtown residents are:

- Employees who work Downtown and at the University of Arizona;
- Young professionals;
- Empty nesters;
- Senior citizens; and
- University students.

People in these subgroups are interested in living downtown because it:

- Reduces their commuting time (i.e. Downtown workers and, with the opening of the streetcar, U of A students and employees);
- Allows them to live in a less automobile dependent environment (i.e. students, senior citizens);
- Provides them with opportunities to enjoy the arts, cultural, and entertainment opportunities that exist in the Downtown (i.e. all of the above groups); and
- Offers a greater tolerance for diversity (e.g. many in the above groups).

Where they might choose to live in Downtown Tucson and what housing types they prefer, of course, varies considerably from sub-group to sub-group. Employees with young families will be more inclined to live in the Downtown Neighborhoods in single family homes, while singles and couples without children will be more willing to live in multi-residential buildings in closer proximity to the Downtown Core.

Market Housing Development

The strategy that is most likely to be successful in attracting residents to the Downtown in the short term would begin in the Neighborhoods, i.e. where thousands of Tucsonans already live and where additional lands are available for residential development. The private sector can be relied upon to lead the way with
infill development on vacant lots in the Downtown Neighborhoods and with multi-residential development on vacant and underutilized sites along arterials adjoining the Neighborhoods. Recruitment of lead developers and home builders, however, may be required to initiate this process as the real estate markets begin to stabilize in Tucson.

Efforts to develop housing in the Downtown Core should continue to made, however, as this area has an appeal to certain market segments of the population. The successful leasing of One North Fifth is a reminder of this.

The greatest challenge to development of market housing in the Downtown Core comes from the lack of a stable condominium market in Tucson. Multi-residential development in the Downtown Core occurs at higher densities than the rest of the city, which often necessitates the construction of structured parking. The costs of this parking, i.e. as much as $20,000 per stall for above ground parking and $30,000 to $50,000 per stall for below ground parking, drives up the cost of housing often beyond the reach of the rental markets. Consumers are generally prepared to pay more to own than to rent, however, and the existence of a mature condominium market in Tucson would greatly benefit Downtown residential development. Developers would have to receive prices in the order of $300 to $350/SF to build low-rise condominiums in Downtown Tucson. The price of high-rise housing would be even higher still – perhaps $500/SF – which is currently beyond the reach of most Tucsonans.

As the real estate markets stabilize and developers are successful in building infill projects in the Downtown Neighborhoods and lower density multi-residential projects on the arterials (i.e. in the Broadway Corridor), the condominium market should return. When that occurs, the pace of residential development will increase in Downtown Tucson.

**Affordable and Workforce Housing**

It is important that Downtown Tucson remains a place where people of all economic means can live. This is the case today in most of the Downtown Neighborhoods and the apartment buildings located in the Downtown Core. As demand for Downtown living increases, however, the balance may shift. The costs of developing housing in the Greater Downtown is more expensive than the norm in Tucson, due to higher land and parking costs, greater market and entitlement risks, etc. In time, the existing housing balance will likely shift, unless steps are taken to build additional affordable and workforce housing.

Downtown Tucson needs to build additional affordable and workforce housing so that it can remain a place where people from all walks of society can live. At the very least, Downtown must be able to accommodate the retail clerks, restaurant workers, and office administrators that help run the downtown economy and who would prefer to live there.

**Political Conflict Affects Our Ability to Develop Market Housing in Downtown Tucson**

The City of Tucson has established goals, expressed in terms of the number of affordable housing units that it wishes to be developed in the Greater Downtown area. The City, however, lacks the funds to ensure that such housing is built. In the absence of sufficient funding, this has led to community-developer conflicts which have not only failed to produce affordable housing, but have also defeated attempts to build market housing in the Downtown area.
A common scenario over the last few years in Downtown Tucson can be described as follows:

- A developer proposes to build a market housing project in a Downtown Neighborhood;
- Community opposition to the project emerges, some of which focuses on the provision of affordable housing within the project;
- Entitlements are delayed while negotiations take place – the developer offers to provide a few affordable units, while the activists call for more; and
- After a period of time, the developer abandons the project.

The dearth of downtown housing development suggests that the economics of market housing development are tenuous at best in Downtown Tucson. Requiring the provision of affordable units within a market housing project, in these circumstances, increases the market risk while lowering expected returns – and the political stalemate can lead to significant project delays and increased costs. The inclusion of affordable rental units can also create problems, in particular, for the developer when they attempt market condominiums.

The situation described about is occurring in the absence of an effective strategy to fund the development of affordable and workforce housing in Tucson. The City of Tucson has been attempting to develop a strategy and funding base for affordable and workforce housing development, but as yet, has been unsuccessful. Efforts must be redoubled in this regard.

It is, however, also important that the unintended consequences of promoting affordable housing development in Downtown Tucson be addressed. Developers should be allowed to build market housing without obligations to provide affordable housing. They are no more responsible for the affordable housing situation than are employers throughout the city or developers of single family homes in the suburbs.

The City of Tucson does have a land position in the Greater Downtown area that can be used with great effect to support the development of affordable and workforce housing. The City should offer significant amounts of this portfolio to affordable housing developers at nominal costs. The City also should establish a policy of allocating a greater portion of the revenues from the sale of City-owned downtown lands to the Housing Trust Fund. Other sources of income will also be required if any significant progress is to be made.

**Living Recommendations**

To make Downtown a better place to live, it is recommended that:

44. The City of Tucson continue its efforts to sell 301 W Paseo Redondo for residential development when the retail markets stabilize and a portion of the proceeds from the sale of the property be transferred to the City of Tucson’s Housing Trust Fund;

45. The City of Tucson aggressively indentify surplus properties in the Greater Downtown area that it can sell for affordable and market housing development, including the lands located east of the Northbound I-10 Frontage Road and north of 22nd Street.
46. The City of Tucson sell such identified surplus lands to suitable affordable and workforce housing developers at nominal costs;

47. The City of Tucson sell such identified surplus lands to suitable market housing developers at market value and contribute a portion of the proceeds of such sales to the Housing Trust Fund;

48. The City of Tucson increase its financial contribution to the Housing Trust Fund through the sale of other surplus City-owned lands;

49. The City of Tucson explicitly establish a policy of not requiring the inclusion of affordable housing units within Downtown market housing projects; and

50. The Downtown Tucson Partnership work with affordable and market housing developers to find and develop suitable multi-residential development sites in the Greater Downtown area.

### 7.9 Making Downtown Tucson A Better Place to Visit

Increasing tourist visitation to Downtown Tucson is critical to the revitalization process. Additional tourist spending is needed to compensate for Downtown low office employment levels. Many of the recommendations previously discussed will help to increase Downtown Tucson’s tourist draw; they will not be repeated here.

Tucson has excellent branding – people from around the world can identify the city with the old American Southwest. Downtown Tucson, with its Sonoran barrios and commercial buildings from the Territorial Period play an important role in delivering the authenticity of that imagery. Rehabilitation and reuse of the historic buildings is one of the most important things that can be done to make Tucson more attractive to visitors.

Expansion of the Convention Center and construction of a new convention hotel, as proposed in the Rio Nuevo program, is another important investment in promoting tourism in Downtown Tucson. The development of the proposed 525 room hotel will more than double Downtown’s Tucson’s room capacity and an expanded and improved Convention Center will be better able to attract conventions and meetings to the Downtown.

Developing the new convention hotel should not, however, our sole focus. Downtown Tucson needs additional hotels of various sizes and types. It also needs additional Bed and Breakfast establishments in the adjacent Downtown Neighborhoods.

As the Downtown’s revitalization becomes more apparent, the Metropolitan Tucson Convention and Visitors Bureau (MCTVB) should increase its efforts to promote Tucson as an urban cultural destination. Downtown Tucson can become the center of that advertising effort.
Visitation Recommendations

To make Downtown Tucson a better place to visit, it is recommended that:

51. The City of Tucson complete the renovations to the Tucson Convention Center and development of the new convention hotel.

52. The Downtown Tucson Partnership work with developers to facilitate additional hotel development in Downtown Tucson.

53. The Metropolitan Tucson Convention and Visitors Bureau, develop in conjunction with TPAC and the Downtown Tucson Partnership, an urban cultural tourism marketing component for use in its advertising and promotional campaigns.

7.10 Making Downtown Tucson A Center for Learning

The location of the University of Arizona and two Pima Community College campuses on the periphery of the Greater Downtown area has both positive and negative aspects to it.

The influence of the University of Arizona on Tucson in general and, specifically, on Downtown Tucson is both significant and positive. To a large extent the strong arts and cultural scene in Downtown Tucson is a by-product of the University of Arizona.

On the other hand, neither the University of Arizona nor Pima Community College has made any significant effort to offer courses in the Downtown Core. The 12,000 Downtown office workers represent an as yet untapped market for the University and the College.

Efforts should be made to entice the University of Arizona and Pima Community College to the Downtown Core. As an initial step, a surplus County or City owned building could be offered to accommodate classrooms. Ultimately, a Downtown campus should be developed to service the Downtown office population.

Steps should also be taken to attract other post-secondary institutions to Downtown Tucson, including private colleges, Arizona State University, Northern Arizona University, or perhaps universities from Mexico such as Universidad de Hermosillo which might offer courses in Latin American trade and commerce.

Another potential educational collaboration involves the possible development of a community media center in Downtown Tucson. This would be a new development housing Arizona Public Media (KUAT, KUAZ), Channel 12, Access Tucson, and possibly other community based stations.

A Center for Learning Recommendations:

To make Downtown Tucson a center for learning, it is recommended that:

56. Pima County and the University of Arizona continue in their efforts to establish an instructional facility in the Roy Place/Montgomery Ward building.
57. The University of Arizona and Pima Community College be encouraged to develop permanent
    instructional facilities in Downtown Tucson.

58. The City of Tucson and the Downtown Tucson Partnership attempt to attract other post-secondary
    educational institutions to the Downtown Core; and

59. The Downtown Tucson Partnership work with the various community-based media outlets to develop a
    Downtown community media center.

8. **Implementing the Strategy**

8.1 **Key Players in the Revitalization Process**

Downtown revitalization takes more time than modern expectations often allow for. Our collective impatience
frequently leads us in search of a single, all encompassing solution (e.g. building a downtown baseball
stadium). All too often, these single-focused interventions fail and precious time, money, and commitment
are lost.

If there is anything to learn from our peers in San Diego, Portland and Austin, it is that revitalizing Downtown
Tucson can be expected to take a full generation to be truly successful. Substantial change rarely occurs
overnight. Downtown areas are a complex web of social, cultural, economic, and political entities. Very few
problems exist or can be solved in isolation and opportunities will often not be fully realized until tangible
progress occurs on many fronts.

This does not mean, however, that progress cannot occur each year. Completion of every project, however
small can be a recognizable success and a building block for the future. Tucsonans, with each passing year,
will more readily respond to these ‘small steps’ as they accumulate.

The key players in the revitalization process include, but are not limited to, the following.

- The City of Tucson, its Council, administration and independent operating organizations;
- Pima County;
- The Rio Nuevo District Board;
- The State of Arizona;
- The Downtown Tucson Partnership;
- Tucson Regional Economic Opportunities, Inc.;
- The Fourth Avenue Merchants Association;
- The Marshall Foundation;
- The Regional Transit Authority;
- The Southern Arizona Leadership Council and other Business Groups;
- The Tucson Pima Arts Council;
- The Various Downtown and Midtown Neighborhood Associations and their Residents;
- The Various Downtown Arts and Cultural Organizations;
- The University of Arizona and Pima Community College;
• Downtown Property Owners, Tenants, Merchants, Private Developers, Investors, and Lenders; and
• Consumers.

The roles that each of these entities may play in the revitalization process is briefly summarized.

The City of Tucson

The City of Tucson is a key player in the downtown revitalization process; it has played the lead role to date. The City cannot, however, revitalize Downtown Tucson by itself. It must make room for others to assume important roles in the implementation process – especially as it relates to capital investment.

The City of Tucson must continue to play a leading role in the implementation of the Rio Nuevo capital investment, but it should share that role more equally with the Rio Nuevo District Board. The District Board has been authorized under State of Arizona legislation to play a leading role in the utilization of TIF funds, but has all too often taken a ‘back seat’ to City Council and the City Manager’s office.

Similarly, the City of Tucson must encourage the active participation of other private, public, and non-profit organizations in the downtown revitalization process. This may require relinquishing control of some projects or at least major aspects of them.

On the other hand, the City of Tucson must become more proactive in facilitating private capital reinvestment in the Downtown, by reforming its land use and sign codes, simplifying its development review and certificate of occupancy processes, etc. The local development industry has called for such reforms for many years, but change is slow in coming. Until such changes are made, private investment in the municipality in general and in Downtown specifically will be stilted.

City Council has called for these regulatory and administrative changes to be made, but they are not occurring quickly enough. To some extent, Council is calling on the bureaucracy to reform itself. A major culture change is required at Development Services to streamline the entitlements process, adopt a more supportive corporate culture, and increase certainty of development.

Various City departments and independent operating units, such as Transportation, ParkWise, Parks and Recreation, Community Services, and Real Estate Services have specific functions to perform regarding the implementation of projects and programs. These departments must be responsive to the dynamic nature of the Downtown; their projects and program must respond to changing needs and available resources.

Pima County

Pima County is a major property owner in Downtown Tucson. Its property investment decisions, such as the development of the new Court House and the purchase of the Bank of America building, have significant implications for the downtown economy. Decisions of this magnitude should occur within the context of a broader community consultation. Proposals contained in this report for the sale of surplus lands and the sale or alternate use of surplus buildings should be properly considered by the County’s leadership.

Pima County is a major parking operator in Downtown Tucson. Management decisions at the Presidio and Public Works Garages impact the rest of Downtown Tucson. As demand for evening and weekend public parking increases, current operating hours in these facilities should change to meet increased demand.
Pima County also provides funding for arts, cultural, and educational facilities, some of which are located in Downtown Tucson. Bond support for such projects as the Tucson Museum of Art’s proposed move into the historic Pima County Court House and the reopening of the Cursillo should also be given proper consideration by the County’s leadership.

**The Rio Nuevo District Board**

The Rio Nuevo District Board has been given a full range of powers, under Arizona legislation, to manage TIF revenues, borrow funds, and develop Rio Nuevo’s capital projects. At least in theory, the Board can work independently from the City of Tucson.

In practice, however, the District Board has not played a leading role in the Rio Nuevo program. The TIF funds, capital planning, borrowing, project planning, priority setting, and project implementation have all been managed by the City of Tucson. To date, recommendations for action have generally moved from the City Manager’s Office to City Council. Only after Council’s approval, are those recommendations presented to and adopted by the District Board.

It is now time for the relationship between the District Board and the City of Tucson to change. The District Board should be reorganized so that it has both increased membership and broader community representation. Recommendations for action should be initiated by the District Board, in consultation with the City Manager’s office, prior to proceeding on for City Council approval. In some instances, the District Board should be able to operate its own projects with little or no involvement by the City of Tucson. The District Board should also assume the responsibility for reporting on the TIF revenues, expenditures, capital borrowing, and the status of capital projects.

Direct citizen involvement must be a key component of the downtown revitalization process; changes to the Rio Nuevo District Board can provide an opportunity for that involvement.

**The State of Arizona**

The State of Arizona has been a passive partner in the TIF program since its adoption in 1998. It now looks as if it will become a more active partner in the process. While the exact nature of that participation is unknown at this time, it is welcomed. Reinvestment in Downtown Tucson will have a positive impact on Arizona’s economy and the State can play a positive role in this process.

**The Downtown Tucson Partnership**

The Downtown Tucson Partnership represents the interests of businesses and the Greater Downtown community in the downtown revitalization process. It has specific responsibilities within the Business Improvement District (BID) and more general responsibilities within the Greater Downtown area.


The Downtown Tucson Partnership’s mission is to make Downtown Tucson the most dynamic urban center in the Southwest. Its role may best be described as being *facilitating*. The Downtown Partnership is now...
focused on economic and cultural development in Downtown Tucson, in addition to the traditional clean and safe programs that it has operated in the past and continues to operate. The Partnership is undertaking a major organizational and financial restructuring to accommodate these additional responsibilities. As this restructuring occurs, additional Downtown Partnership resources can be used to promote economic and cultural development in Downtown Tucson.

**Tucson Regional Economic Opportunities, Inc (TREO)**

TREO was formed in 2005 to serve as the lead economic development agency for Greater Tucson. TREO offers an integrated approach of programs and services to support the creation of new businesses, the expansion of existing businesses within the region, and the attraction of companies that offer high impact jobs and share the community’s values.

The Downtown Tucson Partnership and TREO have a symbiotic relationship. The Downtown Partnership has a key role in implementing TREO’s Urban Renaissance Strategy, while TREO plays a key role in assisting those companies considering relocation to Tucson who are interested in a downtown location.

**The Fourth Avenue Merchants Association**

The Fourth Avenue Merchants Association (FAMA) has a specific responsibility for promoting and improving business along Fourth Avenue. It also has a general responsibility to support the revitalization process in the Greater Downtown area and, where possible, to assist in the protection and enhancement of adjacent residential areas. Fourth Avenue is a successful commercial strip and FAMA should continue its good work in this regard.

**The Marshall Foundation**

The Marshall Foundation is the developer and owner-operator of Main Gate. It too has the specific responsibility of promoting and improving business in the Main Gate area. It also has a general role in promoting the revitalization process in the Greater Downtown area and assisting in the protection and enhancement of adjacent residential areas. Main Gate is a commercial success and the Marshall Foundation should also continue its good work.

**The Regional Transit Authority**

The RTA is a major funder on three Downtown transportation projects: the modern street car, the Downtown LINKS, and the Broadway Boulevard widening. It works with the City of Tucson to ensure that these projects are developed in an efficient and timely manner. The RTA will very likely be responsible for preparing the next major transportation capital program in Metropolitan Tucson. When that does occur, the RTA should consider construction of a street car system along Broadway between the Downtown and Park Place.
The Southern Arizona Leadership Council and Other Business Groups

The SALC and other business and real estate industry organizations can play an important role in the Downtown revitalization process, by working with the City of Tucson to reform its land use codes and entitlements processes, and by working with the State of Arizona to reform legislation that negatively affects Downtown’s development. In the best scenario, these organizations will work in partnership with the City of Tucson and the State of Arizona to undertake this work. If progress stalls, however, they may have to assume the role of vocal critics.

These organizations can also assist by generally promoting redevelopment in Downtown and along the Broadway Corridor. They can do this best by providing objective information about the prospects and pitfalls of investing in Tucson’s Central Area to their members.

The Tucson Pima Arts Council

TPAC plays a pivotal role in the promoting the arts in Tucson and in providing support of various means to individual artists and arts organizations working within the Greater Downtown area. TPAC also manages the City of Tucson’s 1% for public art program. TPAC also plays a facilitating role by identifying issues of importance, exploring potential responses to arts community opportunities and challenges, etc.

It is important that TPAC’s voice be enunciated clearly as the Downtown revitalization effort proceeds. Development of the Arts and Culture in Downtown Tucson form a major component of the revitalization process. TPAC must become an active and vocal participant in the revitalization process.

The Various Downtown and Midtown Neighborhood Associations and their Residents

Tucson’s Neighborhood Associations work to improve the quality of life in their neighborhoods. They can play a productive role in Tucson’s Downtown and Central Area revitalization process if they act as champions of positive change. This means supporting compatible infill development within their residential areas, multi-residential development on the arterials located in the Greater Downtown, and medium-density commercial, multi-residential, and mixed-use development along the Broadway Corridor.

Supporting revitalization does not, however, mean that a Neighborhood Association must support every development proposal. Some of the future projects proposed may be inappropriate for their locations or may be of poor quality.

The Neighborhood Associations can also work with the City of Tucson and developers to ensure that any negative impacts of such development (i.e. parking ‘overspill’ into surrounding residential areas) are controlled through regulation and other appropriate means.

The Neighborhood Associations must also continue to work to improve their individual communities by championing community development projects and programs (e.g. park and street improvements, neighborhood crime watch or graffiti abatement, festivals and events, etc.)
The Various Downtown Arts and Cultural Organizations

There are literally dozens of arts and cultural organizations operating in the Greater Downtown area. In many ways, they are Downtown Tucson’s secret strength. They not only bring arts, culture and entertainment to Tucson, but they are catalysts for economic development. They attract tourists to Tucson and they help to increase the proportion of household spending retained locally.

Each organization has a specifically defined role to play in managing a facility, producing and marketing a program, etc. To succeed, they need to remain focused on their specific objectives, but together they can and must work to promote increased investment in arts and culture in Tucson.

The University of Arizona and Pima Community College

The University of Arizona and Pima Community College each have campuses within 1 mile of the Downtown Core. Neither institution, however, operates educational programs within the Core. Downtown workers could benefit from having access to classes within the Core. Both the University and the College should explore the possibility of providing such opportunities for Downtown workers.

The U of A and PCC also have a role to play in supporting the development of student housing in the Downtown Core. This may involve working with private developers of student housing to provide advice or non-financial assistance in the planning, design, and marketing of their projects.

Downtown Property Owners, Tenants and Merchants, Private Developers, Investors and Lenders

There is no such thing as a typical Downtown property owner, nor is there a typical Downtown property. While each property owner is likely to have different objectives, as a group they should be expected to behave in an economically rational manner. Downtown property owners should reinvest in their properties when the prospects of making a risk-adjusted rate of return are reasonable. They should also be expected to maintain their properties to acceptable minimum maintenance standards, regardless of their economic prospects.

Vacant land owners should also be expected to behave rationally by either developing their lands or selling them for development when an economically justifiable opportunity presents itself. As a rule, however, Downtown property owners should not expect financial assistance from government to reinvest. Downtown’s revitalization will be stronger if truly market-based investment decisions are the norm.

Similar things should be expected from commercial tenants and merchants, and from private developers, investors and lenders. Collectively, rational economic decision making should be expected from them. And, when they do choose to invest in Downtown, they should assume the full responsibilities of property ownership or tenancy. They should work not only for the betterment of their own investments, but for the good of the investment climate in the general area.

Consumers

Consumer buying behavior strongly influences the nature of the local economy. If, for example, Tucsonans decide to spend more time and money in Downtown Tucson, our Downtown will grow and prosper. The
existing shops and restaurants would become more profitable and new establishments would locate in the Downtown. If more Tucsonans choose to attend arts performances in the Downtown, those arts institutions will grow and prosper, offering expanded programming. If more Tucsonans purchased or rented housing in the Downtown Neighborhoods, more Downtown housing would be developed. Consumers, whether individual or in groups, can choose to make a difference – they can change the future of their city.

### 8.2 Recognizing and Responding to Opportunities for Change

Approval of this report by the Downtown Tucson Partnership’s Board of Directors in and of itself means very little. No state, county or civic policies will have changed. No new programs or capital projects will have been funded. State legislation and local regulations will remain unchanged. Without an effective implementation program, nothing of substance will have been accomplished.

This report does not present a ‘set-piece’ plan, but rather it offers a flexible strategy for Downtown Tucson’s revitalization. Downtown areas are dynamic places whose prospects are shaped by and through the interaction of many social, economic, technological, cultural, and political factors. There is no one ‘grand scheme’ that can be implemented to revitalize downtown and there is no one person, agency, or corporation that can single-handedly accomplish the task. Within this ‘spicy downtown mole,’ opportunities exist that can be exploited and challenges exist which must be addressed. Our collective ability to seize and take advantage of opportunities, while warding off challenges will largely determine Downtown Tucson’s future.

The Downtown Tucson Partnership is committed to play a key role in the downtown revitalization process and in the implementation of this revitalization strategy. There are very few initiatives, however, that the Downtown Partnership can implement on their own. Solid working partnerships with other key players in the public, private and non-profit sectors are required to move forward with Downtown’s revitalization. Opportunities to effect positive change must be recognized and responded to.

The Downtown Tucson Partnership can play a leading role in recognizing those opportunities, in building the coalitions needed to respond to those opportunities, and in moving on to the next set of opportunities. The Downtown Partnership can also be relied upon to recognize and face the challenges which stand in the way of Downtown Tucson’s revitalization.

‘Building the New Pueblo’ is offered to Tucsonans in good faith and with the hope that it will assist us in building a better city.
Acknowledgements and Process

The principal authors of this draft report are Glenn Lyons, CEO, and Teresa Vasquez, Downtown Planner, of the Downtown Tucson Partnership.

The draft report was tabled by the Downtown Tucson Partnership Board of Directors in May 2009. Downtown Partnership staff participated in nearly a score of meetings with over 500 people in attendance during the Summer and early Fall of 2009, in which the report was presented and discussed.

Gazetteer

The following geographic references are made in this report:

**Broadway (or Central) Corridor** – Refers to the six miles of Broadway Boulevard between Downtown Tucson and Park Place Shopping Center.

**Central Tucson or Central Area** – Refers to Downtown Tucson and Midtown in combination.

**Commercial Core** – Refers to the traditional mercantile center of the Downtown, generally located between Hotel Congress and City Hall.

**Convention District** – Refers to the area surrounding the Tucson Convention Centre, generally located south of Congress Street and west of Church Avenue.

**Downtown** – The central area of the city, generally located between the University of Arizona and ‘A Mountain’ -- sometimes referred to in the report as ‘the Greater Downtown’ to distinguish from the Downtown Core.

**Downtown Core** – Refers to the Commercial Core and Convention District in combination.

**Downtown Neighborhoods** – The ring of residential neighborhoods surrounding the Downtown Core.

**East Congress Area** – Refers to the area immediately surrounding Hotel Congress.

**Fourth Avenue** – The popular commercial street located north of the Union Pacific Railway.

**Historic Warehouse Arts District** – Refers to the area north of the Commercial Core, including Toole Avenue and the lands north of the Union Pacific Railway to 6th Street.

**Main Gate** – The commercial district located on University Avenue between Euclid and the main gate to the University of Arizona campus.

**Midtown** – A collection of neighborhoods located east of the University of Arizona in an area generally bounded by Fort Lowell Road and 22nd Street, Campbell and Wilmot Avenues. Midtown contains many residential neighborhoods developed in the mid-20th Century, as well as major commercial centers such as the El Con and Park Place shopping centers and the Williams Centre office area.

**Mission District** – Refers to new development areas within Menlo Park that are located south of Congress Street and west of the Santa Cruz River.
**West Side** – Refers primarily to the Menlo Park neighborhood, located to the west of the Santa Cruz area, which contains a new development area called the Mission District.

**Glossary**

The following urban planning, development and real estate words and acronyms are used in this report.

**Affordable Housing** – Refers to housing which is managed so that the maximum rent paid by a tenant does not exceed 30% of their gross household income. Generally speaking, the term applies only to those households making no more than 80% of the average household income.

**Apartment** – Refers to a residential building form in which dwelling units share common access to grade.

**Carriage Way** – Refers to the driving and on-street parking areas within a public right of way.

**Certificate of Occupancy** – Refers to a permit granted by the City of Tucson which states the maximum occupancy of a building, the type of occupancy allowed, and certifies that the building space meets the applied requirements of the International Building Code and other City of Tucson codes and ordinances. A Certificate of Occupancy is required prior to reoccupation of a building.

**Commercial or General Commercial** – Refers to a group of commercial uses, including retail, restaurant, service and some types of offices usually found on the first floor of a development.

**Common Area** – Refers to the portions of a building that are not leased to specific tenants but rather are used in common, including entries, lobbies, hallways, public washrooms, storage and mechanical rooms.

**Common Retail Unit (CRU)** – Refers to a ‘standardized’ space designed to be leased to any number of general commercial uses.

**Condominium** – Refers to a form of tenure in which portions (or units) of a building can be owned individually, with the land and remaining building areas owned in common.

**Couplet** – Refers to a pair of one-way streets, collectively providing service in opposite directions.

**Floor Area Ratio (FAR)** – Refers to a measure of density that is determined by dividing a development project’s building area by its site area.

**Gross Building Area** – Refers to the total building area, including all common area, but excludes basement and parking areas.

**Gross Rent** – Refers to the total rent paid by a tenant including rent for the space, common area costs, utilities and property taxes.

**High Density Development** – Refers to residential development that is built at more than 75 units per net acre or commercial density that is built at 3 FAR or more.

**High Rise Development** – Refers to urban development that is nine stories or greater in height.

**Land Use Overlay District** – Refers to an alternate set of land use rules that a land owner may choose to develop their property under regardless of the zoning rules in place.
Light Rail Transit (LRT) – Generally refers to any urban rail transportation system operating on an exclusive laneway.

Low Density Development – Refers to residential development that is built at less than 30 units per net acre, or to commercial development that is built at less than 1 FAR.

Low Rise Development - Refers to urban development that is four storeys or less in height.

Medium Density Development – Refers to residential development that is built at between 30 and 75 units per net acre, or commercial development that is between 1 and 3 FAR.

Mid Rise Development – Refers to urban development that is five to eight storeys in height.

Mixed-use Building – Refers to a building that contains two or more types of uses -- most commonly involving a mix of commercial and residential uses.

Mixed-use Area – Refers to a neighborhood or a locale which contains a mixture of retail, office, and residential uses in close proximity to one another.

Modern Streetcar – In Tucson, refers to the proposed street car line that will operate between the University Medical Center and the West Side. The modern street car will share a right of way with other vehicle traffic.

Net Leasable Area (NLA) – Refers to the portion of the gross building area that is leased to tenants and generally excludes all common area.

Net Rent – Refers to the rent paid by a tenant for the space they occupy, but excludes common area costs, utilities, and property taxes.

Right of Way – Refers to a publicly owned or controlled area provided for transportation purposes, including driving and parking lanes, sidewalks, and any associated landscaping or amenity areas.

Rio Nuevo – The name of the City of Tucson’s revitalization plan for Downtown Tucson, which relies upon the TIF revenue stream for its financing.

Street Car – A light rail transit vehicle that shares its track space with automobiles or buses. A ‘historic’ street car currently operates along 4th Avenue N. A ‘modern’ street car is proposed to operate between the Downtown and the University of Arizona.

Tax Increment Financing District (TIF) – A special tax arrangement enacted into law by the Arizona Legislature, which transfers a portion of the State’s share of sales tax growth within a designated portion of Central Tucson to the City of Tucson, for the purpose of public reinvestment in Downtown Tucson.

Townhouse – Refers to a residential building form in which dwelling units are arranged side by side, with each unit having direct access to grade.

Townhouse, Stacked – Refers to a residential building form in which units are arranged both side by side, and above one another, with each unit having direct access to grade.

Workforce Housing – Refers to housing that is offered for sale or for rent at prices that are affordable to those households making between 80 and 120% of the average household income.
Bibliography

Tucson

CB Richard Ellis:

“Market View – Tucson Office: Mid-Year 2009.”

City of Tucson


Regional Transportation Authority: “Our Mobility: A Regional Partnership,” (undated).

Tucson Pima Arts Council

“Pima Cultural Plan Executive Summary: November 2006 – November 2007”


Tucson Regional Economic Opportunities:

“Perceptions and Opportunities, 2006,” ccintellect presentation, (undated)


“Tucson Regional Economic and Demographic Quick Facts,” (undated).
“Tucson Regional Economic Profile,” (undated).

University of Arizona:


Urbanism


Brookings Institution:


Florida, Richard:


Foot, David K., Boom, Bust & Echo: How to Profit from the Coming Demographic Shift, Macfarlane, Walter & Ross, 1996.


Urban Land Institute


“Moving AZ One: Building the Central Arizona Region We Want,” (undated).


