• 4-mile route, 23 stops
• 8 made in USA modern streetcars
• Peak/off-peak travel time:
  – 10/20 minutes
• All electric and “green”
• Connects with Sun Tran, Cat Tran, Sun Express and Sun Shuttle
Sun Link Connects

- 100,000 People live, work and play within ½ mile of the corridor
- Five Districts: University, Main Gate, 4th Avenue, Downtown, Mercado District
- 11,000 + parking spaces along the route
What’s Next for Sun Link?

- **High Capacity Transit Implementation Plan**
  - Identified 6 corridors
  - BRT and Streetcar

- **Long Range Regional Transit Plan**
  - Jarrett Walker & Assoc.
  - Evaluate Land Use
  - Evaluate HCT Funding
• Hitting ridership projections
  - approx. 5 million in 5 years
• Unprecedented investment – approaching $3 Billion
• Secret Sauce = Streetcar + Rio Nuevo District + Incentives
Economic Development: The 1st Step
The 2nd Step – MORE Public Sector Investment
The Next Step: Private Investment

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Rio Nuevo is a tax increment finance district (TIF) that invests in a variety of projects designed to expand the tax base, bring patrons/new business downtown in partnership with private sector developers/investors/commercial lenders.

- Has driven over $2 Billion in development.
Regional Transportation Authority (RTA)

- $2.1 Billion, 20-year transportation plan – ½ cent sales tax

- 2006 – 2026

- Provided $87.7 million for Sun Link Modern Streetcar system
Infill Improvement District (IID)

- Encourages infill development that is ped/transit-oriented
- Permits a modification of development standards
- Addresses barriers such as incompatible development standards

- Regulatory relief
  - Parking
  - Loading
  - Setback
  - Landscaping
  - Permit Fees
  - Construction Sales Tax
The GPLET can provide up to 8 years property tax abatement.

It is available in the Central Business District.

The amount cannot exceed the economic benefit created by the project.
How Are We Doing?

- Residential Demand – downtown is the hottest residential market in Tucson
- Retail vacancy: 6% ($20/SF)
- Office vacancy: 19.3% ($19.13/SF)
- Sales Tax Revenue: 5-7% increase
Affordable Housing

- City included affordable housing in early projects
- Over 640 units of protected, affordable housing in past decade
- Challenge for future low-income projects as land prices have increased
Let’s talk about Gentrification

The Gentrification Discussion Arrives in Tucson

Concerns about affordability and cultural identity are emerging in Mexican-American and African-American neighborhoods in Tucson.

March 15, 2017, 8am PDT | James Brasuell | @CasualBrasuell

David Wilson / Flickr

Brenna Bailey examines the gentrification occurring in Tucson, Arizona, presenting the dynamics as more complex than the most common narratives about displacement and urban revitalization. Notably absent is the typically heated and contentious rhetoric of gentrification conversations in other cities.
Addressing Potential Gentrification

• Downtown neighborhoods have the highest average rents and have experienced the most dramatic increases over the past several years.

• Tucson Programs that support Affordable Housing:
  • Affordable Housing Impact Fee Program
  • Tax Credit Supported Affordable Housing Development
  • Strategic Disposition of City-Owned Sites for the Development of Affordable Housing

MEMORANDUM

DATE: February 22, 2019

TO: Honorable Mayor and City Council Members
FROM: Michael J. O’Dell
City Manager

SUBJECT: Concerns about Gentrification

Issue:

With the ongoing revitalization of the downtown area and increased number of residential infill developments, several of you have brought to my attention growing concern about gentrification. The purpose of this memorandum is to proactively discuss the gentrification concerns, summarize the programs currently available, and to begin a conversation on additional strategies we can explore.

Background:

Gentrification is a term that can mean different things to different people. It generally entails a transition from a population that is lower in socioeconomic status to one that is higher. People with higher socioeconomic status are more likely to hold advanced degrees, have white-collar jobs, and earn more income, and they are less likely to be in poverty and unemployed. Changing housing and neighborhood preferences among millennials and baby boomers have also contributed to the gentrification of some neighborhoods.

A recent article in Planning Magazine, entitled “The Scales of Gentrification,” provides a useful overview of the neighborhood changes the term typically refers to:

"Here’s what most people agree on regarding gentrification: it’s some combination of rising home values and rents, rising income levels, and rising educational attainment levels, usually in long-time urban neighborhoods that historically had low levels in each. What most people resist is any result from that process — new, often upscale, housing developments; new commercial development that caters to an emerging clientele; the change — or outright loss — of community identity."

That summary is consistent with the concerns we have heard and many of the comments at the Gentrification Forum put on by neighborhoods and community groups this past September 2018. The forum was sponsored by the Downtown Neighborhood Alliance and aimed to bring together neighborhoods affected by this issue.

Additional Strategies

- Including Gentrification as a key concern in the 5 year HUD Consolidation Plan
- Annual tracking & expansion of affordable housing stock
- Assist owners in National Register Historic Districts to receive property tax reductions
- Streamline low-income program participation
- Homeowner counseling & education
- More flexible zoning and development standards
- Inclusionary housing prohibited by state law
- Encourage the expansion of overall housing supply
Thank You

Shellie Ginn
City of Tucson Department of Transportation
Deputy Director
shellie.ginn@tucsonaz.gov