



Metropolitan Pima Alliance

The Honorable Sharon Bronson
Chair
Pima County Board of Supervisors
130 W. Congress St., 11th Floor
Tucson, AZ 85701

March 14, 2016

Chairwoman Bronson,

The Metropolitan Pima Alliance is a membership based association dedicated to finding common ground between the public and private sector specific to real estate and land use decisions. We work to foster a collaborative environment for the overall benefit of the community to achieve vibrant neighborhoods and a strong quality of life for all residents.

In further review of the item as related to the Development Service Department's repayment, MPA strongly encourages the board to extend out the repayment schedule and extend the 2% fee increase hiatus in an effort to maintain the fees at their existing level. The industry has not recovered and every forecast states that we must increase number of improved lots in order for the construction industry to stabilize and not enter into another recession. MPA primarily focuses on commercial development however we monitor residential lot counts as commercial development most often follows residential. While it may be true that Pima County's building permit fees are the lowest, there are many other factors and comparisons that are built into the decision to develop commercial. The County has set a standard for 5-day reviews and should be commended. However, in spite of this accomplishment and these lower building permit fees, there are many other governmental processing fees that come well ahead and after vertical construction. Review fees, impact fees, various permitting fees, mitigation fees, construction sales tax and more are all factored into the decision to invest in our community.

The community advocates for equitable fees, predictability in the process and reasonable regulations that allows for balanced growth. Overall, the County has excelled in creating a predictable review process but the higher regulatory requirements drive higher costs outside of building permits creating frustrations among those working in the development industry. MPA has consistently agreed that development must pay their equitable portion of new growth costs, however, we also contend that there is a benefit to new growth in growing the tax base. Trying to achieve this careful balance between supporting and encouraging new business while achieving cost recovery is one of our community's largest challenges. Mr. DeBonis identified several opportunities for improvement in terms of regulation and we look forward to

Metropolitan Pima Alliance
PO Box 2790
Tucson, AZ 85702
www.mpaall.org

collaborating on improving a variety of processes thus strengthening the County's ability to compete and have a business friendly reputation.

MPA supports the repayment of the General Fund, however we encourage the repayments to be more moderate so as to not increase fees at this time until there are stronger signs of stability. During this particularly fragile time, new businesses should be encouraged and supported for investing in our community. Please feel free to contact me with any questions, comments or concerns at 520.878.8811.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Amber Smith". The signature is fluid and cursive, with the first name "Amber" written in a larger, more prominent script than the last name "Smith".

Amber Smith, MPA
Executive Director
Metropolitan Pima Alliance.



**Southern Arizona
Home Builders
Association**

2840 N. Country Club Road
Tucson, Arizona 85716
Phone: (520) 795-5114
Fax: (520) 326-8665
Web: www.sahba.org

President
David M. Godlewski

2016 Executive Officers

Chairwoman
Amy McReynolds
KB Home

1st Vice Chairman
Larry Hume
Accessible Home Remodeling

2nd Vice Chairman
Brent Davis
DR Horton

Secretary/Treasurer
Roy "Thrac" Paulette
Cantera Real Estate

Immediate Past Chairman
Josh Robinson
Mattamy Homes

March 14, 2016

The Honorable Sharon Bronson
Chair, Board of Supervisors
Pima County
130 W. Congress St.
Tucson, AZ 85701

RE: Building Permit Fee Discussion

Dear Chairwoman Bronson:

The home building industry recognizes and appreciates the efforts Pima County Development Services has made to improve process efficiencies, improve its customer service, and maintain a competitive fee structure. As home building and our overall economic condition in Pima County continues to lag other parts of the state, it's imperative that we use these improvements as a starting point and continue to work collaboratively to create the environment necessary to facilitate new home construction.

Fees aside, we believe Pima County should be the regional leader in promoting economic development, including much needed new home construction. Other than focusing on increasing fees, the County should focus on promoting an 'open for business' message, reflective of its improved processes and competitive fee structure.

We would encourage the Board of Supervisors to communicate that a competitive fee structure and a favorable regulatory environment which facilitates new home construction is consistent with the economic goals of Pima County. As evidenced by Mr. DeBonis's memo, there remains ample opportunity to work collaboratively to continue to improve the regulatory environment and customer experience for those choosing to invest in Pima County. The building industry welcomes the opportunity to continue working with Pima County to promote economic prosperity through new home construction.

As always, we welcome the opportunity to answer any questions you might have.

Sincerely,

Shawn Cote
Southern Arizona Home Builders Association

CC: Honorable Board of Supervisors, Mr. Chuck Huckelberry, Mr. Carmine DeBonis