

## Promising Housing Practices in Arizona

Highlighting New Innovators and Creative Housing Solutions



**March 2023** Promising practices in offering diverse housing options for all income levels can unlock Arizona's potential and help families and communities to prosper—contributing to the overall success of one of the fastest-growing states in the nation.

# Introduction

The cost of housing is a burden for too many Arizona households. More than 48 percent of renters pay more than the recommended 30 percent of their monthly income on rent and utilities.<sup>1</sup> The immediate and long-term consequences of rent-burdened households work against goals to create and sustain resilient communities.

## ADDITIONAL EFFORTS

Many organizations not featured in this report are working hard to do what is necessary to increase affordable housing supply. Some of these include:

- Native American Connections, provides culturally appropriate, Native American health, affordable housing and community development services.  
[nativeconnections.org](http://nativeconnections.org)
- Catholic Charities, provides housing and shelter for homeless and at-risk populations.  
[catholiccharitiesaz.org](http://catholiccharitiesaz.org)
- Foundation for Senior Living (FSL), provides affordable housing and other services.  
[fsl.org](http://fsl.org)
- A New Leaf, provides health, housing and family support to at-risk families.  
[turnanewleaf.org/about-a-new-leaf](http://turnanewleaf.org/about-a-new-leaf)
- Mercy House, provides services for people experiencing homelessness or who are at risk of homelessness.  
[mercyhouse.net/regions/arizona](http://mercyhouse.net/regions/arizona)

A number of recent reports cite the housing shortage in Arizona to be somewhere well over 150,000. Other reports put the number as high as 270,000. There are several reasons for this housing deficit, but we know that it negatively impacts peoples' livelihoods as well as opportunities for family stabilization and generational wealth accumulation.

The housing crisis we face today developed over decades of policies and practices. It is a cross-sectoral challenge with no one easy solution to address all variables affecting housing supply and demand. Addressing the challenges requires the focused attention of decision makers at the neighborhood, community, regional and state levels.

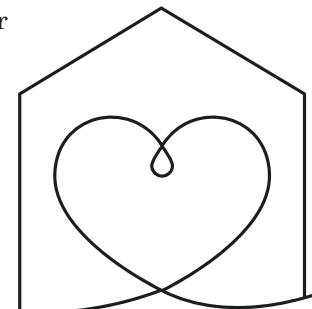
Fortunately, there are examples in Arizona of promising work to address housing challenges. Several housing providers have served Arizona for years (see sidebar), but a new cadre of innovators have put forth creative housing solutions. This report highlights some, but not all, of the businesses and organizations using new housing policies, practices, and partnerships that show promise for increasing housing supply.

The case studies presented here highlight a variety of housing initiatives—from expanded use of accessory dwelling units and other creative land uses to mixed-use communities and the application of innovative building technologies. Project summaries also include website links to additional resources. All the material is available at [vitalysthealth.org](http://vitalysthealth.org).

Vitalyst Health Foundation believes housing is health—that it has the power to improve health outcomes and enhance community well-being. Housing is also fundamentally linked to equitable economic development, community development, employment, education, social cohesion and so much more. We hope this inventory of promising policies and practices sparks inspiration, more ideas and action to create housing solutions for Arizonans throughout the state.

<sup>1</sup> US Census Bureau via MAP [mapazdashboard.arizona.edu/health-social-well-being/housing-cost-burden](http://mapazdashboard.arizona.edu/health-social-well-being/housing-cost-burden)

On the cover: Mi Casita GAP Grant (Pima County Community Land Grant)





# Accessory Dwelling Units

## Habitat for Humanity Southern Arizona - Connie Hillman Urban Construction Knowledge Institute

Location: Tucson

**Description:** The Connie Hillman Urban Construction Knowledge Center (CHUCK) is an effort by Habitat for Humanity Southern Arizona to lower costs and find efficiencies in construction while offering workforce development to college students. CHUCK is expected to significantly accelerate construction of accessible housing.

Habitat for Humanity Southern Arizona assembled multiple assets to create CHUCK, a 15,000-square-foot construction hub that includes a warehouse for materials and a training center for students from Pima Community College. Students learn modular construction techniques and gain access to intern opportunities with real-world experience building affordable modular housing.

CHUCK required rezoning from residential to commercial. Habitat for Humanity Southern Arizona worked with the Pima County Board of Supervisors and the local homeowners association to meet the criteria of neighbors.

### **What makes it**

**different:** Accessory dwelling unit (ADU) kits of offsite modular design and a partnership with Pima Community College for labor development and training accelerates home construction at an affordable price. Historically, ADUs were primarily approved as guest homes in more affluent neighborhoods. This application also can be used for infill lots throughout Southern Arizona.

**Resources:** [habitattucson.org/2021/03/02/the-chuck-center-workforce-development](https://habitattucson.org/2021/03/02/the-chuck-center-workforce-development)

**Contact:** Charlie Buchanan, [charlieb@habitattucson.org](mailto:charlieb@habitattucson.org)







## CUADRO

Location: Tucson

**Description:** CUADRO is a full-service design firm that specializes in small-scale, residential architectural projects from preliminary concept design through permitting and construction. CUADRO focuses on creating greater density within urban environments by helping other small-scale developers and homeowners create new housing units on their vacant or developed properties, which helps keep wealth within the local community and stimulates the local building economy. The projects range from guest houses and accessory dwelling units to small subdivisions with single-family housing on lot splits.

Most projects are urban infill on very constrained sites, and so each one is custom and site specific. Special requirements are varied.

CUADRO and the Pima County Community Land Trust received a Vitalyst Systems Change Grant in 2021 to work with underserved communities to establish and nurture an Accessory Dwelling Unit Incentive Program. The program includes a package of zoning incentives designed to encourage and support urban infill, locally-led development and integrated housing in mixed-income neighborhoods.

CUADRO also is working to create model plans for flexible designs to further facilitate efficient housing production.

**What makes it different:** CUADRO provides design and technical assistance in planning and permitting for small-scale residential projects in Tucson and Pima County.

**Resources:** [cuadro.design](https://cuadro.design); [cuadro.design/work/project-two-998ef](https://cuadro.design/work/project-two-998ef)

**Contact:** Sharayah (Shay) Jimenez, [sjimenez@cuadro.design](mailto:sjimenez@cuadro.design)



# Co-location Examples

## South 7th Village

Location: Phoenix

**Description:** South 7th Village is one of UMOM New Day Centers' (UMOM) most recent and innovative developments. It is an affordable housing community in South Phoenix for residents 55 and older. It has a special emphasis on serving veterans.

South 7th Village features 90 one- and two-bedroom apartment units serving residents earning between 40 percent and 60 percent of the area median income (between \$25,970 and \$38,956 per year). It is near public transportation (including light rail), community services, Women, Infant, and Children (WIC) vendor grocery stores, health care centers, employment, the Ocotillo Resource Center, and South Mountain Senior Center.

**What makes it different:** UMOM, which owns and manages several properties in the Phoenix area, has created unique partnerships in the surrounding community that provide direct benefits to residents. These partnerships include

the city of Phoenix South Mountain Senior Center, Fresh Express mobile grocery service, Salvation Army-Kroc Center, Ocotillo Library, and the Crozier Village, which provides trauma services to veterans, employment and behavioral health services.

**Resources:** [umom.org/housing](http://umom.org/housing)

**Contact:** Brandy Hotchkiss, [brandy@leavittconsultants.com](mailto:brandy@leavittconsultants.com)

## First Place

Location: Phoenix

**Description:** First Place is a residential community development (55 units) in Central Phoenix that offers wrap-around supportive housing and a residential transition program for individuals with autism and other neurodiverse issues. Public insurance offered through the Arizona Health Care Cost Containment System (AHCCCS, the state's Medicaid administrator) and United Healthcare Community Plans has allowed for the co-location of many services. For example, First Place collaborates with Dignity Health and St. Joseph's Hospital and Medical Center for the Virginia G. Piper Health Spot, which is an on-site clinic that operates under Dignity's licensure. Through collaboration and clinical partnership with the Southwest Autism Research & Resource Center (SARRC), the clinical cost to individuals and families for what started as a philanthropic and private-pay program has been significantly reduced. As a result, individuals enrolled in the United Healthcare Community Plan have experienced a 60 percent decrease in out-of-pocket costs. Scholarship funding from charitable sources also continues to make the program more accessible to families.

First Place continues its longstanding relationship with the Foundation for Senior Living (FSL) with the opening of a second intergenerational affordable housing property integrating autistic adults with seniors. Some residents live at Spectrum Courtyard (opened in 2021) and 29 Palms, both in Phoenix.



UMOM's South 7th Village

Through Home Matters® to Arizona, these organizations are also expanding their reach with other private and public-sector developers and facilitating more supportive housing options that are affordable, accessible, and fully integrated within the community.

**What makes it different:** First Place combines financial partners (Medicaid, United Healthcare Community Plan, philanthropic and nonprofits) to make housing affordable to unique populations such as those with autism or other neurodiverse challenges.

**Resources:** [firstplaceaz.org](http://firstplaceaz.org)

**Contact:** Denise Resnik, [denise@firstplaceaz.org](mailto:denise@firstplaceaz.org)



### WHAT IS AREA MEDIAN INCOME?

The Area Median Income is the midpoint of a specific region's income distribution. It is often used to calculate affordable housing eligibility in specific areas. For more details click here: [metro council.org/Handbook/Files/Resources/Fact-Sheet/HOUSING/Area-Median-Income-and-Housing-Affordability.aspx](http://metro council.org/Handbook/Files/Resources/Fact-Sheet/HOUSING/Area-Median-Income-and-Housing-Affordability.aspx)

## Multigenerational Community Resource Center and nearby Senior Housing

Location: Surprise

**Description:** The city of Surprise and Maricopa County are partners in constructing a multigenerational community resource center to serve the Northwest Valley. This project will expand health, wellness, workforce development, housing, homeless assistance, benefits assistance, veteran services, senior services, after-school youth programs, summer youth programs and library services.

The multigenerational community resource center will be constructed on city-owned land within the historic Original Town Site. There will also be a permanent supportive housing development and a planned (2024) affordable senior housing development, in partnership with the Housing Authority of Maricopa County, adjacent to the property.

**What makes it different:** This is a jointly-funded development between two public entities. Surprise and Maricopa County will build an additional 100-bed senior housing project along with the Multigenerational Community Resource Center to be completed in 2025.

**Resources:** [content.civicplus.com/api/assets/dbcoa235-c3ea-4f36-a9b6-a80486408d39?scope=all](http://content.civicplus.com/api/assets/dbcoa235-c3ea-4f36-a9b6-a80486408d39?scope=all)

**Contact:** Seth Dyson, [seth.Dyson@surpriseaz.gov](mailto:seth.Dyson@surpriseaz.gov)

## Surprise Resource Center

Providing social services to Northwest Valley residents

## Centro de Recursos de Surprise

Proporcionando servicios sociales a residentes en el Nordeste del Valle



*The Surprise Resource Center, along with our partners, has a mission to provide supportive services to individuals and families in need that will translate to their future long-term success.*

**SERVICES OFFERED INCLUDE:**

- » Employment services
- » Parent education
- » AHCCCS, TANF, SNAP and Affordable Care Act Application and Enrollment
- » Eviction prevention
- » Utility assistance
- » WIC (Women, Infant and Children) Nutritional Services
- » Medicare benefits counseling
- » VITA tax assistance
- » Domestic Violence support groups and services
- » Volunteer opportunities
- » Surprise Veteran Job Club
- » Veteran employment services
- » Computer lab
- » Homeless Referrals
- » Emergency Food Boxes

*El Centro de Recursos y Servicios de la Ciudad de Surprise, en conjunto con nuestras organizaciones de apoyo, tiene la misión de prestar ayuda a individuos y familias necesitadas que se traducen en un éxito a largo plazo.*

**LOS SERVICIOS QUE SE OFRECEN INCLUYEN:**

- » Servicios de empleos
- » Educación para padres
- » AHCCCS, TANF, SNAP and cuidado de salud asequible
- » Prevención de desalojo
- » Asistencia para el pago de servicios públicos
- » Servicio de nutrición WIC (Mujeres, Infantes y Niños)
- » Ayuda con los beneficios de Medicare
- » VITA asistencia de impuestos
- » Grupos de apoyo para víctimas de violencia doméstica
- » Oportunidades de voluntariado
- » Club de Empleo para veteranos
- » Servicios de empleo para veteranos
- » Laboratorio de computación
- » Referencias para personas sin hogar
- » Cajas de comida de emergencia

**Surprise Resource Center**  
12425 W. Bell Rd, Bldg. A, Ste. #124 Surprise, AZ 85378  
FOR INFO VISIT: [www.surpriseaz.gov/compassionatesurprise](http://www.surpriseaz.gov/compassionatesurprise) OR CALL 623.222.1600





# Community Land Trusts

## Newtown Community Land Trust

Location: Tempe

**Description:** The Newtown Community Land Trust is a nonprofit organization that builds or renovates houses in the Phoenix metro area and then sells them at below-market rates to qualified buyers. Newtown only sells the house; the land remains with the community land trust (CLT). Homeowners get a renewable 99-year lease for a small monthly fee.

When CLT houses are resold, the price is restricted. Sellers make a profit, but the house remains affordable. Buyers must be first-time homebuyers and the gross household income must be less than 80 percent of the U.S. Housing and Urban Development (HUD) area median income (\$51,941 for Phoenix and \$51,264 for Tempe). Newtown has sold more than 135 affordable homes through its CLT program since 2004.

Newtown, a HUD-approved housing counseling agency, also provides homebuyer education, homeownership counseling, credit counseling, financial coaching, financial literacy education, and down-payment assistance. Services are provided in English and Spanish.

**What makes it different:** Newtown maintains ownership of the land while the homebuyer owns the home through a long-term lease.

**Resources:** [newtowncdc.org/who-we-are](http://newtowncdc.org/who-we-are); [newtowncdc.org/what-we-do/community-land-trust.html](http://newtowncdc.org/what-we-do/community-land-trust.html)

**Contact:** Stephanie Brewer, [stephanie@newtowncdc.org](mailto:stephanie@newtowncdc.org)



Estimated Fair Market Value: <b>\$467,000</b>	<b>720 E GLENMERE DR CHANDLER</b>
Newtown Listing Price: <b>\$300,000</b>	<b>3 BED / 2 BATH    1310 SF</b>



# Pima County Community Land Trust

Location: Southern Arizona

**Description:** Pima County Community Land Trust (PCCLT) is a community-based organization that develops and preserves affordable housing. The 2008 housing crisis prompted a partnership with PCCLT, HUD, the city of Tucson and Pima County to develop a neighborhood stabilization program and land trust. This early work involved acquiring and rehabilitating 89 foreclosed homes and vacant properties. PCCLT provides families earning between 50 percent and 80 percent of the area median income (between \$24,029-\$38,446 for Tucson) permanent affordable housing and an opportunity to build wealth through homeownership.

In addition to providing permanently affordable housing options to Pima County residents, PCCLT also offers HUD-approved housing counseling including homebuyer workshops, financial capacity building, and one-on-one financial counseling.

**What makes this different:** Community land trusts are used throughout the country to reduce housing costs and make homeownership more affordable. Newtown and PCCLT are two great examples of how this concept is being applied in Arizona.

**Resources:** [pcclt.org](http://pcclt.org)

**Contact:** Geraldine Aramburo, [Geri@pcclt.org](mailto:Geri@pcclt.org)





# Creative Building Technologies

## ZenniHome

Location: Mesa and Page

**Description:** ZenniHome addresses the housing shortage by designing and factory building its models to be easily transported and to have a minimum environmental footprint. These homes may be used individually or stacked in multi-family configurations.

ZenniHome models are modular factory-built, use steel frame construction, and are assembled to the 2018 International Residential Code Standard. The homes are designed for an individual, first-time homebuyer or for an entire development. ZenniHome offers a variety of construction, development and financing services that complement off-site and modular construction businesses.

More information about requirements for the placement of ZenniHome and other considerations, such as construction codes and zoning requirements can be found here: [zennihome.com/pages/our-process](http://zennihome.com/pages/our-process).

**What makes it different:** Pre-built, environmentally sensitive manufactured homes add variety to Arizona's housing stock.

**Resources:** [zennihome.com](http://zennihome.com)

**Contact:** Bob Worsley, [bobnzlegacy@gmail.com](mailto:bobnzlegacy@gmail.com)



## 3D Houses

Location: Tempe

**Description:** Habitat for Humanity Central Arizona, which has built or renovated more than 11,000 houses, now has in its portfolio a 3D-printed home. About 80 percent of the home in Tempe was 3D-printed and 20 percent was created with traditional construction methods.

Habitat for Humanity Central Arizona partnered with Arizona State University, PERI Company (the Germany-based developer of the printer), and Candelaria Design Associates to develop this pilot home. Larger-scale projects have been built in other states.

This is a non-conventional, alternative method of design. None of the International Residential Building Codes prescribe 3D design and construction. A coalition of partners hired third-party engineers to prove the integrity of the design. Specialists were required to conduct all inspections to comply with the International Residential Codes (IRC). These codes are updated every three years, so the long-term goal is to add this construction alternative to the IRC.

**What makes this different:** New 3D-printed technology was used to construct 80 percent of the home. The single-family home is built on a lot purchased from the city of Tempe.

**Resources:** [habitatcaz.org/3D](http://habitatcaz.org/3D)

**Contact:** Dusty Parsons, [dusty@habitatcaz.org](mailto:dusty@habitatcaz.org)



## Containers on Grand

Location: Phoenix

**Description:** Containers on Grand is an eight-unit apartment community built with recycled industrial shipping containers. The apartments are 740 square feet and are currently rented for about \$1,000 a month, which is below the market rate for the area.

The containers are fused side-by-side, giving each apartment a 16-foot width. They are then stacked in four pairs with wrought, industrial-style exterior staircases in between. To avoid living space and installation challenges, a cinder-block core houses utilities and a bathroom for each unit.

Containers are not expensive or difficult to work with, but there are expenses and some complications bringing them up to the local building codes. It is not yet an accepted building material, but these containers are catching on and are being used in a variety of cities throughout the country.

**What makes it different:** Inexpensive, recycled industrial shipping containers are used for housing.

**Resources:** [containersongrand.com](http://containersongrand.com);  
[dwell.com/article/new-shipping-container-apartments-bring-market-rate-rent-to-downtown-phoenix-6f7c3d41](http://dwell.com/article/new-shipping-container-apartments-bring-market-rate-rent-to-downtown-phoenix-6f7c3d41)

**Contact:** [cog@azleasing.com](mailto:cog@azleasing.com)

ANOTHER CONTAINER EXAMPLE CAN BE VIEWED AT [VIVABLOX.COM](http://VIVABLOX.COM).



## HercuWall by HercuTech

Location: Based in Tempe, but material is used throughout Arizona

**Description:** HercuWall by HercuTech is an International Construction Code (ICC) certified modular construction system for building housing units quickly, safely and economically. HercuWall is made of concrete and steel. It delivers R31 insulation, which reduces tenant electric costs. There are also federal tax credits available when using energy efficient materials.

The wall is light enough for one person to carry. The installation is easy and reduces the use of skilled labor by two-thirds. The building material also can lower insurance costs and reduce the need for lumber.

**What makes this different:** HercuTech pre-made building materials are quick and easy to assemble and that saves on labor costs.

**Resources:** [hercutech.egnyte.com/dl/pRV9YMy1rB](http://hercutech.egnyte.com/dl/pRV9YMy1rB);  
[ics-tax.com/news/the-inflation-reduction-act-impact-on-45l-tax-credit](http://ics-tax.com/news/the-inflation-reduction-act-impact-on-45l-tax-credit)

**Contact:** Seth Sheffield, [seth.shenfeld@hercutech.com](mailto:seth.shenfeld@hercutech.com)







## Out-of-State Businesses That Have Products Appearing in Arizona

### Synergy Modular

Location: Based in Seattle, with an office in Scottsdale

**Description:** Synergy Modular was created to address the challenges of labor shortages and rising costs in the affordable housing market. Using off-site construction methods and innovative processes, the company has found success in developing and building affordable housing. They work with market participants in modular manufacturing to ensure the best application and product for their projects.

Synergy, Inc. offers a variety of construction, development, and financing services that complement off-site and modular construction businesses.

**What makes this different:** This is a modular building system for large-scale developments.

**Resources:** [synergymodular.com/services#why\\_modular](http://synergymodular.com/services#why_modular)

**Contact:** Andy Nuessle, [andy@synmod.com](mailto:andy@synmod.com)

### Boxabl

Location: Based in Las Vegas

**Description:** Boxabl is a portable building system. It can be used as a new stand-alone building or an ADU. The product starts at \$50,000 and has 374 square feet of space. A foundation is required before the product is delivered. All ties to utilities must be in place prior to the unit delivery. The units include the regular appliances of a traditional home.

Boxabl can be used for individuals or can be configured for multi-housing applications. This product meets all the requirements of tiny homes. Currently, the company has the capacity to build 3,000 homes a year.

**What makes it different:** These are semi-custom, shippable homes that can be assembled in a day. This decreases costs dramatically.

**Resources:** [boxabl.com](http://boxabl.com)



# Creative Land Uses

## Healing Community Project (proposed)

Location: Phoenix

**Description:** The U.S. Bureau of Land Management (BLM) plans to lease land through the Recreation and Public Purposes Act. BLM partners with the Arizona State University Healing Community Project to develop a plan for affordable housing. Applicants will be vetted by the BLM management team.

Because people will not be able to hold titles to land since it's public property, housing will have to be transitional in nature. There will be no established limitation for how long people can remain in this housing, but a range of two to six years is proposed. The cost would be \$10 an acre for government entities to lease through the BLM. Two sites have been identified in the Phoenix Metro area.

There are no zoning changes required as the property remains in the ownership of the BLM, but they will work with the neighborhood to consider the local character and needs.

**What makes it different:** Property is held by BLM, saving the cost of land and avoiding zoning issues with adjacent landowners. Partnerships between government entities and nonprofits will move this effort forward.

**Contact:** Shana Ellis, [Shana.Ellis@asu.edu](mailto:Shana.Ellis@asu.edu)



## Attainable Housing Opportunities on School Property

Location: Throughout Arizona

**Description:** School districts around the country are searching for ways to create attainable housing opportunities on their campuses so teachers and support staff can live close to the schools where they work. Attainable housing is defined as workforce housing for households earning between 60 and 120 percent of the area median income, between \$47,000 and \$93,000 a year in Arizona. Providing housing options for school personnel can increase the ability of school districts to attract and retain staff.

In June 2021, Vitalyst Health Foundation published a report entitled, “**How School Districts Can Create Attainable Housing Opportunities,**” and began meeting with school superintendents throughout Arizona to promote this concept. Vitalyst has since paired seven school districts, urban and rural, with an affordable housing developer to develop a “proof of concept” on the feasibility of building housing on school or government-owned property.

In 2023, Vitalyst will share a community toolkit, including financial models, architectural design modules, and potential partnerships.

**What makes this different:** Repurposing public land is a possible strategy for lowering land costs, which can be a barrier to building affordable housing. In addition, combining health care, childcare, and workforce with housing can be appealing to school personnel and the community.

**Resources:** [vitalysthealth.org/wp-content/uploads/2021/06/Vitalyst-AttainableHousing-061421.pdf](https://vitalysthealth.org/wp-content/uploads/2021/06/Vitalyst-AttainableHousing-061421.pdf); [drive.google.com/file/d/1NtvnK31HoCsCzv-viE8-KroOupN\\_d91b/view](https://drive.google.com/file/d/1NtvnK31HoCsCzv-viE8-KroOupN_d91b/view)

**Contact:** Gabriel Jaramillo, [gjaramillo@vitalysthealth.org](mailto:gjaramillo@vitalysthealth.org)



# Mixed-Use Communities

## CHOICE Neighborhood Initiative

Location: Phoenix

**Description:** The city of Phoenix received one of five national grants to rebuild some 1950s-era public housing located in the Edison-Eastlake Neighborhood.

Phoenix leveraged the \$30 million it received from the federal CHOICE Neighborhood Initiative and combined other funding to finance the \$300 million project. It also tapped into the State Housing Tax Credit program.

The CHOICE Neighborhood Initiative was designed with an equitable gentrification model, which has a goal of providing new housing for existing residents as well as incorporating market-rate units. It takes a holistic approach to healthy communities.

The residents and surrounding community have been engaged throughout the development process, and the neighborhood's identity is taken into consideration. Small businesses are included in the neighborhood mix to address the needs of residents. The plan also addressed the needs of the local hospital, school districts and adjacent neighborhoods.

**What makes it different:** The Phoenix CHOICE Neighborhood Initiative is a great example of a mixed-income and mixed-use public housing redevelopment project.

**Resources:** [phoenix.gov/housing/building-affordable-housing/cni-grant](https://phoenix.gov/housing/building-affordable-housing/cni-grant)

**Contact:** Brian Swanton, [bswanton@GormanUSA.com](mailto:bswanton@GormanUSA.com)



## Culdesac

**Description:** Culdesac is a private real estate developer and property manager dedicated to building walkable communities for people, not cars. Their neighborhoods are built around the pillars of community, mobility, and open space.

Culdesac's flagship property, Culdesac Tempe, offers more than 700 residential units at a variety of price points integrated with local retail, commercial uses, and open space for nature and public plazas. The neighborhood prioritizes biking, walking and transit over cars and parking. Culdesac also partners with leading mobility companies to deliver convenient and affordable transportation services for its residents.

By having zero residential parking at Culdesac Tempe, it is able to offer 55 percent open space, 2+ miles of bike and footpaths, a park, and 50+ shared courtyards.

**What makes it different:** Culdesac's design creates a vibrant urban lifestyle without the need for a private vehicle.

**Resources:** [culdesac.com/about](https://culdesac.com/about)

**Contact:** Erin Boyd, [erin@culdesac.com](mailto:erin@culdesac.com)

## Faith-Based CDC's

### Rehoboth Community Development Corporation

Location: Phoenix

**Description:** Rehoboth Community Development Corporation (RCDC) is affiliated with Rehoboth Saints Center. RCDC builds within the Canyon Corridor Neighborhoods (Interstate 17 to 43rd Avenue and Indian School Road to Dunlap Avenue) in partnership with a variety of stakeholders. Programs focus on acquiring, rehabbing, and developing affordable housing and commercial real estate, stimulating business and job creation, and delivering community and youth services.

RCDC partners with several community-based and national organizations, businesses, and local government to deliver a variety of services, such as first-time home buyer education and Volunteer Income Tax Assistance (VITA). RCDC provides a space for financial education workshops focusing on building wealth.

RCDC, in partnership with Gorman & Company, has been awarded \$16.653 million in funding from the Arizona Department of Housing, \$1.3 million from the city of Phoenix Home Funds, and \$500,000 from Home Matters® to Arizona to build a 66-unit affordable housing community adjacent to the Rehoboth Place housing development. This complex will serve individuals and families seeking a quality affordable apartment community.

**What makes it different:** Rehoboth Saints Center provides the land and is the coordinating partner for the coalition of investors providing social services.

**Resources:** [rcdcphx.org](http://rcdcphx.org)

**Contact:** Gwen Relf, [grelf@rehobothphx-cdc.org](mailto:grelf@rehobothphx-cdc.org)

### Tanner Community Development Corporation

Location: Phoenix

**Description:** Tanner Community Development Corporation (TCDC) is the nonprofit outreach arm of Tanner Chapel AME Church. Its mission is to improve lives by meeting spiritual, economical, educational, health and housing needs. TCDC is building a series of tiny homes in the South Mountain Village and in Central Phoenix for homeless veterans, giving them an opportunity to reintegrate into society.

The TCDC tiny homes are constructed with insulated concrete forms. Earth Friendly Block transforms standard recycled polystyrene that is easy to stack and shape into construction design. Using this product simplifies the construction process and reduces construction time, manpower and materials costs.

Thomas Village for Veterans will offer 35 permanent rental homes with 400 to 600 square feet of living space. The village also will have an onsite community resource center featuring coordinated support services. Services for residents include health-care navigation, nutrition support, human and social services, economic self-sufficiency and workforce development.

TCDC was awarded a pre-development grant by the American Rescue Plan Act through the Governor's Office in the fall of 2021. The first community of tiny homes for homeless veterans is scheduled for construction in the South Mountain Village area during the fiscal year 2022-2023.

**What makes it different:** TCDC co-locates church and nonprofit entities and fosters partnerships to provide wrap-around, supportive services. It is also using a new material, Earth Friendly Block, to construct the units.

**Resources:** [efbm.com](http://efbm.com); [tcdccorp.org/about](http://tcdccorp.org/about)

**Contact:** Kerwin Brown, [kerwinbrown@tcdccorp.org](mailto:kerwinbrown@tcdccorp.org)

## What is the Low Income Housing Tax Credit (LIHCT) Award?

It's a program for state and local agencies to create affordable housing that provides around \$8 billion in annual budget authority for "the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households."

Department of Housing and Urban Development, [huduser.gov/portal/datasets/lihct.html](https://huduser.gov/portal/datasets/lihct.html). Details on Arizona's program are at: [housing.az.gov](http://housing.az.gov).



# Smaller Homes

## Habitat for Humanity of Northern Arizona

Location: Flagstaff

**Description:** Habitat for Humanity Northern Arizona partnered with the Flagstaff Unified School District and Northern Arizona University to build small, simple homes, (approximately 500 square feet) for qualifying, low-income families to purchase with Habitat-funded zero-interest loans and a down payment of \$1,000. Monthly payments will be less than comparable rent. Buyers get their principal back when they leave (in three to 10 years), and the property is then resold by Habitat to another qualifying buyer.

The Northern Arizona University construction school builds the structures on campus and transports the pieces to the site. It also works with the owner and other volunteers to erect and finish the home.

Three land partners have allocated enough land to build 100 Starter Homes once funding is secured. The model homes will meet all city codes.

**What makes it different:** Structures are built off-site at NAU and transported in pieces to the sites. Housing is built on school property. Equity accrues to the tenant and is taken with them when they leave.

**Resources:** [azcentral.com/story/news/local/arizona/2022/10/19/habitat-for-humanity-shifts-model-in-flagstaff-to-fight-housing-crisis/8237523001](https://www.azcentral.com/story/news/local/arizona/2022/10/19/habitat-for-humanity-shifts-model-in-flagstaff-to-fight-housing-crisis/8237523001)

**Contact:** Eric Wolverton, [eric@h4hnaz.org](mailto:eric@h4hnaz.org)



## Uncharted Tiny Homes

Location: Phoenix

**Description:** In Arizona, Uncharted Tiny Homes on wheels are considered Recreational Vehicles (RVs) on placement. They are motor vehicles with a Vehicle Identification Number (VIN) and a title built to Arizona Department of Transportation (ADOT) standards. They can be built to local codes.

Generally, Uncharted Tiny Homes can be parked wherever RVs are allowed to park. Some people go to RV parks that allow tiny homes, while others go to a property with a single-family home present, which also allows RV parking.

There are many variables in finding out whether a state, city, or county allows tiny homes and if so, what the regulations are. Uncharted Tiny Homes has created a list in Arizona of friendly tiny home RV parks and communities, as well as land for rent or lease.

**What makes it different:** Uncharted Tiny Homes are built to motor vehicle standards.

**Resources:** [unchartedtinyhomes.com](https://www.unchartedtinyhomes.com)

**Contact:** [Unchartedtinyhomes@gmail.com](mailto:Unchartedtinyhomes@gmail.com) or 602-717-5827

# Supports for Existing Units and Landlords

## Threshold

Location: Maricopa County

**Description:** Threshold is a centralized network of resources and support for property owners and managers to help fight homelessness in Maricopa County. It is the result of collaborative work between Maricopa County and housing operator HOM Inc., along with many other community partners.

The program, funded by a \$5 million initial investment from federal COVID-19 relief money, established Maricopa County's first centralized support system for property owners. Its services enhance and lie atop existing voucher programs to make them stronger and work better for property owners and managers, which in the long run works better for tenants.

Threshold offers financial incentives, a dedicated owner support team, easy-to-use software that helps facilitate leasing properties, and the financial and technical support to keep properties in good repair — allowing owners and managers to provide safe and stable homes for the community and maintain property values. To date, more than 700 additional properties have been added to the inventory.

Other community partners involved in this effort include the Arizona Multihousing Association, UMOM New Day Centers, A New Leaf, Chicanos Por La Causa, Phoenix Rescue Mission, AZCEND, one-n-ten, Native American Connections, Mercy House, Save the Family, Community Bridges, Inc., Central Arizona Shelter Services, Arizona Behavioral Health Corporation, U.S. Vets Phoenix, and Tempe Community Action Association.

**What makes it different:** Threshold provides direct payments, including incentives, to landlords to take non-traditional payments, such as federal housing vouchers, to reduce barriers to renting.

**Resources:** [thresholdaz.com](http://thresholdaz.com)

**Contact:** Daniel Davis, [Daniel@HOMInc.com](mailto:Daniel@HOMInc.com)

## Arizona Housing Inc.

Location: Phoenix

**Description:** Arizona Housing Inc. (AHI) builds and adds supportive housing for the community's homeless through the renovation of foreclosed and blighted properties.

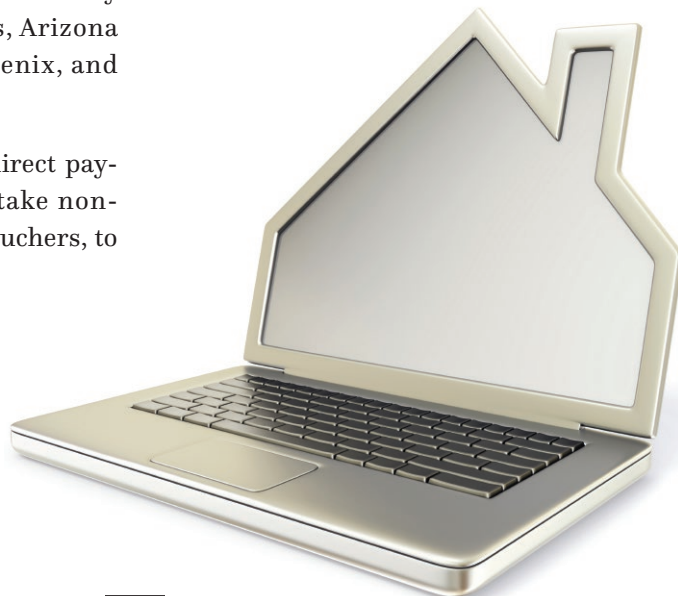
AHI's effort has two major components: Property development and ongoing operations and supportive services. The former focuses on acquiring and renovating affordable housing properties; the latter works to identify and retain rent-paying tenants to ensure operations and support services continue.

Supportive housing is a national best practice that improves housing stability, employment, health, and school attendance. It also reduces active substance abuse. People in supportive housing live more stable and productive lives. Supportive housing offers cost efficiency. Leaving homeless people on the street leads to more frequent high-cost crisis care through emergency medical services and costs associated with repeated incarceration for survival crimes.

**What makes it different:** AHI adds housing by renovating foreclosed properties for the homeless and extremely low-income individuals and families.

**Resources:** [azhousinginc.org/uploads/7/8/9/5/78958120/impact\\_report\\_9.2021.pdf](http://azhousinginc.org/uploads/7/8/9/5/78958120/impact_report_9.2021.pdf)

**Contact:** Mark Holleran, [mholleran@azhousinginc.org](mailto:mholleran@azhousinginc.org)





# Tribal Housing

## Pascua Yaqui Housing Department

Location: Various Locations across the Pascua Yaqui Tribe/Tucson areas

**Description:** The Pascua Yaqui Housing Department works to implement affordable, creative and long-term housing solutions for members of the Pascua Yaqui Tribe. The housing department has various properties reserved for tribal members across the Tucson area.

The Homes at Yaqui Square is located on tribal land southwest of Tucson. This project has 50 single, mixed-income homes with up to four bedrooms each. The creatively designed homes include smart-home features and focus on sustainability by installing solar panels on each house.

One Yaqui Square, a five-story multifamily building with 50 apartments that will be completed in 2025, will have energy-efficient features to reduce energy costs, a balcony for every unit, and amenities such as common lounge areas and a gym. A farmer's market will also be included adjacent to the property.

The Homes at Yaqui Square and One Yaqui Square were built through Low Income Housing Tax Credit (LIHTC) awards. To qualify for housing, tribal members must be at or below 80 percent of the area's median income (at or below \$38,446 for Tucson).

On tribal lands, projects are approved by the tribal council. Projects on non-tribal lands go through the usual permitting and zoning procedures.

**What makes it different:** The Pascua Yaqui tribe has received the largest tax credit award in the United States on tribal land for two consecutive years. The department aims to build sustainable and energy-efficient properties for tribal members.

**Contact:** Keith Gregory, [Keith.Gregory@pascuayaqui-nsn.gov](mailto:Keith.Gregory@pascuayaqui-nsn.gov)



# Tohono O’odham Ki:Ki Housing Association

Location: Tohono O’odham Nation

**Description:** The Tohono O’odham Ki:Ki Housing Association provides ownership and rental housing opportunities to members of the tribe. It also offers a variety of support services such as: a down payment assistance program, with a dollar match for up to \$10,000<sup>2</sup> to qualifying buyers; heating and ventilation services for existing residents; and a healthy homes program that helps low-income households address environmental hazards.

In 2022, the association began construction of 30 single-family homes in the village of Kawulk through a Low-Income Housing Tax Credit (LIHTC) award from the Arizona Department of Housing. It is working with Red Stone, a real estate investment firm specializing in the development of affordable housing.<sup>3</sup>

Toka Homes, a 29-unit complex that includes three fourplexes and 17 single family homes, is another association project. It was made financially possible primarily through a LIHTC award and an Indian Housing Block Grant. The property will also include a recreational center with a splash pad, a communal kitchen, gymnasium and stage.

A challenge in the construction of housing in rural areas is the lack of infrastructure needed for housing (water, sewage, internet connectivity). Recently, the association was able to build the water structure needed for construction through American Rescue Plan Act funding.

**What makes it different:** Affordable housing in tribal communities is a continuing challenge. This collaborative effort with multiple funders and coordinated services is a model that can be replicated.

**Resources:** [tokahousing.org](http://tokahousing.org)

<sup>2</sup> [tokahousing.org/services/down\\_payment\\_assistance](http://tokahousing.org/services/down_payment_assistance)

<sup>3</sup> [tucson.com/news/local/tohono-oodham-building-16-9-million-development-near-sells/article\\_d523038e-cd7d-11ec-90d3-b33593171495.html](http://tucson.com/news/local/tohono-oodham-building-16-9-million-development-near-sells/article_d523038e-cd7d-11ec-90d3-b33593171495.html)





# Public Policy Changes

## Proposition 442

Location: Flagstaff

**Description:** On November 8, 2022, Flagstaff voters authorized the city to issue and sell \$20 million in general obligation bonds to create additional rental and homeownership opportunities for residents. Proposition 442, which was widely supported by the Flagstaff housing industry, received 63 percent voter approval.

Bond funds will be used to redevelop city-owned housing for additional affordable rental units; repurpose existing available buildings into rental units; incentivize the private sector to incorporate affordable rental housing into new developments and expand the home-buyer assistance program.

**What makes it different:** Voters approved funding for expanded housing opportunities. Flagstaff's effort is a model for other municipalities.

**Resources:** [flagstaff.az.gov/DocumentCenter/View/72914/2022-November-FINAL](https://flagstaff.az.gov/DocumentCenter/View/72914/2022-November-FINAL);

[docs.google.com/document/d/1XGJvETwGpzWdmkiUrhOonn78ucWvMvAvnJ\\_GoSM5Z1g/edit](https://docs.google.com/document/d/1XGJvETwGpzWdmkiUrhOonn78ucWvMvAvnJ_GoSM5Z1g/edit)

**Contact:** Shannon Anderson, [SAnderson@flagstaffaz.gov](mailto:SAnderson@flagstaffaz.gov)

## Source of Income Discrimination Protection Ordinance (SOID)

Location: Tucson

**Description:** The Tucson City Council unanimously approved the Source of Income Discrimination Protection Ordinance (SOID) on September 27, 2022. Source of income protection makes it unlawful for landlords or property managers to reject a rental application solely based on the applicant's source of income, including rental assistance such as the Housing Choice Voucher Program, Rapid Rehousing, and other federal, state, or local assistance programs.

Federal housing laws do not guarantee source of income protection. A growing number of cities and states have adopted Sources of Income protection to blunt discriminatory rental practices and to enable more otherwise qualified families to secure affordable housing.

**What makes it different:** The Tucson City Council passed the local Source of Income Discrimination Protection ordinance, which makes it unlawful for landlords or property managers to reject a rental application solely based on the applicant's source of income. Although this ordinance has been used in other states, there has been some legal controversy about it in Arizona, and there is currently litigation that has stopped its enforcement.

**Resources:** [localhousingsolutions.org/housing-policy-library/source-of-income-laws](https://localhousingsolutions.org/housing-policy-library/source-of-income-laws)

**Contact:** Ernesto Portillo, [ernesto.Portillo@tucsonaz.gov](mailto:ernesto.Portillo@tucsonaz.gov)



**APPLICATION FOR RENTAL**  
Applicants (18 years or older) must complete a separate a  
LEASE START/TERM:  
DATE O

# Conclusion

A full spectrum of safe, attainable housing options for Arizonans puts the state on a solid foundation of continued economic growth and development. Housing improves access to opportunities that promote well-being. Housing that is affordable and ideally located is key to family stabilization and community success.

The housing supply shortage throughout the state creates a burden for too many Arizonans. Change is needed, and leaders must be creative and open to new ideas that increase housing supply. Finding solutions to the Arizona housing crisis also requires cross-sectoral collaboration of healthcare partners, housing developers, and community stakeholders who combine resources and efforts into similar practices.

Policy design choices are highly context specific. This report features some of the policies and practices that stakeholders have implemented to address the Arizona housing crisis. Although the examples focus on workforce and attainable housing options, some of these initiatives can support housing at all income levels.

Additional information on the Arizona housing issue is available in other Vitalyst briefings, such as “Policies for Community Investment Without Displacement,” and many other useful resources online at [vitalysthealth.org](https://vitalysthealth.org).

*Below: Habitat for Humanity Central Arizona leads a partnership that created the first 3D-printed home in the U.S. on a lot purchased from the City of Tempe.*



**Authors:** Thanks to Penny Allee Taylor, Jennifer Dokes, Virginia Bezerra de Menezes and Darlene Newsom.