BARGAINING WITH ANNEXATION AS A COMMUNITY DEVELOPMENT STRATEGY IN ARIZONA’S “WILDCAT” DEVELOPMENTS: THE CASE OF THE SUMMIT NEIGHBORHOOD IN PIMA COUNTY

by

ANNA DARIAN

A thesis submitted in partial fulfillment of the requirements for the degree of Master of Urban Planning and Policy to the Department of Architecture and Design of the Faculty of Engineering and Architecture at the American University of Beirut

Beirut, Lebanon
September, 2015
BARGAINING WITH ANNEXATION AS A COMMUNITY DEVELOPMENT STRATEGY IN ARIZONA’S “WILDCAT” DEVELOPMENTS: THE CASE OF THE SUMMIT NEIGHBORHOOD IN PIMA COUNTY

by

ANNA DARIAN

Approved by:

Dr. Mona Fawaz, Associate Professor
Department of Architecture and Design, AUB

Dr. Mona Harb, Associate Professor
Department of Architecture and Design, AUB

for: Vinit Mulkhija

Dr. Vinit Mulkhija, Associate Professor
School of Public Affairs, UCLA

Sept. 29, 2015

Date of thesis/dissertation defense: [September 29, 2015]
AMERICAN UNIVERSITY OF BEIRUT

THESIS, DISSERTATION, PROJECT RELEASE FORM

Student Name: Darian Anna Alexander
Last First Middle

☒ Master’s Thesis ☐ Master’s Project ☐ Doctoral Dissertation

☒ I authorize the American University of Beirut to: (a) reproduce hard or electronic copies of my thesis, dissertation, or project; (b) include such copies in the archives and digital repositories of the University; and (c) make freely available such copies to third parties for research or educational purposes.

☐ I authorize the American University of Beirut, three years after the date of submitting my thesis, dissertation, or project, to: (a) reproduce hard or electronic copies of it; (b) include such copies in the archives and digital repositories of the University; and (c) make freely available such copies to third parties for research or educational purposes.

Signature: Darian
Date: 01-OCT-2015

This form is signed when submitting the thesis, dissertation, or project to the University Libraries.
ACKNOWLEDGMENTS

Foremost, I would like to express my sincere gratitude to my advisor Dr. Mona Fawaz for her continuous support through my Master’s thesis study and research. Her passion, insight, individualized attention and seemingly effortless brilliance were a blessing that I know few students have the privilege of experiencing in their graduate studies. I am indebted to her for her patience even as this thesis dragged on far longer than either of us expected. As I have now embarked on my second career, turning to public service and city development, I continue to ask myself difficult questions about the impact of my work in the same way that Dr. Fawaz pushed us to think critically about the role of planners as leaders in social justice and equity. I am humbled by the responsibility and grateful for the mentorship that I am taking with me from the MUPP program.

Additionally, I would like to thank the rest of my thesis committee; Dr. Angela Donelson for being a great source of on-the-ground knowledge in the earliest stages of research, Dr. Vinit Mukhija for graciously taking time to provide guidance for my research, Dr. Alex Lubin for pushing me to understand the power of history in shaping the present and finally, Dr. Mona Harb for saving the day at the last minute and agreeing to join my thesis committee to help me jump through the last of my administrative hurdles at AUB.

I also thank my fellow colleagues and friends at AUB. Notably, Rayan Kahale, whose rare friendship, intelligence, and counsel throughout my studies were both maddening and an invaluable source of comfort and insight. To Jiji Grisel for our Sunday work sessions at Urbanista; though we were more of a distraction than a motivation, the laughter and shared grief turned the long work hours and chaos of life into a joy. And finally, to Carolina Anselmino (“my little big sister”) whose endearing friendship as well as “Mussolini-like” tough love through class projects, coupled with fine wine and home-cooked Italian meals made “over-nighting” into a first-rate experience.

Last but not least, I would like to thank my family, whose unconditional support gave me the faith and courage to follow through on my wild idea of moving to the Middle East. My mother in particular has been my rock, with her daily emails, assurances, and encouraging words, reminding me always of what matters most in life.

This thesis is the final step on a long journey to and from Beirut, and back and forth a few times in between. It all started with one innocent conversation long before I knew if I had it in me to uproot my entire life for this adventure, but through the support of everyone mentioned here, and so many more, I was blessed with a life-changing graduate studies experience. I am forever emboldened by the memories I am taking with me and thankful to the faculty and administration at AUB for making the dream a reality.
AN ABSTRACT OF THE THESIS OF

Anna Darian for Master of Urban Planning and Policy
Major: Urban Planning and Policy

Title: Bargaining with annexation as a community development strategy in Arizona’s “wildcat” developments: the case of the Summit neighborhood in Pima County

Over the past decades, several counties in Southern Arizona have witnessed the proliferation of so-called “wildcat” developments, low-income residential neighborhoods established just beyond city limits in unincorporated county land where building activities by-pass official regulations by subdividing land parcels without formal approval. Drawing from the case study of the Summit neighborhood (located just outside the city of Tucson in Pima County, Arizona), this thesis aims to answer two questions; (1) how can we – as urban planners – better understand “wildcat” developments in how they have both formed and remained outside of city limits? And (2) what amendments are needed for annexation into the city to become a viable strategy to improve living conditions in the neighborhood?

The research adopted a qualitative approach that combined resident interviews, demographic data collection and theoretical support. The findings conclude that:

(i) Wild-cat developments have provided flexible lending options, land-use practices and shared living arrangements to low-income city dwellers, enabling them to secure housing in Arizona’s otherwise exclusionary housing market.

(ii) Summit dwellers nonetheless incur hefty consequences in remaining on the city’s fringes, making a policy of incorporation - both through municipal annexation and social integration – a necessary strategy for the long-term sustainability of the community.

In articulating its policy responses, it identifies two tracks of policy recommendations. The first set of proposals centers on neighborhood-scale interventions, including (1) “learning from the Third World” in which policies vis-à-vis informal settlements in the Global South are adapted to the somewhat similar context of wildcat developments, (2) establishing zones of “flexibility” in the city where regulations are relaxed and (3) working with local communities to develop infrastructure upgrading initiatives. The second track more broadly aims to move towards a more inclusionary housing market through (1) accessible home lending options, (2) adaptable land use zoning, and (3) improved regional governance. Through these recommendations, the thesis hopes to provide a roadmap for planners to connect disenfranchised groups of low-income residents to the rest of the city.
## TABLE OF CONTENTS

ACKNOWLEDGEMENTS .................................................................................. v

ABSTRACT ........................................................................................................ vi

LIST OF ILLUSTRATIONS .................................................................................. xii

Chapter

I. INTRODUCTION ....................................................................................... 1

A. Statement of Purpose .............................................................................. 2

B. Methodology ............................................................................................ 4

C. Literature Review .................................................................................. 6

D. Significance of Findings ........................................................................ 10

E. Thesis Argument .................................................................................... 10

F. Thesis Outline .......................................................................................... 11

II. THE CASE STUDY: THE SUMMIT NEIGHBORHOOD IN PIMA COUNTY .. 13

A. Rural living at the edge of city limits..................................................... 13

B. Study area and population..................................................................... 17

C. Settlement patterns and public infrastructure through social networks.... 21

   1. First Phase: Early ranch settlements (1953-70s ) .............................. 21
   2. Second Phase: Start of “wildcat” lot-split developments (1980-90s) .... 23
   3. Third Phase: Turnover, housing crash and an investor/rentier market (2000s) .............................................................................. 25
   4. Physical infrastructure ....................................................................... 26
D. Community organization and public response in the neighborhood... 29
E. Summary................................................................. 31

III. LOCATING SUMMIT WITHIN PATTERNS OF INFORMALITY PAST AND PRESENT.......................... 33
   A. Making the American Southwest ............................... 33
      1. Selling the State of Arizona.................................. 34
      2. The American Homestead; proving yourself in the Western Frontier ........................................ 35
         3. Rethinking property rights through regulating water rights...... 36
   B. Informal land use practices in today’s cities...................... 38
   C. Colonias in the borderlands; out of sight, out of mind............. 40
   D. Arizona’s “wildcat” subdivisions; from richer to poorer............ 42
   E. Summary ..................................................................... 47

IV. A MARKETPLACE OF INEQUALITY IN THE MODERN “AMERICAN” CITY........................................ 49
   A. The uneven playing field of housing choice in Pima County......... 49
      1. High poverty meets few livable housing options................ 51
   B. 20th century suburbanization; building exclusivity through urban sprawl.. 53
      1. The other suburbia: extreme poverty meets opportunity at the urban fringe ...................................... 56
   C. Discriminatory policies lead to predatory lending in Arizona’s most vulnerable communities........................................ 59
   D. Summary......................................................................... 64

V. INCORPORATION, ANNEXATION, AND THE IMPLICATIONS FOR UNREGULATED DEVELOPMENTS 66
A. The City of Tucson; from 2 to 200 square miles .......................... 66

B. The divided city and the rise of government services a la carte ........... 69

C. The long-term outlook for unincorporated county neighborhoods .......... 71

D. Annexation; part of the problem, or the solution? ......................... 73

1. Tucson’s annexation priorities amid a national trend of municipal underbounding .......................................................... 75
2. The future of the Summit Neighborhood in Pima County ............... 77

E. Summary .................................................................................. 79

VI. SUMMARY OF FINDINGS AND POLICY RECOMMENDATIONS ...... 81

A. Policy Recommendations; a city that responds to reality ............... 82

1. Neighborhood-scale interventions ............................................. 83
   a. Learn from the Third World experience: moving beyond denial ............................................................................. 83
   b. Establish a zone of flexible land use guidelines .................. 86
   c. Community mobilization toward infrastructure improvements .............................................................................. 88
2. Moving towards a more inclusionary housing market ................. 89
   a. Accessible home lending options ....................................... 89
   b. Evolutionary and adaptable land use zoning ..................... 91
   c. Regional governance at the metropolitan level ............... 92

B. Conclusion .................................................................................. 92

BIBLIOGRAPHY ............................................................................. 94
# ILLUSTRATIONS

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Scenes from the Summit neighborhood</td>
<td>14</td>
</tr>
<tr>
<td>2.</td>
<td>Homes in Summit neighborhood</td>
<td>15</td>
</tr>
<tr>
<td>3.</td>
<td>Various housing in Summit neighborhood</td>
<td>15</td>
</tr>
<tr>
<td>4.</td>
<td>Business operations in Summit neighborhood</td>
<td>16</td>
</tr>
<tr>
<td>5.</td>
<td>Tucson city limits, showing the Summit Neighborhood</td>
<td>17</td>
</tr>
<tr>
<td>6.</td>
<td>Summit neighborhood, with nearby aerospace infrastructure</td>
<td>18</td>
</tr>
<tr>
<td>7.</td>
<td>Summit-Tucson-Arizona Racial Composition</td>
<td>19</td>
</tr>
<tr>
<td>8.</td>
<td>Selected Socio-Economic Findings</td>
<td>20</td>
</tr>
<tr>
<td>9.</td>
<td>University of Arizona's &quot;Summit Neighborhood Plan&quot;</td>
<td>22</td>
</tr>
<tr>
<td>10.</td>
<td>Photograph of dumping in Summit neighborhood</td>
<td>27</td>
</tr>
<tr>
<td>11.</td>
<td>Roadway concerns in the Summit neighborhood</td>
<td>28</td>
</tr>
<tr>
<td>12.</td>
<td>Map of Greater Tucson, with documented Wildcat Developments identified</td>
<td>44</td>
</tr>
<tr>
<td>13.</td>
<td>New Housing in Summit, in relation to legislative changes</td>
<td>46</td>
</tr>
<tr>
<td>15.</td>
<td>Manufactured homes being converted to site-built home</td>
<td>60</td>
</tr>
<tr>
<td>16.</td>
<td>Photograph of home for sale in Summit</td>
<td>63</td>
</tr>
<tr>
<td>17.</td>
<td>Historical growth of Pima county subdivisions</td>
<td>68</td>
</tr>
<tr>
<td>18.</td>
<td>Photograph of Rillito neighborhood</td>
<td>78</td>
</tr>
<tr>
<td>19.</td>
<td>Photograph of Flores Magon Colonia, Nogales (Sonora)</td>
<td>85</td>
</tr>
<tr>
<td>20.</td>
<td>Colonia flea market, Nogales (Sonora)</td>
<td>85</td>
</tr>
<tr>
<td>21.</td>
<td>Public housing project in Nogales, Sonora</td>
<td>86</td>
</tr>
</tbody>
</table>
CHAPTER I
INTRODUCTION

The communities along the U.S.-Mexico border are home to some of the most extreme cases of poverty found in the United States today. Though some public efforts have been made to try and remediate the situation, little progress has been made as these border settlements are often lost within larger debates surrounding immigration, drug wars, and transnational economic relations. Nowhere is this statement more accurate than in the present-day state of Arizona.

Integrated as part of the U.S. following the Mexican-American War, Arizona remained a territory from 1848 until its incorporation as a formal state in 1912. Since its inception, the land now known as Arizona has been a place of conflicting ideology, with its identity continually being contested by a colonial legacy marked by the persecution of indigenous populations, Spanish colonial rule, Mexican independence and United States conquest. Among many acts of authority exerted during early Arizona state formation; westward expansion brought with it modern urban planning practices that dictated the legitimate uses and division of property and centralized allocation of shared resources. This thesis aims to examine a relatively recent trend of settlement that operates outside of this framework. Unofficially named “wildcat” development, several counties in Arizona have witnessed an increasing number of residential neighborhoods being established in unincorporated county land that by-pass official regulations and subdivide land parcels without formal approval by the county.

---

1 This type of development occurs when parcels of land are split into five or fewer lots and developed without following the state’s typical subdivision regulations (Christensen et al., 2006)
2 An unincorporated area is land that is not governed by an incorporated municipality; rather it is part of a larger administrative division; in this case, the county.
As Arizona has relatively lax enforcement of subdivision legislation, the process is not inherently illegal, however, this type of development does pose a concern for public agencies as they are neither able to effectively regulate urban sprawl nor do they collect optimum tax revenue from these informally built neighborhoods, often having lower property values. In response to this, counties have been granted legal sanction to withhold county services as a means of discouraging this practice; but this has simply exacerbated already harsh living conditions in these neighborhoods, often home to low-income populations with few accessible housing options. Although some publicly commissioned studies\(^3\) have been conducted to find effective ways of stopping this form of unregulated development\(^4\), little is known about the people who reside there, the reasons they settled outside city limits, or what housing options they truly have.

A. Statement of Purpose

Using the Summit neighborhood as a case study, this thesis will build upon prior studies, including the 2004 community development plan conducted by Pima County and the University of Arizona School of Planning, but aims to enhance the recommendations through a more comprehensive understanding of the social and institutional push and pull factors that led to the production of these informal communities. It is important to note that although this thesis focuses on one case of a low-income “wildcat” development, the study aims to provide a broader understanding of the drivers behind low-income informal development in Arizona, and the disconnection between the residents’ needs and the formal housing stock available to

---


\(^4\) Development initiated without county approval. Unregulated and Wildcat development will be used interchangeably henceforth.
them. Furthermore, this thesis operates with the understanding that counties are not equipped with the resources or budgets to effectively operate as municipalities; as such, it will explore the implications of annexing poor enclaves into neighboring cities as a means of improving service levels in “wildcat” neighborhoods.

It aims to propose solutions to both improve living conditions within the Summit community and address the larger institutional measures that lead to an exclusionary housing market. It does not aim to test the appropriateness of annexation, but rather to understand how annexation could be used as a tool to foster negotiations toward comprehensive solutions that meet both the needs of the City of Tucson and the neighborhood. To do this, the definition of annexation will be nuanced; it will be positioned as a tool of both inclusion and exclusion, and one that effectively demarcates what is legitimate.

However, rather than thinking of “annexation” as the mere process of redrawing city boundaries in order to encompass developments initiated outside city limits, the thesis will conclude with a set of urban policies that would revisit current regulations in ways that can enable the production of housing that meets the needs of populations living today in so-called “wildcat” developments. In order to articulate revised urban regulations, the thesis follows two analytical tracks. The first consists of learning from the practices and realities of “wildcat” developments in order to identify the functional institutions that sustain the production of these neighborhoods and the barriers that prevent their long-term improvement. The second consists of pushing beyond an uncritical treatment of modern planning practices as seemingly given and timeless by historicizing and contextualizing the multiplicity of land use policies and amendments that have been practiced throughout Southern Arizona’s recent history and identifying hence possible flexibilities in the current system. By looking at the
intersections between these two processes, the proposed policies define a flexible framework where the process of annexation vis-à-vis unregulated development is formulated as the negotiation between two forms of development, rather than simply conforming one to the other.

To this end, this thesis aims the answer the following research question:

How can we – as urban planners – better understand “wildcat” developments, such as the Summit neighborhood, in how they have both formed and remained outside of city limits? And if annexation into the City of Tucson was proposed as a tool to improve living conditions, what amendments would need to be made by both the Summit neighborhood residents and the municipality for this to be a viable solution?

More generally, can the annexation of so-called “wildcat” developments within city limits be turned from the mere incorporation and normalization of processes of housing and neighborhood production to a negotiated planning framework bridging the necessities of both neighborhood dwellers and city authorities?

B. Methodology

In order to respond to the research questions, the thesis proposes to develop an in-depth analysis of the selected case study of the Summit Neighborhood outside of Tucson (Arizona), where it will explore both the practices and needs of neighborhood dwellers as well as public planning regulations and positions towards these neighborhoods. For several reasons, the community presents an interesting case study for planners interested in understanding the complexity of so-called “wildcat” developments. To begin with, the neighborhood has long been on the radar of Pima County officials as a “problem.” Additionally, it serves as a prime example of Arizona’s suburban unregulated developments, as Tucson’s boundaries have
incrementally expanded such that the neighborhood is now largely encircled by municipal boundaries. This Southern Arizona neighborhood also provides an opportunity for understanding the uniqueness of border poverty along the U.S.-Mexico border. Finally, the neighborhood has incrementally developed since the 1950s, providing the opportunity for a longitudinal analysis of both the transformations in the neighborhood and public policies organizing the production of the space in the city.

With the aim of analyzing the rationale behind current planning regulations and highlighting the social and contextual nature of wildcat developments, the thesis will document and critique the City of Tucson and Pima County’s annexation policies, priorities, and position toward “wildcat” development. This analysis will be based on existing public and academic reports on unregulated development and lot splitting, as well as interviews with city, country, and state representatives.

So as to enrich the current understanding of wildcat developments, the thesis will adopt a qualitative approach that combines data collection and theoretical support. Data about the Summit community will be drawn from existing census records, the prior community development plan, as well as primary data from field work. Initially, non-participant observation will be used to document the identifiable land-uses, spatial layout, and unifying characteristics of the neighborhood. Through engaging with community leaders and visiting public spaces, a series of interviews with residents will be requested. Approximately 10-15 semi-structured interviews will be conducted to understand the motives of dwellers in choosing to settle in Summit, the function of the residence, the relationship to the city of Tucson, and the perception of annexation. Whenever possible, individual interviews will be organized to minimize the risk of group pressure. Using “snowballing” techniques, other key stakeholders will be sought out for further interviews. Where available, the original developers and land owners
will be interviewed in order to understand the market mechanisms that supported the production of the neighborhood.

After obtaining a satisfactory understanding of the Summit community, both in its strengths and limitations, the findings will be juxtaposed with the position of the City of Tucson’s regulations in order to establish ways that the needs of the community and city converge, and where they conflict. The compromises needed for annexation to be successful will be identified, however the findings will be situated within academic literature from law and geography studies that have looked critically at the legal conception of property. To this end, current and historical records of the region’s policies toward subdivision and resource allocation will be detailed, both as means of understanding the trends of past settlement, but also to position the evolutionary nature of law as a backing for recommendations that rely on flexibility by cities and counties. Subdivision and resource allocation are of particular importance as unregulated lot splitting has been deemed a violation of traditional subdivision laws, and the withholding of public services has been used as the means of punishment.

The analysis will ultimately result in a cohesive document that concludes with a set of policy recommendations and community mobilization strategies that aim to integrate the Summit community – and neighborhoods like it - as a legitimate part of the City of Tucson.

C. Literature Review

This literature review does not seek to be comprehensive in documenting the conclusions of each scholar looking at informal settlements in the U.S.; rather, it serves as a roadmap for how this thesis will engage with key writings that provide insight on the phenomenon of unregulated lot splitting in unincorporated county land.
Within this framework, the leading and dominant documentation on impoverished border communities started with the work of Peter Ward on what is controversially called “colonias.” Building on his long career in studying informal settlements in Latin America, Ward takes an unconventional approach to policy recommendations in the U.S. context in that he looks to Mexican policies for community improvement strategies. By taking pairs of border cities in Texas and Mexico, Ward (1999) provided recommendations on both sides of the border; focusing on densification in colonies, encouraging self-help practices rather than government dependence, relaxing minimum building standards, and clarifying the roles of cities, counties, and states in order to form a cohesive strategy for the problem of insufficient affordable housing. In the nearly two decades since he began his work, many scholars in Texas – notably Flavio de Souza, Cecilia Giusti, and Noah J. Durst - have worked alongside him in expanding these goals of promoting empowerment in colonies through autonomy and populating vacant homes.

In this same context, growing literature sought to provide a counter narrative to the classification of these communities that was heavily biased toward Texas models. Angela Donelson (2008) takes on this challenge and documents the various typologies found in New Mexico and Arizona’s so-called colonies – some of which trace lengthy histories into the 1800s. She aims to elevate the visibility of infrastructure deficient border communities, highlight the policies on both sides of the border that have had detrimental and inherently racist consequences, and propose a strategy for capacity building. Donelson focuses her recommendations on autonomy through local leadership, sustainable organizations through accountability training, and effective partnerships with both local and non-local agencies.
Conversely, the discourse regarding “wildcat” communities in Arizona, meaning those that have originated from unregulated lot splitting specifically like the Summit community, does not so much seek to understand the complex social formation of the neighborhood; rather, it looks to strengthen the power of the law to stop the production of these unregulated spaces. In 2004, Pima County partnered with the school of planning at the University of Arizona and a team of community researchers, and compiled the only in-depth community development plan that exists for the Summit. This study largely focuses on the public health and legal ramification of lot splitting and the ways in which developers have knowingly provided unsafe and substandard housing, particularly as it to the fact that the community is situated in a flood plain. Policy recommendations focus on educating the community, partnering with local NGOS and stricter enforcement of property laws and safety regulations. Later work from the Arizona State University on “wildcat” developments in Arizona, Christensen et al. (2006), follow in this trend of seeking to stop unregulated lot splitting, but offers recommendations that include tougher requirements for disclosure, both between the seller and buyer, but also the seller and the county. As such, the problems arising from inadequate land surveys can be mediated.

However, much of this scholarship does not look directly at the unincorporated nature of these communities, and what it means to exist outside of city limits. Recent scholarship (Anderson 2008 & 2010, Mukhija 2013, Durst, 2013) have started a critical examination of what is labeled “municipal underbounding”, which Durst (2013) defines this as the “systematic failure of cities to annex surrounding minority communities.” Anderson (2008) moves away from a discourse that is solely located along the U.S.-Mexico border and presents a qualitative study of neighborhoods in California, Texas, Florida, and North Carolina with the aim of providing a “vocabulary
and a conceptual baseline for understanding this national pattern of unincorporated urban areas.” The study is effectively an examination of counties’ ability to provide “adequate local government”, which she identifies as being a three pillar combination of “housing-market mobility, neighborhood habitability, and political voice.” Anderson concludes that counties are, in fact, not equivalent to municipalities. Her later work (2010) seeks to provide solutions for what Anderson calls “lost neighborhoods” by empowering counties through state-led efforts to reshuffle power at a regional level and give counties power to initiate annexation procedures. This would be done in order to move away from “economic and racial polarization in America’s cities.” Durst follows this work and provides the first quantitative analysis of the prevalence of municipal underbounding and concludes that census blocks containing colonias – particularly those with poor infrastructure – are consistently less likely to be annexed into municipalities. Finally, Mukhija (2013) looks at three case studies of colonias in California that were annexed into neighboring municipalities in order to understand the unifying factors between these neighborhoods. He identifies three commonalities between the colonias; (1) all were located in areas where strong regional development plans were active, public funding was available for infrastructure upgrades, and the demographics of the colonia matched that of the municipality. Surprisingly, his study found that residents were initially not in support of being annexed, and tough measures were used to sway residents to approve of the annexation.

Generally speaking, most colonia and unregulated development scholars have proposed solutions that make modifications or enhancements to the existing legal framework. This thesis is complimentary to this body of work. Through a direct examination of the unincorporated nature of the neighborhood – both in its benefits and
consequences – it uses the idea of annexation to stimulate a larger conversation about the inclusiveness of urban regulations.

D. Significance of Findings

The thesis sets out to make the following contributions to both the existing studies on lot splitting in Arizona, and the general academic scholarship on informal settlements in the U.S.-Mexico border region:

1. Document the community’s perspective on why they are choosing to reside in unincorporated land, with the aim of providing a counter-narrative to most annexation research that focuses on municipalities deliberately excluding poor enclaves when redrawing city lines.

2. Bring greater visibility to Arizona’s unregulated development in order to provide a more context-specific understanding of the phenomenon, which has often been explained using the more prevalent research on Texas’s “colonias”.

3. Challenge existing lot splitting studies using critical law and property scholarship, in order to push beyond an indiscriminate acceptance of the supremacy of current planning regulations.

4. Contribute to the articulation of a planning strategy capable of improving living conditions in these settlements.

E. Thesis Argument

This analysis will demonstrate how “wildcat” neighborhoods are both the outcome of and the response to a set of interconnected legislative, market, and socio-
political evolutions that have created an exclusionary framework in Arizona that not only marginalizes the region’s low-income and Hispanic residents, but also alleviates governing officials from the responsibility of providing livable neighborhoods for these populations. Flexibility in lending options, land-use practices, and shared living arrangements has provided an opportunity for poor residents to pave their own path out of poverty. However, the unconventional nature of “wildcat” developments has left the community victim to discriminatory lending practices, institutional neglect, and ultimately more vulnerable to predatory lenders who benefit from the marginality. The thesis ultimately argues that the alternative development created in the Summit neighborhood responds to the unique needs of a significant segment of the Tucson’s population that may otherwise not be able to obtain traditional housing. However, there are long-term consequences to remaining on the fringes, thus a policy of incorporation - both municipal and social – is needed to ensure a sustainable community development strategy.

F. Thesis Outline

The thesis is structured into six chapters, each of which will build toward an understanding for how these informal neighborhoods are produced in order to arrive at an informed set of policy recommendations that respond to the long-term reality for suburban communities that remain on the fringes of city limits. Following this first introductory chapter, the second chapter will provide an overview of the case-study, focusing on the social production of the Summit community. The third chapter will locate “wildcat” developments within both the context low-income border communities and the broader spectrum of “informal” housing practices in the U.S., past and present. It will conclude by examining the government response to “wildcat” developments, and
how laws have come to treat these housing developments as “informal”, or extra-legal. The fourth chapter will examine how lending practices and suburbanization have led to an exclusionary housing market, and few livable options for low-income populations. Conversely, “wildcat” developments – albeit with deficiencies – will be positioned an avenue to enter the market and access home ownership. Following this, the fifth chapter will tackle the matter of annexation directly, both in how the city of Tucson has grown over time, and how current practices of municipal underbounding of low-income neighborhoods, such as “wildcat” developments, have created a fragmented urban landscape where residents are separated by economically-motivated city lines. The sixth and final chapter will argue for the need to modify current urban policies, beyond annexation, by providing two tracks of policy recommendations. The first set of recommendations center on neighborhood-scale interventions, including (1) learning from the “Third World” response to informality, (2) establishing zones of flexibility, and (3) community mobilization toward infrastructure upgrades. The second track more broadly aims to move towards a more inclusionary housing market through (1) accessible home lending options, (2) adaptable land use zoning, and (3) regional governance. Through these recommendations, the thesis hopes to provide a roadmap to open imaginations to other ways of living as neighbors and connect disenfranchised groups of urban dwellers to the rest of the city.
CHAPTER II
THE CASE STUDY: THE SUMMIT NEIGHBORHOOD IN PIMA COUNTY

Chapter two will develop an in-depth analysis of the Summit neighborhood in unincorporated Pima County. Drawing from resident interviews, the chapter hopes to demonstrate the social networks that have created and sustained a self-built affordable neighborhood for low-income residents, and one that creates a space of opportunity through flexible land use practices. Notwithstanding, the neighborhood has suffered greatly in recent years due to increased legislation against “wildcat” developments, the housing market crash, harsh immigration policies, and a lack of cohesiveness amongst second-generation owners. To this effect, the chapter will examine both the social production of the community, as well as the ad hoc public infrastructure in this alternative form of development.

A. Rural living at the edge of city limits

The Summit neighborhood is unlike almost anything you’ll find within the metro Tucson landscape. Although the isolated neighborhood sits on the edge of city limits, one instantly feels they have been transported into a drastically different way of life than can be found in the city. The sounds of chickens ring out, goats are showcased for sale and residents are seen traveling by horseback to the local market place. Figure 1 provides a sample of the rural practices in the neighborhood.
In the strictest code of the law, much of the neighborhood is zoned for Rural Residential use. The purpose of this zoning designation is to allow for both residential and agricultural uses and even some commercial development, where appropriate and necessary to serve the needs of the rural area. The latest census figures show that approximately two thirds of the Summit neighborhood is comprised of mobile homes; a fact that might also be due to it being one of the few areas where the land use zoning allows for mobile homes.

<table>
<thead>
<tr>
<th>TOTAL HOUSING UNITS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1-unit, detached</td>
<td>407</td>
</tr>
<tr>
<td>1-unit, attached</td>
<td>39</td>
</tr>
<tr>
<td>2 units</td>
<td>0</td>
</tr>
<tr>
<td>3 or 4 units</td>
<td>7</td>
</tr>
<tr>
<td>Mobile home</td>
<td>1,050</td>
</tr>
</tbody>
</table>

Source: 2009-2013 American Community Survey 5-Year Estimates

The minimum acreage for this area is just below 1 acre lots (0.83), but this only allows for a single dwelling within this space. That being said, one visit to the neighborhood and you will find that lot boundaries are blurry and multiple homes are often lined side by side. Figure 2 shows a few examples of this type of housing assembly.
No two homes in the neighborhood resemble one another and structures range from uninhabitable abandoned mobile homes, to lavish ranches (fig. 3).

The dream of a ranch-style homestead is mentioned frequently by residents. Farming practices are commonplace, as a surprising variety of crops grow successfully in this desert landscape. Early residents remember using the vacant land to the north of the community for shared horse and cattle grazing prior to the area being inhabited by new residents. The produce grown in the neighborhood is rarely sold for profit, rather it are used for subsistence, and extras are traded between neighbors.

A quick drive through the neighborhood will illuminate the vast number of informal business operations, notably those that appear to meet the needs of the immediate community. Services range from trailer moving, car maintenance, veterinary services, haircuts, livestock sales, horse training, child care, nursery, produce sales, and
even small shops (tiendas) as are commonly found across Latin America. Within more recent years, a few formal businesses have been established, including grocery stores and a laundry service. Figure 4 shows a couple of the many businesses in the neighborhood.

![Figure 4: Business operations in Summit neighborhood. Photo taken by Anna Darian](image)

Interviews shed light on the underlying networks that sustained development; where various land owners in the neighborhood serve as facilitators for building permits, and others perform the duties of notary public to process legal paperwork. One family that has come under harsh scrutiny by the County both owns a significant portion of land in the neighborhood and operates a construction company that facilitated many of the developments. Working alongside this family, another land owner and resident in the neighborhood operates an excavation company that builds the water wells. Nevertheless, the County claims that these families are abusing the system by creating businesses that benefit from the furthering of the informal lot splitting developments with inferior physical infrastructure. Looking at lot splitting regulation, “acting in concert” is a violation, a matter that will be revisited in chapter four; but for the Summit community, such collaboration is a necessity for survival.
B. Study area and population

The Summit neighborhood is located in unincorporated Pima County, approximately 57 miles from the U.S.-Mexico border, and curiously nestled within the City of Tucson’s southern city limits. The community is “off the map”, in every sense of the phrase. Short of using satellite imagery, one would never see the community identified on any published map of Pima County. The city of Tucson is certainly not unaware of the neighborhood as the municipal boundaries have been carefully drawn to annex vacant State land around the community, with the stated goal by City leadership of allowing for future growth and preventing the spread of more unregulated development (fig. 5).

Figure 5: Tucson city limits, with Summit Neighborhood. Source: HUD Planning & Dev. Maps
Officially speaking, the U.S. Census bureau lists Summit as a Census Designated Place (CDP)\(^5\), but the CDP includes a broader area, inclusive of both regulated and unregulated subdivisions. The study area for this thesis examines the unregulated development area generally bound by Old Vail Road to the north, unpaved Country Club road to the east, undeveloped City of Tucson land to the south and Old Nogales Highway to the west (fig. 6)

![Figure 6: Summit neighborhood, with nearby aerospace infrastructure. Source: PimaMaps](image)

According to the 2010 census, the Summit CDP was comprised of 5,372 inhabitants, with 1,708 housing units. Exact figures do not exist for the number of residents living in the “wildcat” portion of the neighborhood, but in looking at lot distribution, roughly 70% of homes were established through unregulated lot splits, thus, this could unofficially equate approximately 3,700 residents. However, several

---

\(^5\) A census designated place (CDP) is a concentration of population identified by the United States Census Bureau for statistical purposes. CDPs are delineated for each decennial census as the statistical counterparts of incorporated places, such as cities, towns, and villages. (U.S. Census Bureau)
interviews uncovered that many residents have left Arizona in recent years due to increasingly threatening immigration policies. The recently published estimates from the American Community survey for the 5-year period of 2009-2013, now estimates the community at 4,216 residents; or 2,951 in the unregulated portion, using the same proportion of 70%.

Of significance, the 2010 Census estimated that 80% of Summit residents identify as being of Hispanic origins. Figure 7 displays the full racial/ethnic demographics of the Summit neighborhood in relation to the City of Tucson and the State of Arizona. These figures do not indicate anything regarding the citizenship status of residents, but they do show evidence that there is a significantly disproportionate Hispanic presence in Summit; 80% versus 42% in Tucson.

**Summit-Tucson-Arizona Racial Composition**

![Figure 7: People QuickFacts. 2010 U.S. Census Bureau State & County QuickFacts](image)

---

6 Notably, in 2010, the nation’s harshest immigration policy - SB 1070 - was passed in Arizona which gave unparalleled rights to law officials to demand proof of citizenship of anyone suspected to be an undocumented immigrant.

7 An ongoing Census Bureau survey that samples a small percentage of the population every year.

8 In current U.S. racial classifications, Hispanics/Latinos may be of any race. For clarity, this graph aggregates all responses identifying Hispanic origins, regardless of race, into one category.
A selection of striking socio-economic findings that show the contrast between the Summit neighborhood, Tucson, and Arizona are presented in figure 8. Of note, 33% of residents listed being born in a foreign country, and 73% of households speak a language other than English at home. Education levels are also disproportionately lower and, not surprisingly, poverty rates are higher as well.

**Selected Socio-Economic Findings**

![Chart showing socio-economic findings for Summit, Tucson, and Arizona]

**Figure 8: 2010 U.S. Census Bureau State & County. People QuickFacts.**

Rather than drawing conclusions from generalized statistics on the neighborhood, this chapter seeks to identify how these socio-economic characteristics of the community manifest themselves into the settlement patterns and social networks within this Hispanic enclave. In the absence of an authoritative neighborhood history, the thesis relies on residents’ narratives in order to unpack the story of Summit; both in how it came to be and what networks sustain it.
C. Settlement patterns and public infrastructure through social networks

For every person you speak with, you will hear a different point of origin for what is today the Summit community. Some trace it back to the original founding families that set up large ranches on the barren land in the 1930s, whereas others will simply jump to the start of the largest growth period through the unregulated lot splitting activities in the 1980s. Piecing these stories together, the evolution of the Summit neighborhood can be seen in terms of three broad phases; (1) 1930-70s Early ranch settlements, (2) 1980-90s Start of “wildcat” lot-split developments, (3) 2000s Home turnovers, housing crash and the start of an investor/renter market.

1. First Phase: Early ranch settlements (1953-70s)

Those who trace back the history of the Summit neighborhood to its earliest origins settlement typically cite the McKain family who came to the area in the 1930-40s. The family still owns property in the neighborhood today and you can see the name proudly displayed at the ranch entrance. Other prominent names include the Soto family who own a nearby ranch that still stands today. The area remained largely uninhabited, other than a few large land owners, with sparse development far from the Tucson core at the time. Following World War II, a nationwide push toward quick economic recovery and military infrastructure intensification transformed this peri-urban area at the southern edges of the city into a military-industrial corridor. Most noteworthy, the Raytheon Missile Systems (then Hughes Missile Systems Company) was built just to the north of the neighborhood in 1951, and operates as a partner to the neighboring Davis-Monthan Air Force base. This corporation – which is today the largest private sector employer in Southern Arizona – brought many jobs and housing demand in an otherwise inconsequential area. Raytheon continues to hold significant
power and maintains a stronghold over development in the area, focusing particularly on restricting residential development near their campus as the area is earmarked for future aerospace infrastructure expansion.

The first official subdivisions in the Summit Neighborhood were created in response to this increased demand for housing in the southern region of Tucson. Between 1954 and 1965, 10 subdivisions were approved by Pima County, with two more being approved much later (fig. 9).

**Chronological Record of Platted Subdivisions**

<table>
<thead>
<tr>
<th>Subdivision Name</th>
<th>Approved Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sky Line Ranches</td>
<td>06/17/1954</td>
</tr>
<tr>
<td>St. Katherine Court</td>
<td>11/02/1957</td>
</tr>
<tr>
<td>64 Acres</td>
<td>04/25/1960</td>
</tr>
<tr>
<td>Sally's Valley</td>
<td>09/23/1969</td>
</tr>
<tr>
<td>Highland Manor Addition</td>
<td>03/03/1969</td>
</tr>
<tr>
<td>Trilby Terrace</td>
<td>03/04/1969</td>
</tr>
<tr>
<td>Anahaj Estates</td>
<td>09/26/1969</td>
</tr>
<tr>
<td>Desert Haven Addition</td>
<td>07/27/1969</td>
</tr>
<tr>
<td>Helton Addition</td>
<td>04/02/1964</td>
</tr>
<tr>
<td>Southside Industrial Sites</td>
<td>06/25/1965</td>
</tr>
<tr>
<td>Casitas del Valle II</td>
<td>05/16/1993</td>
</tr>
<tr>
<td>Pinader Road Estates</td>
<td>03/15/2003</td>
</tr>
</tbody>
</table>

**Figure 9: Source: University of Arizona's "Summit Neighborhood Plan."**

Besides proximity to work, reasons cited for moving to the area were quite simply that land was cheap and building was easy. In the 1960s, land was selling for approximately $1,000/acre and obtaining a building permit from the County cost approximately $5. As the land remained in unincorporated county land, owners enjoyed fewer regulations and almost non-existent code enforcement. As such, even the encroaching industrial development in the area provided residents with opportunity. One early land owner remembers using a 5 acre lot for both a small industrial business and a home, by means of a small mobile home where he resided with his family. At the
time, the area was truly reflective of the opportunities provided by self-help housing: people started small and developed their assets incrementally. Over time, this landowner was able to upgrade to a larger mobile home, and eventually construct a site-built home in one of the subdivisions. As housing demand grew in the area over the 1960-1980s, the land was divided and sold amongst an estimated 13 owners, who proceeded to split and sell land lots until reaching the minimum zoning requirements of roughly 1 acre/1 house lots set in 1998. During an era of mass suburbanization across the U.S., this area provided lower-income families the opportunity to create their own “American Dream” and purchase large tracts of inexpensive land in a quiet and safe neighborhood, far from inner cites. Today, many of these founding families – or their children - still reside on site, and their legacy is marked through road signage bearing their name.

2. Second Phase: Start of “wildcat” lot-split developments (1980-90s)

Since 1965, only two more regulated subdivisions have been platted in the neighborhood. In its place, the 1980s saw the slow start of what has come to be known as “wildcat” lot splitting; where owners divide and sell their parcels without going through the official lot subdivision approval process with county. This process will be expanded upon in greater detail later in this chapter. Slow early development increases in late 1980s following 1986 Immigration reform and naturalization program, where millions of previously undocumented immigrants were now able to apply for citizenship and exercise greater freedom in accessing the formal market. Approximately 70% of the current development is formed during this period. For this reason, greater focus will be placed on this era of the neighborhood’s development, as this is a time where we see
stronger social networks forming that both enable home ownership and initial service installation.

Most new residents during this time were Hispanic families, many having immigrated from Mexican villages in the state of Sonora within the last 2 generations. Many of these families first resided in Tucson, but were either not able to purchase a home in the city, or could only afford a home in an undesirable neighborhood. The draw to the neighborhood thus became that of continuing the farming lifestyle that they enjoyed in Mexico. They were able to purchase larger lots with the hope of one day building a ranch-style homestead and reside with extended family. Unlike the first wave of settlement, in this later development, we do not see a correlation between the proximity to work and choosing the neighborhood, rather it is the opportunity this virgin land provides.

Information about the availability of land for sale in this neighborhood spreads mostly by word of mouth as families are eager to find an opportunity to own “land” in the neighborhood. The prospect of land ownership is paramount in this style of development. The common plan is to buy a low-cost parcel of undeveloped land, establish a minimal house such as a mobile home, and slowly construct a site-built home. During this time, land ownership is closely associated with local influence and a small number of prominent families take over ownership of vast amounts of land which allows them to leverage greater levels of influence in the community. The market is almost exclusively that of owner-occupied housing. Low-cost construction is made possible through strong social networks where residents within the neighborhood traded construction services amongst one another. Construction costs are kept low by the high level of material recycling from construction debris from older homes in Tucson being demolished.
We also see the development of small-scale neighborhood associations that meet regularly in homes and collaborate on how to best petition governing officials for increased public services. These groups were successful in obtaining some County bond and HUD funding to bring amenities such as a school, park, and paving to some of the main roads. All in all, collaboration becomes key in these early stages of construction as new residents in the neighborhood need to rely heavily on the institutional knowledge of those who have already navigated the tedious process of establishing themselves in undeveloped land, including processing impact fees, building permits, and water monitoring for private wells.

3. Third Phase: Turnover, housing crash and an investor/rentier market (2000s)

The turn of the century brought with it a decrease in the number of new developments in the neighborhood. This was also likely due to the legislative changes regarding lot splitting and the increased aversion by Pima County to approve new building permits in “wildcat” developments. During these later years, we see the start of the housing resale market with new residents increasingly buying previously occupied homes, rather than developing virgin land. Several reasons explain the development of a resale housing market. The most widely cited reason is owners not being able to keep up with the terms of their mortgage that was established through predatory lending contracts, a matter that will be revisited in chapter four. Secondly, 2nd generation home inheritors who have long since moved out of the neighborhood opt to sell the property, rather than reside in a rural home that no longer meets their needs.

During this period of change, we note a transformation in the organization of the neighborhood. Longtime residents noted being weary of the new neighbors, and even mentioned feeling unsafe in certain parts of the neighborhood. As the
neighborhood has come to be known as a place that is easy to obtain housing, many residents with criminal backgrounds that prevent them from accessing traditional housing are increasingly moving into the neighborhood, and raising concerns for existing residents. Additionally, the housing crash of 2008 brought with it many foreclosures across the country and the rise of investors purchasing properties, often through foreclosure. This marks the beginnings of a heavy rentier economy where absentee owners are taking advantage of the remoteness of the community to get away with providing slum-like homes to residents with few housing options.

4. Physical infrastructure

While, Summit – and other communities like it – is not served by many public utilities, a network of private and communal physical infrastructure exists within the community which presents some advantages and disadvantages for residents. This section will focus on the infrastructure that exists with unregulated part of the neighborhood, as these are the areas where informal systems are more likely to be found. Most of the formal subdivisions in the older part of the community are in fact served by some degree of city or country services, notably water service.

Of most importance in any development in Arizona is the access to water. The City of Tucson water has officially stated that they will no longer extend water services to developments outside of city limits. As such, the water management in most “wildcat” subdivisions appears to be relatively ad-hoc with little effective recourse for inadequate service. At the outset of the development, communal water wells were established and managed among small groupings of lot. As density increased, coordination became harder since not all owners contributed their fair share, or properly set aside funds for future repairs. Over time, more affluent owners have been able to
upgrade to private water wells, though the cost of installation and maintenance is beyond the reach for most residents. However, the majority of the neighborhood, particularly the newer areas, is being served by a small-scale community water company that operates several wells in the neighborhood, Casitas water. This company, whose owner does not reside in the neighborhood, has been criticized for both delivering dirty water and is rumored to charge higher rates than the City of Tucson.

The sewer system is exclusively run via septic tanks, which appears to be the case, for both regulated and unregulated developments alike. Waste Disposal in unregulated developments is unavailable. Most residents have to take their waste to the landfill or burn it, yet many have resorted to illegally dumping trash, and even dead animals, in the neighborhood’s washes; a concern that was repeated as a significant concern for residents (fig. 10).

![Figure 10: Dumping in Summit neighborhood. Photo by Anna Darian](image)

One site visit to the community highlighted that some informal trash pick-up options are available, as an unofficial truck was seen picking up trash in the neighborhood. Electricity in the City of Tucson metro area is served through a private company, thus residents are able to independently seek electrical services. However, an approved building permit is required to obtain electricity, leading many residents to
bypass this and extend lines from neighbors. Finally, most homes use propane tanks for either cooking or heating, particularly those residing in mobile homes.

The street layout is likely the most noteworthy deficiency for anyone entering the community for the first time. Apart from Old Nogales highway and Summit road, all roads quickly turn to unpaved and very uneven roads that are difficult to manage with a smaller car. Few street signs or lighting exist beyond the main roads, and residents say that they often have to meet visitors outside of the neighborhood and guide them in. Residents have long asked for greater maintenance of the roads and streetlights at major intersections such the Nogales and Old Nogales Highway crossing, where they have experience several deaths. However, it is the policy of County officials that they do not maintain roads in developments that are not up to building code. Traffic signs are placed throughout the community, reminding residents and visitors that the County does not maintain the roads. Additionally, most of the smaller roads within the community are documented as either private or reserved as easements\(^9\), further reinforcing the County’s position that they are not responsible for the area’s roadways. Figure 11 show informal street signage, as well as the aforementioned intersection, with traffic backup on a weekend.

![Figure 11: Roadway concerns in the Summit neighborhood. Photo taken by Anna Darian](image)

\(^9\) A right to cross or otherwise use someone else's land for a specified – typically public - purpose.
The lack of navigable streets also poses a challenge for police and emergency services in the neighborhood. Residents have stated that police rarely respond to calls in the neighborhood unless there is a significant issue or if many calls are reported. Police unofficially call the neighborhood with the derogatory label of “dog patch”, in reference to the large number of dogs roaming unaccompanied, but the label is also a larger statement about the dismissive perception of the humans living in the community.

Despite its insufficiency, many residents stated that they would rather keep their existing utilities, citing the lower costs of maintaining their own utilities and only paying for the services they use, rather than paying services fees associated with larger organizations. However, some owners with private wells stated that maintenance was costly and ultimately not worth it, and would prefer to have the public water company. Some residents – mostly those of greater financial means - stated they would rather be connected to the county sewage system rather than the existing septic tanks. They were concerned that the septic systems were potentially becoming overloaded as many residents were placing multiple homes on their 1 acre lots. Additionally, with the increasing industrial activity surrounding the neighborhood, there were fears about the water tables becoming contaminated. In sum, the informal infrastructure in the neighborhood is both a result of the residents’ choice to build a system of amenities that they could exercise greater control over, but is also a necessary response to being institutionally shut out of accessing many public services.

D. Community organization and public response in the neighborhood

As mentioned, beginning in the 1980s, several active owners banded together and fought for various public funding to make improvements to the community. Noteworthy successes include, road paving on parts of the main roads, a park, and a
school that was built after about 20 years of fighting with the County and school district. Through 2003, the community was able to conjure a slightly better response to their requests, as Pima County Supervisor Dan Eckstrom was the elected representative over the area. Through his career, Eckstrom was renowned for his work in bringing greater attention to Tucson’s southern neighborhoods, which houses much of the area’s Hispanic population. After his retirement in 2003, Supervisor Ramon Valadez took office and has reportedly not been as sympathetic to the requests of the Summit neighborhood, leading many to abandon efforts. Several County representatives countered that a meeting was held by the Supervisor Valadez to try and reach out to the community, but found that it was difficult for them to engage with the community as they did not find cohesive leadership to facilitate such a partnership. Current priority concerns range from illegal dumping, unpaved roads and lack of speed control signs.

Concurrently, neighborhood meetings have mostly come to a halt. The organizers attributed this to an aging population with less energy to fight for changes on behalf of the community, and a general disillusionment with responsiveness from governing officials. Additionally, a long fought for elementary school was finally opened in the neighborhood in 1998, and it was intended to serve as a central place for civic engagement; yet, residents stated that they were rarely notified of any meetings. Needless to say, longtime residents regard these changes as a decline in the quality of life in the neighborhood.

The County defends its position in not wanting to encourage development in Summit for a number of reasons including the prevalence of predatory lending in these neighborhoods, the high cost of extending services to unregulated areas without infrastructure, the incompatibility of this residential community within a military-industrial corridor, and last but not least, the fact that the neighborhood is situated
between two flood plains, which poses a number public health concerns. Thus, in many ways, the County views any neglect in the neighborhood as both a punishment and discouragement for the land owners who are selling substandard housing to vulnerable members of the community. As such, inaction is a form of action, and the substandard living conditions are positioned as an inevitable consequence of bypassing formal subdivision laws.

E. Summary

This chapter presented a community that operates outside of the traditional framework of housing development. It is a community that thrives on social networks, flexible use of space and minimal costs. All this being said, all current residents interviewed stated that they had no intention of moving and still preferred to live in the neighborhood rather than relocate to place where they did not know any neighbors and had to deal with the dense and noisy city neighborhoods, particularly in the city of Tucson. New residents also showed high levels of satisfaction, stating that they felt very safe in the neighborhood, enjoyed the rural Mexican-like setting and would never want to move back to the city. Of note, residents largely enjoy the feeling of freedom they experience primarily due to being in the County, where looser enforcement of the zoning ordinance allows for greater flexibility in land use. Despite this generally positive outlook, residents have long sought government assistance that they feel has fallen on deaf ears.

This chapter concludes that “wildcat” neighborhoods are sustained by viable community-level organization - albeit fragile - that cities and county can work with, rather than against, in order to arrive at a solution where municipalities can foster strong communities by supporting self-help initiatives where residents build their own path to
housing access. However, what commands the most attention for Arizona’s legislative bodies is less the living conditions of infrastructure-deficient neighborhoods, but rather the lack of urban growth control caused by unregulated lot subdivision (“wildcat” development). The next section will look more closely at the “informality” of the community in the eyes of the law, and how this contrasts with the multitude of unregulated practices taking place in the U.S. today.
CHAPTER III
LOCATING SUMMIT WITHIN PATTERNS OF INFORMALITY PAST AND PRESENT

Chapter three opens by laying the foundation for how we came to think of any housing arrangement as “informal.” It does so by tracing Arizona’s history back to its early formation and what we now think of as “formal” laws, which coincides with when Europeans first arrived to what is today the American Southwest. Chapter three then jumps to the present day by providing examples for of “informal” or illegal practices happening commonly in the United States today. Within this context, it will then position “wildcat” lot-split developments within the spectrum of so-called “border communities” in the southern boundaries of the U.S. states of California, Arizona, New Mexico, and California. Finally, the chapter concludes with an analysis of the policy response to this alternative form of development. The chapter aims to highlight the consequences for those communities whose “informal” activities fall outside of the “tolerated” range.

A. Making the American Southwest

The land known today as Southern Arizona has long since been a popular location for human settlement, with a European recorded history dating back to the 1600s when Spanish missionaries entered the region. Throughout its contentious 400-year history, many formal landholding systems have been practiced under its changing authorities, from native groups, to Spanish settlers, and Mexican revolutionaries, and now U.S. conquerors. By today’s standards, much of the area’s earliest settlement could be characterized as “informal” development (Benton-Cohen, 2009, Hadley,
2005). The sections that follow will trace through the creation of “formal”
development, with property rights to consecrate them.

1. Selling the State of Arizona

The area of what is today “greater Tucson” was initially populated by
agricultural peoples identified by Spaniards as the Sobaipuris. This population was
organized in sparse barrio-like settlements that formed as orderly farm plots along
irrigation canals. Formal landholding regulations, as documented by European
historians, began upon the establishment of the first formal Spanish missions in the late
1700s. Under the Spanish colonial regime, populating “New Spain” was carried out
using three main institutions; (1) Missions serving as church and schools, (2) Presidios
which served as military protection and a settlement area for new Europeans, and (3)
Land grants that were distributed by the Spanish empire in order to populate the frontier
and make the land productive (Hadley, 2008).

The modern American Southwest came under Mexican rule briefly between its
independence in 1821 and the end of the U.S.-Mexico war in 1848. Following the end
of the war, in excess of 520,000 square miles of territory were transferred from Mexico
to the U.S. under the terms of the treaty of Guadalupe Hidalgo; the Southern portions of
the current states of Arizona and New Mexico were later sold to the U.S. in 1953 as part
of the Gadsden Treaty. Arizona remained as a territory for over 60 years before being
officially incorporated into the U.S. as State in 1912. Nonetheless, efforts to
“Americanize” the new region began long before statehood; the end of the fighting is
only the beginning of real conquest.

Once the U.S.-Mexico war was brought to its official end, the U.S. had to
solidify its rule over the new territory by assigning property rights over the land. Thus,
one of the priority items was to define a clear land ownership structure that both provided land titles for the newly arriving settlers from the East as well as cleared up old land claims that remained contested from the Spanish-Mexican transition (Bufkin, 1981). The U.S. took on the task with arguably two main ideological positions. First, the laws and lifestyles of the U.S. were regarded as *progressive* and any existing practices were *antiquated*. Secondly, the U.S. proceeded with an underlying attitude that they were entering uncharted territories that lacked order or civilized life; a perception that has been widely recognized across many colonial studies.

In keeping with the trend or rejecting the past, U.S. authorities made little efforts to adapt to existing land ownership structures. Much later, the Court of Private Land Claims was established in 1891 to reconcile former land claims but as the U.S. property laws did not have language for “communal” ownership, much of the land was designated as public lands, which could be later divided into private parcels, (Hadley, 2005). Bringing order to the unruly lands that came to be known as the “wild west” meant transforming the land into property, and more importantly private property, as a means of granting legitimacy to both the new U.S. authority, and to the Anglo settlers that could lay claim to a piece of the frontier.

2. The American Homestead; proving yourself in the Western Frontier

With industrialization in full swing and the railroad ripping across to the country in the late 1800s, the resource-rich lands of the West gained unprecedented attention by settlers and land speculators alike. At the time, small numbers of early settlers had already come to the area, but they were seen as adventurous travelers or outlaws. Historical accounts from the time note that property lines did not exist; people simply took a small piece of land that they could cultivate in a matter that one German
immigrant from the time defined as “the way the Mexican farm”. Land was exchanged frequently and leases were ad hoc. The informality made land ownership accessible to Anglos and Mexicans alike, who both had the capacity to work their way up from laborer to land owner (Benton-Cohen, 2009).

Formal efforts to populate the land were administered through the General Land Office, which was established to distribute the vast quantities of inexpensive land to “bona fide” settlers. The Homesteading Act of 1862 was the first in a series of similar laws and amendments which was responsible for the majority of land claims in the borderlands, and across the West. Settlers could apply for 160 acres of public land, upon which they were expected to reside and activate through setting up residence and cultivating the land through agriculture. If they were successful in “proving up”, meaning that they established a successful Homestead, formal titles were granted. (Hadley, 2005)

The notion of the homestead was conceived out of the ideal of the Jeffersonian utopia of the family farm; and its deployment in the Western territories was promoted as a way of preserving both the “American” way of life, and the Anglo-Saxon race. On the frontier, space seemed infinite, land was power, and the language of “home” softened the widespread real estate speculation taking place (Benton-Cohen, p. 181). But, land control was not sufficient; in Arizona’s unforgiving desert landscape, the need to clarify water rights turned out to be of paramount importance.

3. Rethinking property rights through regulating water rights

In the harsh desert climate of Arizona, water rights have historically been more important than property rights, per se (Hadley, 2005). Little is known about what formal legal structure existed to establish water access prior to U.S. rule, but historians
have concluded that settlement along irrigation points prior to the U.S. regime was
decided on a “first come, first serve” basis (Benton-Cohen, 2009, Hadley, 2005). Some
of the earliest water laws in Arizona were established through the blending of Mormon
water cooperatives practices with the Mexican *acequia* traditions of community-
operated watercourses. Mormon irrigation companies set up canal-and-dam
associations which were owned and operated by its members. Each member received a
proportional share of the water based on their share of financial contributions. Both the
Mexican *acequias* and the Mormon canal distributed water as a communal asset, but in
the latter water was treated as tradable commodity, separate from the exchange of real
property, such as land. Furthermore, the canal could divert water at a much higher rate
that the ditches of the earlier settlers, so some former settlements were forced to relocate
due to the vast resource consumption by the growing population (Benton-Cohen, 2009).

In many ways, canal shares became an abstracted form of *private* property
rights that ultimately further moved the society away from an unrestricted model to one
where controlling access to resources became a way of controlling access to land. This
form of urban control is seen in Tucson today as it does not extend the City’s water
infrastructure to residents outside of city limits. Thus, controlling access to water in
Arizona has the same effect as dictating *where* people are able to locate.

In looking at this abridged history of early American policies in Southern
Arizona, we see that calculated parcelization of land was used as a means of facilitating
the free flow of capital through land exchanges. To this effect, Blomley (2003) states
that the effect of the survey was to render space as an object of calculation; and thus, the
second nature of property is to enable a capitalist market through the creation of
boundaries, such as parcels of land, that are vital to any liberal legal regime.

As it relates to the wildcat settlements of today, this section has highlighted the
dynamics of the early state formation that have shaped a cultural acceptance that
governments have the supreme authority to grant who has legitimate access to private
property rights, how the land must be used, and where settlement occurs. In other
words, “the provision and distribution of infrastructure is not a technical issue but rather
a political process.” (Roy, 2005, p. 152)

In many ways, the residents of wildcat settlements have reversed this paradigm
and created a space where land exchanges are accessible, land use is flexible, and
government approval is not sought prior to settlement. Nevertheless, “wildcat”
developments have suffered greatly due to their unregulated operation, as such,
understanding the U.S. logic of regulating human settlement is important to understand
the marginality that Summit, and neighborhoods like it, operates within. This
marginality will be critiqued in the sections that follow, where “wildcat” development
will be discussed alongside common “informal” practices in the U.S.

B. Informal land use practices in today’s cities

No universal definition exists for what constitutes informal practices, however in
the The Informal American City, Mukhija and Loukaitou-Sideris (2014) introduce a
collaborative project where scholars identified a framework for understanding
“informality” in the context of the U.S.. For their purposes, the two authors adopted the
seemingly straightforward definition coined by Manuel Castells and Alejandro Portes
(1989) where informality constitutes those activities which are “unregulated by the
state” (p.8). Through a set of case study examinations, everyday practices in U.S.
cities such as, street vendors, food trucks, migrant labor centers, yard sales, urban
agriculture, and unpermitted additions to single family homes, are unpacked and

10 In the literature covering housing and more general, the economy in the developing world
presented through the lens of informal activities that represent an evolution is in the American lifestyle that is not yet acknowledged by regulations. It is argued that practitioners typically see these activities “at best as unorganized, marginal enterprises that should be ignored, and at worst as unlawful activities that should be stopped and prosecuted” (p.1). Thus, by showcasing the prevalence of informality in the urban context, it suggests that urban regulations must adapt to the reality on the ground.

One example that is currently causing a lot controversy is the Airbnb online platform. This informal hotel-like service allows people to lease extra rooms in their home to budget travelers looking for a low-cost alternative to hotels. Consequently, these companies have been facing legal issues; such as Cities seeking sales tax revenues, room providers asking for employee benefits, or simply facing zoning violations for essentially operating a business out of a space designated for residential use (Cain Miller, 2014).

The Airbnb example is interesting for several reasons. First, it shows that what is lumped as an “informal” use of land extends in fact to a wide spectrum of economic and social transactions that appeal to multiple social and income groups. In other words, it is not just the poor who are looking for informal housing to circumvent the law, many social groups engage in informal service provision and acquisition. Second, while many people readily assume “wildcat” developments to be lawless, they are likely to be organized by a particular, even if it may not be regulated by state agencies, Airbnb is clearly regulated by an agency and that norms of good conduct, reputation, and social recognition are clearly present. Although institutional regulations have yet to make allowances for this new form of tech-savvy informality, law-makers around the world are working to incorporate and regulate this form of mixed-use operation, rather than shut it down summarily. Certainly, the large-scale use of Airbnb is not a fair
comparison with “wildcat” development, however, it highlights that some forms of “informality” hold the power to move legislation towards an inclusive solution; thus it makes hence legitimate the question of whether “wildcat” developments are singled out due to particular biases in our perceptions.

In the analysis going forward, informality will focus on the built environment, and informal settlements in particular. However, as we will see in the sections that follow, this alternative form of development lends itself to scrutiny by governing agencies, whose role is to enforce compliance with existing ordinances.

C. Colonias in the borderlands; out of sight, out of mind

In academic discourses, describing a community as an informal settlement is typically a term reserved for the “developing world”. The U.S. has been slow to acknowledge the widespread substandard housing conditions in their own backyard. One reason for this delayed acknowledgment might be due to the location of informally built communities in the U.S. Unlike the more common model of inner-urban settlements in the developing world, similar neighborhoods in the U.S. are typically located in low-density peri-urban areas, and largely out of sight for most urban dwellers. For the purposes of this thesis, attention will focus on the communities of the U.S.-Mexico border, however, other work points to similar communities in other parts of the U.S., notably in the rural south (Anderson, 2008). It is also worth noting that this phenomenon is not isolated to rural areas, as most major cities and towns in the U.S. contain aging neighborhoods that are deemed to be in slum or blighted condition. Response to these deteriorating neighborhoods ranges from code enforcement of building violations, to demolition, and to a lesser degree, revitalization projects to rebuild the community.
However, in the U.S.-Mexico region, neighborhoods with infrastructure deficiencies have come to be called “colonias.” The word - which literally means “neighborhood” in Spanish – was first used to identify infrastructure-poor, low-income settlements in a 1987 article in the *El Paso Herald Post* in El Paso County, Texas. This Southern Texas publication also went on to suggest that these neighborhoods, which lacked basic services and were made up of shanty-like structures, were home to residents who had migrated from neighboring Ciudad Juarez, Mexico. The use of the Spanish label of *colonia* thus implies that it is more of a Mexican problem on U.S. soil, rather than a policy failure in the U.S. (Mukhija and Monkkonen, 2007).

The problem gained wider attention after the National Affordable Housing Act (NAHA) passed in 1990. This laid out a broad set of policies aimed at both improving living conditions and creating more affordable housing options in low-income communities across the U.S. Within this legislation, one measure - Section 916 – allowed for the designation of areas as “colonias”, which were broadly defined as “nonmetropolitan, unincorporated neighborhoods and incorporated communities within 150 miles of the U.S.-Mexico border that lack sewer, water or decent housing”. The measure required the four Border States - California, Arizona, New Mexico, and Texas - to set aside 10% of their Community Development Block Grant (CDBG) funding for infrastructure improvements in their *colonia* neighborhoods. If a community is awarded this designation, it becomes eligible to apply for nominal grant funding, which is awarded on a competitive basis by each respective state. The exact funding varies from year to year, but in Arizona, this roughly amounts to mere $1 million annually. The law has since been interpreted to mean that only communities that can prove that they met this definition prior to 1990 are eligible for the designation. The effectiveness of the program has been widely criticized for a number, however, what is particularly
problematic in this program is that it further reinforces the notion that informality in the U.S. continues to be seen as an isolated and temporary problem.

To better understand the phenomenon, the pioneering work of Peter Ward, *Colonias and Public Policy in Texas and Mexico: Urbanization by Stealth* (1999) sketches out a framework for practitioners to engage with colonia residents in Texas through understanding the networks that sustain their development, rather than hope that the matter will resolve itself. Ward generally defines U.S. colonias as communities located along the U.S.-Mexico border with inadequate infrastructure, variations of self-help housing, and built on cheaply acquired land. Nonetheless, Ward seeks to move the conversation from one that centers on the infrastructure itself to one that addresses the insufficiency of affordable housing for the working poor. Furthermore, Ward argued that Texas authorities would be able to improve housing conditions in these neighborhoods by learning from the Mexican response to colonias, as they have a much longer track record of engaging with informal communities in upgrading efforts. Nonetheless, whereas the colonias of Texas have been the leaders in bringing attention to these overlooked communities, and consequently made the greatest progress in elevating living conditions, the state of Arizona has taken a different approach with regard to their infrastructure poor communities, choosing rather to focus on the legal infractions of the land acquisition process employed in developing these neighborhoods. The section that follows will look more closely at the process of unregulated lot splitting ("wildcat" developments) and the public response to the neighborhood.

**D. Arizona’s “wildcat” subdivisions; from richer to poorer**

The state of Arizona currently has approximately 65 official designated colonias through HUD, though many more neighborhoods meet the definition but have
either chosen not to apply, cannot prove that deficiencies existed prior to 1990, or their respective governing authority has not sought the designation on their behalf. Unlike the traditional *colonia*, which is rooted in a Texas-based model that has come to be seen as a predominantly Hispanic neighborhood separated from urban areas; Arizona’s *colonias* - or would-be *colonias* - vary greatly in ethnic makeup, social composition, economic status, and proximity to cities. Additionally, whereas the Texas model highlights a very recent phenomenon, Arizona’s communities have histories as long as the earliest European settlement in what is now the American Southwest, (Donelson, 2010). Communities range from low-income neighborhoods, early Mormon settlements, former farmworker housing, mining towns where the mines have long since closed, retirement communities, and simply those wishing to live “off-the-grid” for a multiplicity of reasons.

Wildcat development – as a form of housing production - is a process whereby an owner of a large tract of land bypasses the traditional subdivision process and sells individual lots without obtaining approval from the County or establishing infrastructure such as streets, utilities, drainage improvements; which would otherwise be required by the County in a regulated subdivision. The process is not inherently illegal, but it poses a challenge for public officials who are not able to plan infrastructure extensions to areas that outside of their designated growth plans. A 1997 study in Pima County found that 41% of new housing permits registered in unincorporated territories were for homes in areas that developed through unregulated lot splitting processes. Later studies have shown that this trend is actually on the rise, whereas in 1994, it was estimated that 348 new permits were for homes in unregulated neighborhoods, 2004 figures showed this figure had more than tripled to 1,174 (Pima
Documented Wildcat Subdivisions in Greater Tucson – with Population

Figure 12 identifies the known wildcat developments in the Tucson metro area.

Although the practice of minor lot splitting was already taking place, one speculation for the rise in the number of wildcat developments is a 1994 legislative amendment (Senate Bill 1088, Chapter 263) that loosened restrictions on Arizona State lot splitting\textsuperscript{11} regulations. Highlights of legal changes are listed below:

- Changed subdivision definition for counties to six lots
- Prohibited counties from denying the lot split and from holding a public hearing
- Deemed the split approved if the county did not act within 30 days
- Allowed buyer and seller to complete the sale, not to note deficiencies on the deed when the lots did not meet access and zoning requirements

\textsuperscript{11} The subdivision of a lot – or parcel of land - with fixed boundaries as reflected on a deed.
However, developers ‘acting in concert’ to avoid subdivision laws was declared unlawful. In other words, the law aimed to prevent a group of land owners from buying large tracts of land and selling parcels amongst one another – splitting the land in 5 lots each time – but ultimately maintaining control over the entire area.

In an effort to establish statewide urban growth controlling measures, the Arizona Growing Smarter Act of 1998\textsuperscript{12} was established which required all towns, cities, and counties to develop a comprehensive plan which meant that municipalities were now ever more proactive about governing the types of developments they wished to encourage in their jurisdictions. A revision to the Act - Growing Smarter Plus Act of 2000 - increased regulation on lot splitting, including giving counties the authorization to (1) require the disclosure of lot splits, and (2) prohibit issuance of building permits until minimal zoning requirements were met, as well as legally limit the extension of services, such as water, sewer and street improvements to unregulated areas, provided that it is included in the general or comprehensive plan.

In addition to these regulations, counties have started to adopt ordinances, such as “minor land ordinances”, that could prohibit the issuance of building permits in unregulated development areas until the county’s minimum zoning requirements are met. (Christensen et al., 2006). Pima County passed such an ordinance in 2005, which required all owners wishing to split a lot to submit an official land survey certifying the exact lot dimensions as well as a “Deed of Easement” to be recorded with the county that certifies the percentage of the lot dedicated to utility extensions. As it relates to the Summit neighborhood specifically, in 2005, Pima County brought litigation against some of the owners who had been selling lots through the unregulated process, and

\textsuperscript{12} The first statewide attempt to monitor and regulate growth. The Act utilizes the “smart growth” approach of planning and zoning, which entails balancing economic interests with impacts on the environment and quality of life, (Heffernon & Melnick, 2001, p.1) taken from (Christensen et al., 2006)
succeeded in leveraging nominal fines for what they deemed to be a violation of the “acting in concert” clause. Figure 13 demonstrates the various legislative changes, in conjunction with housing development in the Summit neighborhood.

Figure 13: New Housing in Summit, in relation to legislative changes. Source: U.S. Census Bureau

The chronological timeline of legislative changes in contrast with neighborhood development highlights that new housing unit production starts to rise in the 1990s and starts to slow in 2000, with a sharp decrease in the later 2000s, which can also be attributed to the housing crash of 2008.

All this said, the primary motivation for controlling this form of development, is the low per-capita tax revenue collected from these neighborhoods. Due to the prevalence of trailers and manufactured homes in these neighborhoods, property values are low, and therefore, taxes collected are low. In the 2010 census, figures show that
median home values in the officially designated Summit community - inclusive of both regulated and unregulated development - are half that of Tucson. This has been stated as one of the causes for Pima County having one of the highest tax rates in the State of Arizona. County Administrators claim that tax payers have to pay higher rates in order to compensate for the revenue shortfall from residents in unregulated neighborhoods, which has been labeled the “free rider” problem (Christensen et al., 2006). It is argued that the low tax revenues from these neighborhoods are not sufficient to cover the costs of public utility extensions, particularly as installation in built-up areas is considerably more expensive.

From the County’s position, the problem of unregulated development can be divided into two broad categories; (1) unauthorized lot splitting renders the county ineffective in their responsibility to regulate land use, maintain accurate land surveys and, most of all, collect fair tax revenue for the land’s value, or (2) the residents in these neighborhoods are victims of deceitful developers who have out-maneuvered the law and provided cheap housing with inadequate services to vulnerable people with few alternatives. What is lost in this statement is that many communities are not in fact being extended public services, nor are there viable housing alternatives for the region’s poorest residents. Rather, these neighborhoods are largely overlooked by municipalities in the hopes of legislating the problem away, without getting to the underlying matter of a lack of affordable and livable housing options for Tucson’s residents.

E. Summary

This chapter demonstrated a variety of ways that informal activities are taking place in the U.S., showing how they are practiced by rich and poor alike. Thus, rather than thinking of informality as a last resort for the poor or immigrants; it is sometimes
little more than the product of ideas that find opportunity through the innovative use of the space, technology, and resources in a way that the law has yet to account for. Thus, in many ways, in the context of the U.S., which is one of the most regulated countries in the world; informal operations are most successful in the moments between invention and regulation. Whether it is the untaxed exchange of goods on the internet, an unlicensed business in one’s home, or a self-built housing community; informality thrives best when existing in a space of marginality.

However, whereas the conversation in the U.S. regarding neighborhoods such as Summit is primarily concerned with the health and safety concerns arising from the infrastructure deficiencies, Ward (1999) seeks to address the root cause, which is essentially the lack of affordable housing for the working class residents who have relocated to urban areas and found themselves locked out of the housing market. To this effect, chapter four will continue with a closer examination of housing access and where the residents of Summit fit within the modern urban landscape. Additionally, it will demonstrate the consequences of allowing an unregulated activity to continue without the protection of the law, as informality can lend itself to be a tool of exploitation for those seeking to take advantage of people in vulnerable positions.
CHAPTER IV

A MARKETPLACE OF INEQUALITY IN THE MODERN “AMERICAN” CITY

Nicholas Blomley (2003, p. 122) writes that “access to property, including land, is an important predictor of one’s position within a social hierarchy, affecting class, race, and gender relations” and adds that “when we talk about land and property, we are not simply talking about technical questions of land use, but engaging some deeply moral questions about social order.” What this might mean for the Summit neighborhood is that the circumstances surrounding why these dwellers might not have been able to access housing that met their needs elsewhere in the region is rooted in a deeply political set of institutions that have both defined the “ideal” land owner, and excluded those who are marginalized in this hierarchy.

Chapter four will continue with a contemporary analysis of the winners and losers in the current housing market, and how the lack of accessible housing options in the City of Tucson has driven the area’s poorest residents into underserved neighborhoods. It will then focus in greater detail on the process of suburbanization that widened socio-economic inequalities. In this chapter, I argue that the choice to live “off the grid” can now be seen as a complex relationship where an exclusionary housing market pushes dwellers towards alternative housing solutions leaving them vulnerable to predatory lenders who fill the massive shortage of affordable housing availability.

A. The uneven playing field of housing choice in Pima County

When non-residents speak amongst each other about the Summit neighborhood, the preeminent topic of the conversation is the substandard infrastructure
in the neighborhood. People with some familiarity of the community might add that the residents like the neighborhood, which then brings the discussion to a close with an acceptance that there is nothing to be concerned about after all. At the preliminary stages of this research, this seeming contradiction of how one could like what appeared to be slum-like housing was perhaps the most puzzling concept for me to understand. As previously stated, residents interviewed as part of this research confirmed that an overwhelming majority of the dwellers in the Summit neighborhood did indeed like their home. Conversely, most city and county officials – with minimal financial means to intervene in the neighborhood – were content to avoid the neighborhood, save for adopting policies that would stop the spread of such subdivisions. Thus, this thesis first needed to answer the most basic question; what is the problem? In other words, if the municipalities were reluctant to engage with the community, and the residents just wanted to be left alone, perhaps there was no issue at all.

To this effect, it is important to highlight the follow-up sentence that often came out during interviews after a resident shared that they liked their home. Many added that they “could never live in the city again.” This assertion may have simply been a reflection of their positive feelings toward their home, but what this section will argue is that the perception of one’s home is a relative statement. Meaning that when a resident in the Summit neighborhood takes a position with regard to their current living situation, the assessment is invariably relative to their prior living situation, or the housing options they feel are available to them. For many of the lower-income residents, they relocated from the Tucson area where they resided in a fairly undesirable and high-crime neighborhood in the City of Tucson, thus leading them to seek housing options where lending was available. To this point, Michelle Wilde Anderson (2008, p.1129) outlines what she calls the Economic Gravity Pattern of Urban Development,
explaining that “where the market and the state fail to build affordable housing that satisfies people’s preferences, self-help patterns emerge, with low-income workers settling on the least regulated, most affordable land in the metropolitan region. The urban fringe can satisfy these economic and cultural trajectories with its relative proximity to employment, rock-bottom land prices, and promise of space, sustenance, and homeownership.”

Thus, the conversation should rather question the state of affordable housing in the city and the barriers that many face in accessing housing, particularly in cities like Tucson, where poverty is persistent and affordable housing options are limited.

1. High poverty meets few livable housing options

High poverty rates in the Tucson region have not only had a long history, but recent census figures show that poverty is also on the rise. The Tucson Metro area was ranked in 2011 as the sixth-poorest large metro area in the nation with an overall poverty rate of 20.4%. Within Tucson’s city limits, the poverty rate was estimated at 26.6%. Figure 14 shows the rise in poverty over recent years (City of Tucson, 2012).

Figure 14: Percent of poverty in rates in Tucson and Pima County (2007-2012). Source: American Community Survey, via the City of Tucson
The Southwest Fair Housing Council report on housing choice in Pima County showed that real earnings in Tucson have not increased since 1970 when you figure in the cost of living increase; while housing prices continue to rise disproportionate to wages. Arizona is ranked as one of the worst states for housing affordability, with nearly one in four working families spending more than 50 percent of their income on housing; well above the maximum ratios recommended by housing policymakers (typically 20-30%). The housing problem is further exacerbated by the low number of affordable housing units: with a population of over 500,000, the City of Tucson has only approximately 1,505 public housing units that have been used to meet some of the affordable housing needs. The last public housing units were constructed in 1985, and the city stopped taking new applications on June 1, 2008 from families for public housing because the program reached capacity (Rhey and Young, 2009). Regionally, a 2012 study showed that Pima County had 17 affordable rental units available for every 100 extremely low-income renter households, defined as earning less than $18,100 for a household of four; that’s compared with a national rate of 29 affordable units per 100 poor households (City of Tucson, 2012).

One of the ways that area residents have sought to fill this affordable housing gap is through mobile homes. The Metro Tucson area has roughly 44,000 mobile homes, which comprises 10 percent of the housing stock. Approximately three-quarters of the mobile homes are owner-occupied but sit on rented land. Sadly, a recent investigation of conditions in mobile home parks showed that many communities were not well maintained, and some were even hazardous. Landlords and property managers are routinely renting homes with known health and safety violations to vulnerable residents with few housing options. Residents are reluctant to complain, as they know that if the park gets shut down, they may not be able find other housing. Likewise,
local and state housing officials hesitate to take action against violators of fair housing
and building code standards as they know that Tucson has no better alternative for its
poorest residents.

In light of the bleak state of affordable housing, the residents that have
relocated to the Summit neighborhood have in some way followed in a nationwide trend
of suburbanization, whereby residents have escaped undesirable living conditions and
sought refuge in the urban periphery. However, what many residents have found is that
the pristine suburbs that spread across cities in the latter half of the 21st century were
not for everyone. The next section will take a closer look at the process of
suburbanization in U.S. cities, and how “wildcat” neighborhoods provide an opportunity
for the suburban dream for those excludes from the formal market.

B. 20th century suburbanization; building exclusivity through urban sprawl

Mainstream discourses about the suburban out-migration from city cores
largely focuses on the phenomenon of “white flight”\(^{13}\), whereas, low-income
neighborhoods such as Summit are regarded as housing options of last resort rather than
viable communities that hold value. Thus, in order to understand why “wildcat”
neighborhoods both exist on the urban periphery and are not approached by the City for
annexation, it is important to briefly explain what constitutes a “good” suburban
neighborhood.

In 1950 almost 70% of the nationwide population of 168 U.S. metro areas lived
in 193 central cities. By 2000, over 60% of the population of 331 metro areas lived
suburbs, and more than 75 percent of newly developed land and more than 80% of

\(^{13}\) A term that originated in the United States, starting in the mid-20th century, and applied to the large-
scale migration of whites of various European ancestries from racially mixed urban regions to more
racially homogeneous suburban or exurban regions.
population added has been in suburbs. As it turns out, 1950 was the population peak for central cities; in every census thereafter, the proportion of central city versus suburb residential population has declined. Many theories have been posited to explain this trend, but as it relates to housing policy specifically, the link is clearly tied to the National Housing Act of 1934, which created the Federal Housing Administration (FHA). Its function was quite simply to stabilize the economy following the Great Depression of 1929 through homeownership (Rusk, 1993).

The FHA insured low-interest mortgage loans to middle-income households leading to a housing demand boom to accommodate the record number of citizens who were now able to obtain mortgages. Compounding this effort, a national agenda to extend large-scale road and highway networks ripped across the country, and gave birth to the term “drive till you qualify”, meaning that middle-income families were now able to look far beyond the urban core to seek out affordable housing options. The FHA also unabashedly showed preference to insuring loans in more “racially homogenous” neighborhoods as they delineated high-risk areas as ones with a high minority population; a process commonly referred to as “redlining”\(^{14}\). These areas also happened to be predominantly inner urban areas; conversely, the practice was not deployed in the newly emerging suburbs (Rusk, 1993).

Land use zoning also proved to be a powerful tool for suburbanites to control their neighborhoods. Through intentional land use demarcations - such as single-family residential or by setting bedroom or bathroom minimums by code - zoning was effectively able to prohibit lower income housing types, including multifamily apartments and mobile homes. In this way, municipalities were able to inconspicuously

\(^{14}\) The practice of, in the United States, denying, or charging more for, services such as banking, insurance, access to health care, or even supermarkets, or denying jobs to residents in particular, often racially determined, areas.
maintain a certain level of class-based exclusivity without turning to overt practices such as “redlining” that had come under much scrutiny through Fair Housing legislation (Anderson, 2008). Thus, the housing policy aimed at helping the country recover from the economic downtown effectively discriminated against urban low-income urban neighborhoods, particularly with large minority populations. This led to both inner city decline and widening inequality gaps along racial lines due to a minimized tax-base in central cities (Rusk, 1999).

Nonetheless, geographic relocation from the inner city was not a sufficient separation; many suburban residents often resisted annexation into central cities as they did not wish to be financially responsible for addressing the very problematic and declining inner cities they intentionally escaped, and chose rather to incorporate as cities themselves (Rusk, 1993). For many new suburbanites, the choice to relocate was rooted in a simple desire to find the American dream for an affordable price; however, the racialized reality of what came to be known as “white flight” was an undeniable fact of this American dream. “Good” neighborhoods with “good” schools were understood to be neighborhoods and schools with few racial minorities. As such, racial segregation in cities has not only been upheld, but in many metro areas, has increased since the 1960s due to racially restrictive FHA financing, exclusionary zoning in suburbs, and real estate steering.

As it relates to Pima County, the trend holds here as well. Residential development since 1970 shows more growth in suburban Pima County than within the city limits of Tucson. Whereas in 1970, 75 percent of Pima County residents lived in the city limits of Tucson; by 1995, it had decreased to 58 percent, and it is predicted to fall to 52 percent by 2020 (Rhey and Young, 2009). However, unlike the national suburban trend mentioned here, incorporation of residential areas into autonomous municipalities
does not appear to be a priority for much of the suburban development, as only four cities and towns have been incorporated outside of Tucson, and roughly 30% of Pima County’s population remains in unincorporated county lands. The following table shows the year of incorporation, the estimated population as of the 2010 Census, and the percentage of the population identifying as white alone for the five incorporated municipalities in Pima County.

<table>
<thead>
<tr>
<th>Name</th>
<th>Year Incorporated</th>
<th>Population (2010)</th>
<th>Race - White Alone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tucson</td>
<td>1877</td>
<td>520,116</td>
<td>47%</td>
</tr>
<tr>
<td>South Tucson</td>
<td>1940</td>
<td>5,652</td>
<td>8%</td>
</tr>
<tr>
<td>Oro Valley</td>
<td>1974</td>
<td>41,011</td>
<td>82%</td>
</tr>
<tr>
<td>Marana</td>
<td>1977</td>
<td>34,961</td>
<td>68%</td>
</tr>
<tr>
<td>Sahuarita</td>
<td>1994</td>
<td>25,259</td>
<td>58%</td>
</tr>
<tr>
<td><strong>PIMA COUNTY</strong></td>
<td><strong>917,131</strong></td>
<td></td>
<td><strong>55%</strong></td>
</tr>
</tbody>
</table>

In keeping with nationwide trends, we see that the suburbs incorporated in the latter half of the 20th century show a disproportionate percentage of the population identifying as “white”, as compared with Pima County at 55%. Thus, in many ways, neighborhoods like Summit present the opportunity for lower-income populations to create their own suburban enclave.

1. *The other suburbia: extreme poverty meets opportunity at the urban fringe*

The overwhelming response for those interviewed stated *price* and *flexibility* as the primary reason for locating in the neighborhood. In addition to this, the neighborhood offers one of the lowest cost access to land in the region, which means that for one of the 44,000 mobile homes that would otherwise sit in a crowded city
mobile park, the neighborhood allows you to buy or rent land to place one’s mobile home on a full acre of land.

A survey of recent real estate listings in the Summit neighborhood showed that the price range for most lots runs anywhere from $35,000-70,000, as compared with the median sales price of $152,500 in Tucson for December 2014 to March 2015. Housing demand is high in the neighborhood and homes tend to sell or lease quickly. Of the 1,178 occupied units (ACS, 2009-2013), it is estimated that 838 units – or 71% - are owner-occupied.

That being said, properties priced higher than $50,000 tend to stay on the market longer. Thus, those who have invested significant expenses into building a site-built home have essentially priced themselves out of the market. Additionally, although the unregulated lot splitting causes many concerns for local authorities - and ultimately the residents - bypassing official lot subdivision avoids many costs one would incur from extending infrastructure and getting county approval for the subdivision. As such, the land remains inexpensive at the outset, though not without consequences.

Generally speaking, as many of the sales are done through owner-backed contracts, the neighborhood offers a more flexible and personal experience in home lending that might not be the case with traditional banks. Some residents mentioned low down payments, as little as $2,000, and rent-to-own contracts as being a benefit of locating there. Also, in addition to the land sales for mobile homes, sellers here are also more amenable than traditional banks to lending for manufactured homes; as will be discussed in the next section.

Pull factors, such as affordability or lifestyle however only partially explain the choice of the neighborhood. In order to understand why people select to live in Summit and similar wildcat development, one needs to delve into the “push” factors of the
housing market or barriers that prevent access to housing for many households. One such barrier that was recurrently mentioned by respondents in the neighborhood is that the minimum application criterion for housing in the U.S. asks that residents show proof of acceptable credit, sufficient income, and a clean criminal record. These three requirements prove to be a challenge for many residents of the Summit community. To begin with, 30% of households live below the poverty line and don’t hence meet the income requirements. Moreover, in order to carry out these screenings, applicants are asked for a legal identification number, typically a social security number\textsuperscript{15}. Residents in the neighborhood estimated that anywhere from 50-80\% of neighborhood were undocumented immigrants; a challenge that adds a significant barrier for acquiring traditional housing.

One former resident and large land owner in the neighborhood has arranged many rental and sale agreements and estimates that 1/3 of the people he works with could place mobile home anywhere, but 2/3 need some form of flexibility that the neighborhood offers. In his contracts, he never requires a lease, operates on a 30-day notice to vacate, does not screen for credit of background checks, and has historically accepted partial rent payments, which is a rarity in most apartment complexes. He stated that business in the neighborhood was reputation based. Another owner in the neighborhood estimated that upwards of 90\% of the people he worked with required some degree of flexibility.

This section neither sought to promote this form of housing development, nor did it take a normative position; it simply aimed to capture the words as shared by residents and sellers who call this neighborhood home. However, flexibility and

\textsuperscript{15} Number issued to U.S. citizens, permanent residents, and temporary (working) residents. The number is issued to an individual by the Social Security Administration, an independent agency of the United States government, for the purpose of tracking individuals.
informal contracts can lend itself to devastating consequences if a seller or landlord is seeking to take advantage of a vulnerable situation.

C. Discriminatory policies lead to predatory lending in Arizona’s most vulnerable communities

Several governing officials interviewed as part of this research justified the lack of intervention in the neighborhood as being a tactic to discourage developers and landlords – often defined as “slumlords - from benefiting from predatory lending practices. As this section will detail, the neighborhood does in fact rank high in predatory lending, but what is masked in highlighting this, is that many of the residents who chose the alternative lending structure suffer from multiple levels of discrimination practices in the formal housing market that exacerbate the effects of the predatory lending. As such, this thesis was concerned with both understanding the problems within the neighborhood, but more importantly the broader barriers that prevented them from obtaining a “traditional” loan for housing that fit their needs.

As a general rule, banks do not like to face risk or enter into lending agreements where they are not able to guarantee that they will recuperate their investment in the event of a foreclosure. What this means for Summit is that banks are reluctant to lend for land only transactions where there is not a guarantee that a valuable home will be placed there. As it relates to the unregulated lot splitting in “wildcat” developments specifically, banks do not like to enter lending deals where there are unclear titles. In other words, when the title stays with the owner of the entire parcel until the buyer has paid off the individual lot, which differs from traditional lending where the buyer owns holds the title to the home immediately, and the bank has a lien on the property.
Another more subtle form of housing discrimination happens in relation to mobile and manufactured homes. As noted above, mobile homes are one of the ways that low-income residents have been able to access shelter in the context of an unaffordable housing market. However, mobile homes have historically been legally treated as “personal property”, rather than real estate or housing. This means that owners register their home through the motor vehicle department instead of the county assessor and pay higher loan terms, such as 6-12%. In order for a mobile or manufactured home to be considered “real property”, the owner permanently affixed it to the land beneath. This change brings with it more consumer protection, however, once the property is affixed, it cannot be moved. Unfortunately, for the Summit neighborhood, this goes against grain of many residents’ desire for upward mobility. The aim is often to find inexpensive land and slowly upgrade from the mobile home to a site-built home. However, as land appraisers rarely enter the neighborhoods to assess the land’s true value; the property remains a low-value mobile home site on record. Thus, even those who build a site-built home around the original structure will never see their property values increase. Figure 16 shows examples of manufactured homes being slowly converted into a larger structure, though it is clear that many are abandoned before the owner can complete the home.

Figure 15: Manufactured homes being converted to site-built home. Photo by Anna Darian
Furthermore, the predominant Hispanic population in the neighborhood adds another dimension with regard to lending practices. A 2000 study demonstrated that Tucson-area Hispanics were 2.8 times more likely than whites to be rejected for conventional purchase loans (Raleigh, 2002). That number shifted dramatically between 2005 and 2008, in the years leading up to the housing crash. The subprime lending market dramatically expanded after 2005. Nationwide, fewer loans were denied and more adjustable rate mortgages with high interest rates and high risk terms and conditions were sold. The Tucson area office that monitors fair housing showed that minorities were hit hardest as they were disproportionately offered subprime loans with terms and conditions that made default and foreclosure much more likely, even as the study showed that many would have qualified for more favorable lending terms. Citing 2006 as an example, the study showed that out of a total of 8,825 loans to Hispanics, 3,723 or 42.2% were subprime, whereas for White Non-Hispanics, out of a total of 20,076 loans received, 3,377 or 16.8% were subprime. As could be predicted, Tucson-area Hispanics were also disproportionally hit hardest by the housing crash. In 2007, Hispanics accounted for 36.1% of foreclosures while receiving 23.8% of all loans in Pima County in 2006 with a population share of 32.6%. (Rhey and Young, 2009). In interviews with the Southwest Fair Housing Council office, staff confirmed that approximately 80% of calls they received were regarding foreclosures, and most came from Hispanics who did not realize the loan was adjustable.

Compounding these effects, the fallout from the housing crash has shown that banks are consistently more averse to lending in neighborhoods with high levels of

16 A type of loan that is offered at a rate above prime to individuals who do not qualify for prime rate loans
17 A variable-rate mortgage, adjustable-rate mortgage (ARM), or tracker mortgage is a mortgage loan with the interest rate on the note periodically adjusted based on an index which reflects the cost to the lender of borrowing on the credit markets.
foreclosures; a phenomenon which is being dubbed a new form of “redlining”. The result for the Summit neighborhood is that there has been a noted increase in the rentier economy where investors are buying the lots, doing minimal improvements, and getting them back on the market as rental property, or into a high-risk lending contract. One realtor in the neighborhood noted that she has seen some lots being bought and sold several times in the same year, as lenders are offering impossible to meet loans to unsuspecting buyers.

A common practice in unregulated developments is to provide home financing through carry-back loans; a form of lending whereby the seller finances the sale for a short period, allowing the buyer time to improve their credit rating and ultimately obtain a loan through outside banks. This form of lending is legal and not inherently malicious, but regulatory agencies such as the Southwest Fair Housing Council are investigating this as a form of predatory lending, as sellers have the authority to evict residents after a single missed payment, without any foreclosure process. Additionally, the private lenders dictate terms of the contract, and often establish an adjustable mortgage rate that may be relatively inexpensive at first, but grow to be unaffordable over time, setting up the seller to ultimately get the property back and sell it again. Figure 17 shows the informal nature of the housing sale transactions.

---

18 Southwest Fair Housing Council (SWFHC) provides services to ensure equal access to housing for all people.
19 Imposing unfair and abusive loan terms on borrowers (FDIC)
20 Foreclosure is a specific legal process in which a lender attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender by forcing the sale of the asset used as the collateral for the loan (Wallstreet Journal, 2011).
Related to this, a common tool used in “wildcat” developments is a “contract for deed”. In neighborhoods such as Summit, where the lots have been split through an unregulated process, owners have often used this contract form to sell a lot within a larger parcel while maintaining the deed to the property. In theory, the buyer would pay regular installments and once the full payment was received, the property title would be transferred. In this form of lending, a buyer is effectively in a “rent-to-own” contract that is again not subject to the foreclosure process and could be evicted after a single default, thus also losing any equity built up while making payments (Mukhija, 2007).

An additional complication is that even in proper deals where the buyer is not being victimized; many owners are simply unaware of real estate laws to secure one’s property. For example, once the buyer receives the deed at the end of the contract, they do not know that they need to register the deed with the County and they may simply hold onto the paperwork and ultimately not be able to prove that they own the lot. Also, a buyer may not know that they can obtain title insurance which would provide some guarantee that the seller even holds a clear title to the land. Other disparities in
information that originate from these informal transaction is that the land may not be properly surveyed or appraised, so an owner may buy a lot that is advertised as a one acre lot, whereas it may be less, or may not even coincide with the County records for that parcel. Additionally, as is the case in Summit, an owner may unknowingly purchase a lot in a floodplain, a fact that would be disclosed in a traditional sale.

Thus, the residents’ aforementioned positive outlook by residents towards the “flexible lending” is not proof that the purchase is problem-free. It is worth noting that those interviewed included current residents, thus do not include people who have been evicted or foreclosed upon. However, the relationship between predatory lending and “wildcat” development is one of correlation, not causation; the practice occurs in the city and county alike, as well as in regulated and unregulated subdivisions. In speaking with the Fair Housing Council, the common drivers of predatory lending in the Tucson area are (1) low levels of educations and (2) a Hispanic population. No one tracks how often would-be buyers are victimized in a predatory real estate transaction, but staff estimates that it happens on a daily basis.

D. Summary

Although institutionalized socio-economic inequalities in the U.S. are widely documented; when public officials speak on behalf of the current iterations of policies that govern property and mortgages access, they may admit some imperfections, but ultimately accept the status quo as an unfortunate reality in society. What this ignores is that this set of laws has evolved over time and are constantly amended, yet once adopted, policies regarding property, mortgages, land titles, quickly moves to being depoliticized timeless truths. As such, the choice to live outside of the city can now be seen as a more complex relationship where an exclusionary housing market has created
the perfect breeding ground for predatory lending looking to fill the void at the urban periphery. Thus, if governing bodies want to engage with the community, they must understand both the push factors from cities and discriminatory lending practices, and the pull factors where the Summit neighborhood presents itself as a solution. Any attempt to remediate or halt this form of housing production must first look to create inclusive lending options, with allowances for affordable housing options including mobile and manufactured homes.

However, banks are not alone in their exclusionary practices. Building on this conversation, the next section will continue the conversation of exclusion, and focus on the matter of annexation directly and the divisions created by municipal lines.
CHAPTER V

INCORPORATION, ANNEXATION, AND THE IMPLICATIONS FOR UNREGULATED DEVELOPMENTS

Wildcat neighborhoods sit at the periphery of cities, literally and figuratively. Chapter five will move beyond the matter of housing specifically and will turn to a discourse about urban divisions, notably, how “wildcat” developments have come to be institutionally marginalized within the boundaries of the modern city. In order to explain how this process has come into being, chapter five will begin with a narration of Tucson’s urban growth, focusing on the 20th century and the tools used to control its development. It will then turn to an analysis of the rising power of neighborhoods as political players that are strengthened by new forms of community-level taxing districts that have further divided cities. The chapter will conclude with an exploration into long-term outlook for “wildcat” neighborhoods that remain in unincorporated county lands, and analyze the annexation policies that drive the formation and expansion of urban boundaries in ways that ensure that “wildcat” subdivisions remain on the periphery.

A. The City of Tucson; from 2 to 200 square miles

The founding of Tucson came in 1775 when the area was settled by Spanish missionaries as a presidio (military garrison). When the U.S. Territory of Arizona was created nearly a century later, Tucson was home to about one-third of the territory’s population and remained the center of political power for years to come. In order to make the area eligible for Homestead claims under the U.S. regime, the land was surveyed and the presidio was transformed into a “township” with new city parcels.
ready to be distributed. Tucson was officially upgraded into an incorporated municipality in 1877 is the first incorporated city in Arizona.

The original townsite of Tucson measured approximately 2 square miles and was expected to account for all the foreseeable growth at the time. This remained a sufficient size until growing attention from the railroad extension in the 1880s and the establishment of the University of Arizona in 1885 prompted the first land subdivisions outside of the original boundaries (Bufkin, 1981). Urban development in the late 1940s following World War II rapidly expanded the city limits; and annexation struggled to keep up with the fast number of subdivisions prematurely platted outside of city limits. By 1950, Tucson covered approximately 20 square miles, but around two-thirds of the population of the Tucson metro area lived in developments outside the city limits, with 45,454 persons living within the city, and 122,764 in the total urban area. Aggressive annexation efforts between 1952 and early 1960s added 61.4 square miles to the Tucson. The 1960 census reported that the City of Tucson included 212,892 residents, which constituted approximately 88% and the total urban area claimed 243,000, revealing that the decade between 1950 and 1960 was Tucson greatest period of urban expansion (Bufkin, 1981).

This reactive annexation pattern continues until today and is cited as one of the primary causes for the inferior state of housing in the city. The fact that many homes annexed were developed in Pima County meant that they were subject to limited or no building or land use codes at the time (Rhey and Young, 2009). Figure 18 shows the historical growth of Tucson’s city limits in red, in relation to the subdivisions in blue, which demonstrates the prevalence of county subdivisions developing in unincorporated

---

21 An incorporated political subdivision of a state that is composed of the citizens of a designated geographic area and which performs certain state functions on a local level and possesses such powers as are conferred upon it by the state.
Pima County. Of significance, we also see a new trend in the 21st century to proactively annex vacant land without existing subdivisions. As mentioned, this more recent annexation at the city’s southern edge has effectively boxed in the Summit neighborhood and added another layer of assurance that “wildcat” development in the area will not spread.

**Figure 17: Historical growth of Pima county subdivisions. Source: City of Tucson**

Although County building regulations have steadily become more stringent in recent years, for much of Tucson’s history, obtaining a building permit was both significantly cheaper and easier due to less land use guidelines in the County. This legislative divergence between the City and the County can be traced back to January 24, 1930 when the City of Tucson adopted its first zoning ordinance (Bufkin, 1981).
Pima County did not approve its first zoning plan until August 1952, after long standing efforts to exert greater control over urban growth outside of city limits (Pima County Development Services, 1998).

The City of Tucson now measures 227 square miles and its story of rapid urban growth is not unique; 20th century rural-urban migration has overtaken cities across the globe. However, was is very unique in Tucson and Pima County, is the significant population living outside of city limits. Current estimates from the 2010 Census show that approximately 30% of Pima County residents live in unincorporated territories; that compared with 4% in Maricopa County, home to Arizona’s capital and the Phoenix Metro area. Many speculate that the residents opt for the County as it serves as the last refuge for those seeking the “wild west” life prohibited in the city, while others cite simple economics; meaning that residents in the County enjoy the amenities of an urban setting while avoiding City taxes. But no matter the reason, what this means for “wildcat” developments, is that the mere fact that they developed in the County is neither a new phenomenon, nor an anomaly that is specific to particular socio-economic or ethnic group. However, the fact that the subdivision remains in unincorporated Pima County, with Tucson’s city limits nearly encircling it, deviates from historical patterns of annexation. This perhaps may be due to the increased privatization municipal services, leaving cities hard pressed to demonstrate the value of taking on the additional taxes assessed within city limits. Instead, residents have shifted their focus – and spending - to the neighborhood level.

B. The divided city and the rise of government services a la carte

After years of urban sprawl and neglected inner cities, the 21st century has brought to the forefront the magnitude of aging public assets that cities are struggling to
maintain existing infrastructure. In response to this funding shortfall, cities have begun privatizing historically public assets, such as roads and street lighting, in order to minimize cost burdens. In order to fund new construction, local governments have mandated that any developer wishing to build new subdivisions, will be required to fund the infrastructure for new homes—everything from sewer connections, sidewalks, street lights, to water mains—as a condition of being granted development rights (Anderson, 2010).

In most urban regions, including Pima county, municipalities charge an impact fee for new developments, which goes towards extending roadways to the new neighborhoods, but the process of prioritizing new road construction in Pima has been politically driven, to say the least. This was a common frustration voiced by residents in the Summit neighborhood; although they were still expected to pay an impact fee upwards of $6,000, they did not see the return of this fee in the form of infrastructure. This form of privatized municipal financial structure has created a situation where neither cities nor counties are held responsible when a developer avoids official subdivision laws and develops a neighborhood without providing access to municipal services, as is the case with much of “wildcat” development. Thus, governing officials are justified in their dissatisfaction about the situation where developers have sold lots without providing their own infrastructure, but it ignores the years of privatization of urban infrastructure which has created a built environment is driven by the logic of private for-profit development that will inevitably look for the easiest return on their investment.

Within urban centers, Community Development Corporations (CDC) and Enhanced Municipal Services Districts (EMSD) have also grown to be popular. In these types of agreements, neighborhoods essentially develop administrative
organizations and either solicit private investment, as is the case of CDCs, or assess an additional tax to property owners in formally designated EMSDs to fund community upgrades. Not surprisingly, these organizations are more common in more affluent neighborhoods. The unintended consequence is that neighborhood-level organizations have grown so powerful and politically savvy that local governments are increasingly expecting a neighborhood to organize and either fund their own improvements or collectively make demands on behalf of their communities. Thus, neighborhoods with little organization or political connections are even further left out of public attention.

Anderson (2010) describes this phenomenon as a “complex edifice of pricing mechanisms for local government attention—a system in which citizens look more like consumers served according to their purchasing power rather than producers who receive services in exchange for participation in the municipal economy.” At its core, it is about a culture of individualism, where residents want to have as much control over where their tax dollars are spent, the quality of the schools that their children attend, and ensuring that any assessed fees can be directly tied back to a visible result for their own interests. Within the deep set of institutional measures that guarantee privilege for some, wildcat communities offer the chance to live in a community where homeownership is within reach and where people of lower socio-economic levels have the opportunity to be leaders in how their neighborhoods are developed.

C. The long-term outlook for unincorporated county neighborhoods

Unincorporated urban areas can be seen as the consequences of two nationwide trends from the 20th century: the development of local autonomy through the self-incorporation of suburbanites and the increasing privatization of municipal services. (Anderson, 2010) These two patterns operated so subtly that by the time that the
discriminatory practices of mortgage allocation and local service provision gained wider attention, the federal housing policies that subsidized suburbanization had all but been gone away, and the conversation about racial segregation in cities shifted to a depoliticized discourse about an unfortunate reality in an unequal society.

Ward (1999) further problematizes the situation by stating that these communities operate in “no man’s land.” This is meant to highlight that County governments – which are little more than administrative subdivisions of state government - are now forced to operate as municipalities to a vast number of residential neighborhoods disconnected from city services. As County staff is limited and ill-equipped to provide services to the same level as a city, blame is then shifted to the developers who sold infrastructure-deficient housing in the first place, and to the cities who carefully avoided these areas as being out of their purview. Likewise, developers gain sympathy with dwellers by condemning governing bodies for neglecting to provide public services. In this crossfire, residents are left with few avenues to turn for assistance once they have invested in their home.

Thus, although many residents stated that they much preferred their neighborhood and even opposed the prospect of annexation, the long-term reality for many communities that remain in the County is a bleak one. Anderson (2010) argues this point by identifying the four core solutions available to support unincorporated urban areas; (1) relocate the residents, (2) change county government, (3) form an independent city, and (4) seek annexation to an existing city. To summarize her conclusions; First, relocation is undesirable as it has not proven to succeed in greater racial integration and ultimately destabilizes a historically rooted community through large-scale land loss. The second solution is leave the community where it is, but reform county governance to have more resources and land-use regulations, with the
aim to improve services and bring living standards by establishing minimum habitability standards. Although this may improve living standards, it does not give the community any political voice with regard to city policies that affect the neighborhood. The third option would be to incorporate the community into its own municipality. This would provide greater political control over a community’s future, but history has shown that when a low-income has done so in the past, the city is not able to maintain long-term stability due to an insufficient tax base from lower land and property values, resulting in lower property taxes, and few commercial enterprises that bring sales tax.

Thus, Anderson (2010) advocates for the fourth solution, annexation into the neighboring municipality. She argues that this would necessitate service improvements and extensions as cities already provide urban services and it would trigger the legal requirements that cities must bring underserved areas up to municipal health and safety standards. Although the cost burden of bringing a community up to standards would fall in part on residents; Anderson points out that residents already face added costs when utilizing makeshift public services, such as homemade streetlights, individual water source, and home septic systems.

In order to better evaluate whether annexation could really be the solution for some of the longstanding complaints of lacking services in the Summit neighborhood, it is important to understand how annexation operates. The next section will unpack the legal framework of annexation in Arizona, as well as the practical reality of how it is carried out.

D. Annexation; part of the problem, or the solution?

Broadly speaking, the matter of annexation as an active and contentious conversation is a story largely reserved for the West. In older New England states, laws
do not even provide for municipal annexation as much of the territory has long since been divided into townships. Some other older states make annexation very challenging by requiring that annexation is only be brought on by property owner petition. To the other extreme, North Carolina grants municipalities unilateral authority to annex county subdivisions without property owner approval (Rusk, 1993). However, most states fall somewhere in the middle, and can be thought of as a “democratic process”, where either a city or a group of property owners can initiate an annexation petition and the majority rules. Such is the case in the State of Arizona.

Arizona Revised Statute 9-471 dictates the guidelines for annexation. A summary of the prerequisites for annexation are listed below:

- Signatures obtained from more than 50% of the number of property owners and owners of 50% or more of the assessed valuation in the area.
- The annexed area must be contiguous to a current City limit for at least 300 feet, and be at least 200 ft. in all places.
- The area must make sense in terms of City services delivery.
- Annexation cannot result in an unincorporated territory being completely surrounded by the annexing municipality (commonly called a “County island”)

On the practical level, some other factors are considered when a neighborhood is transitioned from the County to the City. Subdivision lines may need to be redrawn to fit the City’s parcel lines and land use zoning may need to be reclassified to the closest category in the City. Existing structures that are not up to the City’s building code will be grandfathered in as “non-conforming”, and can remain as is, until the time that a substantial update is initiated that would require a building permit. At which time, the structure would be required to meet current city code. In rare cases, the City can choose to establish conditional zoning, but this is not a common occurrence.
As it relates to minimum public services provided by the City, the neighborhood would gain fire and emergency services and waste pickup. The City of Tucson recently changed their policies to only provide water service to residents within city limits; however, residents may choose to remain on their well system, or the private water company of their choosing. Sewage systems are governed by County, whether you live in the city of the county, and there is no requirement to come onto the public sewage lines; in fact, many residences in the City of Tucson still use their private septic tanks.

Of most concern to cities and residents, is the City sales tax (secondary tax) that would be assessed in order to cover the aforementioned services. Currently, residents pay $1.43 per $100 of assessed value for this tax. However, staff from the City of Tucson estimate that the cost nets out once you subtract the cost of County Fire District costs (Rural/Metro) and the cost of hauling trash through personal means.

All this being said, the primary consideration is that an annexation must “make sense” for the City; and this ambiguous statement provides perhaps the most insight into what neighborhoods do and don’t get approached by Tucson for annexation.

1. *Tucson’s annexation priorities amid a national trend of municipal underbounding*

What it means in practice for an annexation to “make sense” is that is has be able to withstand the scrutiny of a cost-benefit analysis. The City of Tucson is not unique in having this mandate; it is common for States to require a fiscal impact assessment for any city boundary changes (Anderson, 2010). What is distinctive in Tucson is the level to which annexation is viewed through an economic lens. Whereas in many cities, staff that reviews annexation initiative usually sits in service-oriented departments such as Planning and Development Services, in the City of Tucson, annexation is part of the Office of Economic Development. The city actually has a
fairly aggressive annexation agenda aimed at capturing lost tax revenue from residents who use Tucson’s services, but reside outside city limits. The department’s primary mission is to expand the tax base and capture state shared revenues from state sales ($321/ per resident in 2014) that Arizona distributes to cities based on the number of people counted within their incorporated territory. This has been called the “Join the City” campaign, but Summit does not appear to be a target area for Tucson’s expansion.

Due to the way that State laws have structure the annexation process to always show a cost-benefit advantage to redrawing city lines, communities such as Summit will never come out on top of the equation. For one, there is little incentive for any municipality to annex residential neighborhoods. Property tax rates are relative low in Arizona, so if a neighborhood requires any service improvements (water, lights, roads, schools, parks, etc…), it will quickly be disadvantageous for a city to consider annexation. Rather, cities pursue industrial areas with minimal municipal needs or established businesses, both of which provide sales tax. The City of Tucson is more amenable to annexing residential – provided it already has basic infrastructure – as it can collect some property tax, unlike some of the neighboring suburbs.

What has also developed in Pima County is annexation as a competitive sport between the various cities and towns. Much of the City of Tucson’s recent desperation to annex greater territories has come on the heels of several decades of aggressive annexation by the Town of Marana and Oro Valley.

By all measures, residential neighborhoods with infrastructure deficiencies will always find themselves penciled out of any equation that seeks to financially justify absorbing the neighborhood into the city. But this is not unique to Pima County, the trend has been noted nationwide and has been labeled “municipal underbounding” by Daniel Lichter and other urban geographers. This term has been used to describe
“annexation policies and practices in which municipalities grow around low-income minority communities, leaving them outside the reach of city voting rights and municipal services (Anderson, 2008, p.1113).

In conclusion, for annexation to be considered, an area must fall into one of three categories; (1) come already equipped with infrastructure, (2) provide a significant enough boost in tax revenue to offset any cost associated with annexing the area, or (3) be virgin land that can be cheaply built upon and provide revenue through development fees. Unincorporated urban areas fall in neither of these categories (Anderson, 2010).

2. The future of the Summit Neighborhood in Pima County

Interviews with governing officials both with the City of Tucson the north and east and the Town of Sahuarita to the south indicate that they have no interest in annexing the subdivisions. Likewise, most residents have also voiced that they prefer the lower costs of residing in the county, and want nothing to do with the city, their services, or their regulations. When pressed further, one resident noted that she did not want to be annexed and she said nothing would change; and she may be correct. One Tucson staff member felt that it might be possible for the City to annex the neighborhood and break even, but that would mean that infrastructure improvements - like the common complaint about the unpaved roads - would not be addressed in the near future.

Perhaps this relationship of “live and let live” might work at present, but history has shown that there are long-term consequences to remaining in “no man’s land.” Ultimately, the greatest risk that communities face is that they are at a higher vulnerability to be slated for condemnation and redevelopment. Historically, communities with little social capital have been more vulnerable to having undesirable
land uses locate nearby, which has could have numerous health and safety consequences. For example, the Rillito neighborhood to the north of Tucson is a former farmworker community with roots that date back over 100 years. Although the community still exists today will dwindling numbers, the areas surrounding the neighborhood have been zoned for industrial use and a nearby cement factory had been releasing waste into the community’s water stream for years. Figure 19 shows an image of a demolished home in Rillito, with the cement factory in the backdrop.

![Figure 18: Rillito neighborhood. Photo by Anna Darian](image)

This trend of placing undesirable land uses near disenfranchised neighborhoods is not a new one, but it does pose threats to the Summit neighborhood’s ability to maintain a safe living environment.

As mentioned previously, the area surrounding Summit is already zoned for industrial use and is an area historically designated for aerospace and military operations, with current plans to expand facilities such that the neighborhood would be encircled by aerospace operations. In addition to the health and safety concerns of having residential neighborhoods near industrial plants, there is the real possibility of the water wells running dry due to the increased water use in the area. Between the
water-intensive nature of industrial operations and the eventual spread of Tucson and Sahuarita, the land will be taxed very heavily.

In one interview with City management at the City of Tucson, it was simply state that “nothing will happen” in the neighborhood, until perhaps a flood comes in and causes mass destruction. Harshness aside, this statement is not unfounded; the neighborhood sits within two floodplains and is subjected to heavy flooding every year, with the imminent threat of “100-year” floods, as happened in 1984, where many neighborhoods in Tucson with lacking infrastructure were devastated. However, as few people dare to enter the neighborhood, there is an assumption that the community is still made up of makeshift and temporary mobile home community. What one finds upon a closer look is a rooted community that is slowly morphing into a viable neighborhood with ever more site-built homes being constructed bit by bit that officials will need to contend with, all while hoping that the neighborhood disappears.

E. Summary

The 20th century witnessed unprecedented urbanization, leading many middle to upper income city dwellers to escape the unpredictability of city-cores and create spaces where they can control both their neighborhood and their neighbors through creating suburbs to their liking. Central cities have responded to this phenomenon by adopting aggressive annexation policies that focus on incorporating vacant lands before nearby suburbs spread into these areas and further pull from their tax-base. However, in this competitive quest for virgin land, neighborhoods such as the Summit find themselves sidelined, as they exemplify the very urban poverty that suburbanites are seeking to escape, and the sub-standard development leaves the neighborhood undesirable for
annexation into the central city. As such, cities have morphed into metropolitan areas with an urban landscape fragmented by a growing numbers of municipal boundaries.

Annexation is a tool of inclusion and exclusion. Anderson (2010) states, “city borders have become an important way to sort desirable and undesirable residents, with annexations dependent on the perception, if not the reality, of positive fiscal impacts for the city budget.” The very language of “incorporation” hints at the fundamental logic that drives annexation decisions. One can almost trace back to the legacy of U.S. settler logic in adopting the word “incorporation”, much in the same way that territories such as Arizona remained in the territorial phase for decades as the area was deemed civilized and “American” enough to be incorporated into the union. In looking at the way that unregulated developments in unincorporated neighborhoods are regarded, you can see some of the same rationality at play; meaning that an area is treated as an anomaly, or a space not yet adequate, but one that can be made legitimate through incorporation as a State, or in this case, municipal incorporation. However, the structure of annexation – with a mandatory cost-benefit analysis – will always result in cities deciding that they do not have the financial capacity to incorporate infrastructure-deficient residential neighborhoods. As such, in the era of ever-more fragmented and competitive urban areas, the idea of regional governance – notably regional taxation - could serve as a way to reunite metropolitan areas and redistribute the wealth that has been eroded from urban cores.

Furthermore, the desperate state that the City of Tucson finds itself provides hope for annexation to become a negotiation, with the opportunity for flexibility and concessions on both sides. Thus, the final chapter will conclude with a set of policy recommendations that aim to use the negotiation of annexation as a means of facilitating a discussion about an inclusive “formal” housing market.
CHAPTER VI
SUMMARY OF FINDINGS AND POLICY RECOMMENDATIONS

This thesis set out to answer two main research questions (1) how have “wildcat” developments formed and remained outside of city limits, and (2) how annexation could serve as a tool of negotiation to broker better living conditions in the Summit neighborhood. What it found was a complex set of legislative and market institutions that left the Summit community outside of the city’s imagination, in ways that stretched far beyond what the current process of annexation could embrace. The Summit neighborhood thus presented itself as a resilient and vibrant community and one where the informal market stepped in to fill the gap created by an exclusionary formal housing market.

The thesis concludes that due to the neglect and increasingly harsh legislation toward unregulated lot splitting, Pima County is no longer a space of freedom for residents seeking to avoid strict city regulation, nor is the County equipped to serve as a municipality for residents on the urban periphery. Annexation into the City of Tucson on its own may not result in immediate infrastructure upgrades, but it would bring the neighborhood onto the radar and would begin the conversation toward broader engagement with the community within the municipal sphere. The alternative development created in the Summit neighborhood responds to the unique needs of a significant segment of the greater Tucson population, albeit with serious challenges, thus, any policy that engages with “wildcat” developments needs to move beyond a halted state of denial with the hope that the neighborhood will disappear. Rather, cities could benefit greatly by learning from the Summit community’s self-made organization
and broadening the range of acceptable living arrangements within city limits. In other words, instead of thinking of these neighborhoods as part of a separate informal sector, operating outside of formal market forces, “wildcat” neighborhood can be acknowledged as a different mode of urbanization (Roy, 2005). Starting from the approach of bottom up learning, the thesis will conclude with a set of recommendations that promotes greater flexibility and accessibility for low-income residents.

A. Policy Recommendations; a city that responds to reality

As mentioned, annexation serves as the launchpad for the policy recommendations. However, in order for the Summit neighborhood to be considered for annexation into the city of Tucson, it needs to address some immediate hurdles that prevent it from passing any cost-benefit analysis that would justify such a move by the city. As such, the first three recommendations center on neighborhood-scale interventions, including (1) learning from the “Third World” response to informality, (2) establishing zones of flexibility, and (3) community mobilization toward infrastructure upgrades. These policies aim to bring the City and the Community together such that compromises are made on both sides toward long-term community development. Secondly, the thesis concludes with three policy recommendations that more broadly aim to move towards a more inclusionary housing market through (1) accessible home lending options, (2) adaptable land use zoning, and (3) regional governance. This set of recommendations hopes to tackle both the immediate needs within the community and the larger barriers that low-income communities face in accessing housing.
1. Neighborhood-scale interventions

a. Learn from the “Third World” experience: moving beyond denial

Generally speaking, informal housing construction is a phenomenon discussed as a “Third World” problem, often times with planners and consultants from the “First World” serving as the experts on how to best organize cities. Conversely, Roy (2005) demonstrates that what we think of as divergent urbanization models is little more than a terminology schism, where we differentiate between “Third World informality” and “First World poverty”, with the response being “international development” and “community development”, respectively. In the former, “international” almost invariably assumes a knowledge transfer from the “First World” to the “Third World”, whereas the latter, the issue remains a local matter. What this ignores at a surface level is that affordable housing shortages leading to self-help solutions is a worldwide phenomenon, but on a deeper level, it excludes the possibility of “Third World” countries providing expertise to the “First World” on how to best engage with informality.

In the context of the U.S.-Mexico border, Ward (1999) questions the logic of the U.S. starting from scratch when dealing with its own informal communities. He instead looks to Mexico, which serves as just one example of a country that has long since let go of the illusion that low-income unregulated developments are a temporary and marginal part of the urban landscape that will go away if ignored. It thus presents a particularly relevant case-study for its neighbor State of Arizona.

The colonias of Nogales, Sonora sit just about an hour’s drive from the Summit neighborhood, but the Mexican response to these neighborhoods provides just one case of the “Global South” actively engaging with low-income dwellers, and is
detailed here as an introduction to policy measures that advocate for flexibility and inclusion. One major difference in Mexico, unlike the U.S., the working class forms the largest segment of society. This has meant that the lower-income population holds significant political weight, as they also form the largest part of the voting base. Additionally, *colonia* residents in Mexico are most often Mexican nationals, which means they enjoy certain privileges as citizens; a fact that is not always the case with undocumented immigrants in the U.S.

Such is the case for the *colonias* of Nogales, the largest of which – Flores Magon – is home to an estimated 75,000 residents. These communities formed along the Mexican side of the U.S.-Mexico border as residents relocated here in search of work. Not finding sufficient housing to meet the demands of the population boom, squatter settlements formed and government officials largely ignored the neighborhoods. In 2006, a change in local political leadership in Nogales prompted substantial changes in policy and, for the first time, government officials reached out to the communities. A few examples of the initiatives included: formalizing land titles, paving main roads, and installing road signage. Figure 20 shows the new traffic signage displaying the names of two *colonias*, as well as the community center. The image on the right shows part of the neighborhood, which contains primarily site-built homes, in contrast to the mobile homes in the U.S. context.
The most significant upgrade in the neighborhood has come from linking two of the largest colonias through a newly paved road. The road now transforms into the largest flea market in Nogales every Saturday which provides a revenue stream for residents who sell and exchange goods; many of which are recycled items that were once discarded in the U.S. (fig. 21). One Nogales resident noted that the changes have led to a rise in commercial enterprises springing up along all the paved roads; the infrastructure is said to have provided a sense of security for residents, which in turn, has encouraged more entrepreneurial investment in the community.
That said, the government does not regard the infrastructure deficient neighborhoods as the ideal form of housing for the area’s poorest residents. Instead, it has invested greatly into large-scale public housing communities in nearby neighborhoods. The modest homes are promoted as starter homes and provide an opportunity for Mexican workers to own a home at an affordable price (fig.22).

Figure 21: Public housing project in Nogales, Sonora. Photo by Anna Darian

This brief example of community development practices just across the border in Mexico is not intended to serve as the model for the Summit neighborhood; rather, it is presented as a way to open the imagination to cooperation between the “formal” and “informal” market. It also demonstrated that once governments actively engaged with the communities and provided basic amenities, the sense of tenure security led residents to respond with greater levels of participation in the “formal” market.

b. Establish a zone of flexible land use guidelines

Informality and affordability have a symbiotic relationship in “wildcat” development. Roy (2005) states that “informal housing is a distinctive type of market where affordability accrues through the absence of formal planning and regulation.” That is to say that the very building and zoning code violations in these neighborhoods
that set the area apart as a “problem” for legislatures are central to what make the housing accessible for low income residents. Thus, during a process of annexation, which invariably means a process of formalization, it is important to incorporate flexibility in code enforcement in order to ensure that the residents are not displaced through community development efforts.

Borrowing from the Mexican example again, Ward (1999) stresses the need for regulatory exceptions. In the colonias of Mexico, public services have historically been provided as a first step of engagement, without the prerequisite of title formalization or minimum building codes being met. In keeping with this policy position, Ward suggests that U.S. officials extend basic infrastructure to colonias, while establishing a 5-year moratorium on codes and providing accessible funding options to bring the housing up to code. In this model, residents are incentivized to participate in the formal regulatory framework, while working with governing officials to upgrade livings standards.

Another example of municipal engagement with the informal sector is the Brazilian PREZEIS, or Regularization Plan for the Special Zones of Social Purpose (Plano de Regularizagao das Zonas Especiais de Interesse Social). Donovan (2007, p. 186) explains that “PREZEIS provide for a citywide tripartite council—civil society organizations, neighborhood representatives, and government officials—to coordinate regularization projects, design appropriate zoning and building codes, and legally integrate informal settlements.” In examining the case study of Recife in Brazil, Donovan found that for residents living in one of the many informal settlements, PREZEIS provided an accessible community engagement platform to mediate communication and legalization projects between the neighborhood and local municipal governments. Since the program was launched in 1987, 66 zones, inclusive of nearly
600,000 residents, have been recognized which has led to a higher level of infrastructure provision by comparison to the city of Recife as a whole.

What the examples from Mexico and Brazil show us is that it is possible for the informal sector to engage with the regulatory world, and vice versa, but the process is most effective when municipalities become open to alternative models of “legality.” What this means for the Summit neighborhood is that if annexation were to be attempted, the city of Tucson would benefit from looking at these models and developing flexible strategies where residents can be active participants in setting reasonable standards for formalization in their community, both on a temporary and long-term basis.

c. Community mobilization toward infrastructure improvements

No set of community development recommendations is complete without a community mobilization strategy. As detailed in chapter two, the Summit neighborhood was able to secure the most public assistance during times when there was both strong community organization, as well as trust with Pima County’s elected leaders. These efforts have been dwindling as second generation home owners have not maintained the same sense of investment in the community. Conversely, governing officials have often cited the apparent lack of coordination within the community as an impediment to developing any community development projects. There are a number of funding opportunities, notably grants and loans from federal agencies such as HUD, that have been employed elsewhere to make annexation feasible by paying for basic infrastructure upgrading. However, in order for funding to be effectively administered at the neighborhood level, there is a need for active local leadership that can either seek
funding independently or serve as advocates for the community’s needs with cities and counties.

The premier example of community organization in U.S. colonias is found in the Las Lomas community in Starr County, Texas, where several active residents created the nonprofit community organization, Colonias Unidas. The group has aggressively sought technical and grant support from county, state, and federal sources to improve living conditions for residents in one of the nation's poorest counties.

Colonias Unidas efforts have resulted in the following public improvement initiatives:

- Bring a $3.2 million project to provide water and sewer services to Las Lomas.
- Establish a self-help center to assist colonia residents in home construction.
- Launch an environmental cleanup and awareness project to prevent illegal dumping and outdoor burning of garbage.
- Obtain weekly garbage pickup by a private waste collection company.
- Make electricity and other services available by organizing support for Texas Senate Bill 1512, which allows for utility connections in unplatted subdivisions.

(Texas Natural Resource Conservation Commission, 1999)

Colonias Unidas provides both a model and potentially a source of mentorship for communities with little social capital to come together and fight for on-the-ground change in their neighborhoods. In the face of ever-growing legislative regulation against alternative forms of development, the residents of the Summit community – and neighborhoods like it – will need to find a collective voice if they want to both fight against predatory lending and safeguard their way of life.

However, to think about the Summit neighborhood through a myopic lens where solutions are limited to basic livability improvements for the existing residents...
ignores the core of informality, which is that of an exclusionary housing market. In other words, “informality must be understood not as the object of state regulation but rather as produced by the state itself,” (Roy, 2005, p. 149). To this effect, the second set of recommendations will move beyond the neighborhood level and begins a brief discussion about housing choice for the area’s poorest residents.

2. Moving towards a more inclusionary housing market

a. Accessible home lending options

The most significant finding in this research was the number of ways that residents of the Summit neighborhood had been excluded from formal housing options. Much of the prior research focused on the predatory lending in the neighborhood, which took for granted that many residents were unable to find lending through traditional methods, particularly if they were looking to place a mobile or manufactured home. As such, the broader need is to ensure that credit is available in the ways that meet the community’s needs. Notably, that formal credit is made available with the following terms, (1) low down payments, (2) land-only transactions, and (3) mobile and manufactured homes, without being affixed to the land.

One current example of this comes from the City of San Francisco. Through banks such as the Federal Home Loan Bank of San Francisco and the Federal Reserve Bank, the city has been a leader in making creative low-cost loans available for affordable housing ownership through securing credit in global markets. Other models include the Grameen Bank, a development bank founded in Bangladesh, which also offers microcredit to poor communities with creative terms. These models, and others, serve as proof that lending can be reimagined into a more inclusive and accessible
structure. Secondary to the availability of low-cost housing, flexibility in living arrangements has proven to be a key asset for low-income residents.

b. Evolutionary and adaptable land use zoning

When residents were asked about their position vis-à-vis annexation, many said they didn’t mind “the city”, as long as they could still maintain their current lifestyles. Some mentioned their horses or cows, while other mentioned having multiple homes on their lot. Moving beyond temporary solutions, such as limited suspension of code enforcement, there is a more far reaching need to think beyond current laws that dictate a narrow range of acceptable activities on one’s land. The 2008 recession helped to spur a conversation about housing flexibility as we saw home owners increasingly building additions to formerly “single family” homes to minimize expenses by sharing homes with extended families or earn revenue through extra room rentals. This thesis proposes that cities acknowledge the benefits of multiple land uses, particularly as it relates to shared commercial and agricultural practices in residential zones. This concept is not entirely new as cities as the City of Tucson is currently developing an urban agriculture code amendment and conversations nationwide are starting to question the negative effect that zoning has had on livability, where residential areas are now far removed from basic services leaving neighborhoods entirely car dependent. More progressive zoning measures have removed land use designations entirely and turned rather to form-based codes, where all buildings are effectively mixed-use.

At its core, allowing residents to activate their property for a multitude of uses is a way for people to creatively and efficiently generate their own economic development solutions. Furthermore, the ability to use one’s land for multiple housing structures can serve as way to both help families reduce expenses and lower demands
on municipalities to create more affordable housing. As such, this thesis suggests that as cities grow to be more sustainable, strict land use zoning and building codes will need to evolve in ways that benefit all segments of society.

c. Regional governance at the metropolitan level

Lastly, the competitive and fragmented urban landscape found in today’s cities has been a growing problem for many years. The increasing trend of residents wanting to separate themselves – and their tax dollars – from areas they deem to be undesirable has led to widespread urban deterioration. Understanding that residents within a metropolitan area are fundamentally interdependent, the thesis suggests that regional governance can serve as a way to reduce inter-municipality rivalry and focus on improvement of existing infrastructure, rather than compete for development rights of vacant land. Through a regional governance model, including tax collection, funds would be reinvested across all communities in a metropolitan region and could provide desperately needed funding to bring aging communities up to livable standards. Cities like Portland have already adopted a form of regional governance – Metro – which has helped to both control urban sprawl at the periphery and maintain central amenities that are shared by the community at large. Regional governance could also form a path towards more a comprehensive regional annexation mandate which would reduce the prevalence of residents left in “no man’s land.”

B. Conclusion

“The planning and legal apparatus of the state has the power to determine […] what is informal and what is not, and to determine which forms of informality will thrive and which will disappear. State power is reproduced through the capacity to
construct and reconstruct categories of legitimacy and illegitimacy”, (Roy, 2005, p. 149). This thesis did not set out to romanticize a dire housing situation, or advocate for “wildcat” development as the ideal affordable housing solution. The issues faced in the community are complex and multidimensional; there are real public safety concerns in the neighborhood and the prevalence of predatory lending cannot be seen as an inevitable consequence to an exclusionary housing market. However, in solely regarding the community with the aim of problematizing the inadequacies, one misses the human agency that intentionally guided the community’s formation. Ward (1999) states, when legislative bodies diagnose the “problem” of colonias simply in relation to its infrastructure deficiency; they miss that this form of housing production is a process of social and cultural organization that will continue even if the housing conditions are brought up to minimum building standards. Additionally, one misses the elements of the community that are working well, and those that can and should be nurtured and empowered through any integration strategy. Moreover, informality provides urban planners with valuable lessons, as they can learn how humans organically build a community that is adapted to their needs.
BIBLIOGRAPHY

Academic references


**Newspaper Articles**


**Public Records**


County Supervisors Association of Arizona. *History of Lot Split Legislation*. Phoenix, AZ.


University of Arizona School of Planning (2004). *A community development plan for the summit neighborhood, Tucson, AZ.* Tucson, Arizona
