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# Board of Supervisors Memorandum

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August 15, 2022

## Housing Affordability

### Background

On [November 23, 2021](#) I transmitted to the Board a Memorandum indicating my approval for the creation of an Affordable Housing Task Force to examine growing concerns about the lack of affordable housing (in the rental and retail markets) and the growing number of requests for assistance from impacted families. The idea was to bring together a broad cross-section of private and public sector stakeholders to review the existing data and generate new ideas that might inform policy discussions and actions in this space.

On May 17, 2022 the Board of Supervisors provided direction to staff to complete an inventory of surplus County owned properties and buildings that could potentially be used to develop affordable housing. This task was also a recommendation of the Affordable Housing Task Force.

This memorandum provides information and recommendations related to these efforts. Included, as attachments are related memoranda from Daniel Sullivan, Community & Workforce Development Director (Attachment 1), and Carla Blackwell, Development Services Director (Attachment 2).

### Affordable Housing Task Force

The Task Force met eight times since February 4. Membership included a broad range of stakeholders from across the community who devoted substantial time, effort, and insight into the deliberation, and I am profoundly and personally grateful to the 22 community members that accepted this challenge. Task Force meetings were supported by Community & Workforce Development staff and had the benefit of professional facilitation. The meeting content including agendas, presentations and supporting documents are all available on the County's Affordable Housing Task Force webpage.

The Task Force formulated five recommendations: (1) the creation of a regional housing body that facilitates building more housing; (2) streamlining development processes to promote housing density, infill, and more affordable housing; (3) creation of a housing market dashboard to drive investment across the continuum; (4) keeping people housed by reducing barriers to affordable housing; and (5) leveraging innovation.

The "regional housing body" envisioned by the Task Force would take the place of the existing Housing Commission. It would be charged with working with the development community, housing advocates, and the jurisdictions to expand the availability of a broad range of affordable housing and decrease the barriers to its development. This group would also oversee the creation of a housing dashboard that could be used to and the further

The Honorable Chair and Members, Pima County Board of Supervisors  
Re: **Housing Affordability**  
August 15, 2022  
Page 2

refinement of the inventory of County parcels potentially available for affordable housing, as well as create a process for bringing those assets forward for potential development.

#### Inventory of County Property

As requested by the Board of Supervisors, Pima County Development Services and Real Property worked with other departments to complete a preliminary evaluation of County owned property that may be suitable for affordable housing projects. The exercise involved using County GIS to first identify all County owned properties. The initial list was further screened to identify properties with some potential for development. The screening criteria and the resulting 30 properties are included in Ms. Blackwell's memorandum.

#### Recommendations

Based on the work of the Task Force I recommend that the Board consider taking the following actions:

1. Allow the current Housing Commission to expire or sunset.
2. In its place the Board establish the Pima County Commission on Housing Affordability that is appropriately chartered.
3. Such a Commission would be populated by members from a slate provided by staff or individually appointed by each Supervisor.
4. This new Commission be directed to work with County departments to further determine the development potential of County properties and to identify groups interested in working with the County, through partnership or development agreements, to develop these properties for affordable housing.

Sincerely,



Jan Leshner  
County Administrator

JKL/dym – August 3, 2022

#### Attachments

- c: Carmine DeBonis, Jr., Deputy County Administrator  
Francisco García, MD, MPH, Deputy County Administrator and Chief Medical Officer  
Steve Holmes, Deputy County Administrator  
Daniel Sullivan, Director, Community & Workforce Development  
Carla Blackwell, Director, Development Services

# ATTACHMENT 1

Date: August 3, 2022  
*MSB on behalf of*  
From: Dan Sullivan  
Community & Workforce Development  
Director

To: Jan Leshner  
County Administrator

Re: **Affordable Housing Task Force Report and Recommendations**

On November 23, 2021, the Pima County Administrator approved the creation of an Affordable Housing Task Force, bringing together a cross-section of stakeholders involved in some aspect of affordable housing production and development. The Task Force was empaneled for the purpose of informing the actions that policymakers may take to improve housing affordability across Pima County. The Task Force met every other week for the course of five months and included virtual and in-person meetings. Pima County's Community and Workforce Development (CWD) staff supported the Task Force and worked with members to capture and report on the priorities and recommendations of the panel to address affordable housing needs in Pima County. CWD is now pleased to present the attached final report of the task force, which is also available on the Affordable Housing [webpage](#).

### **Background and Summary**

In response to invitations from the County Administrator, the final Task Force membership reflects a broad cross-section of stakeholders:

Name	Organization
Ann Chanecka	City of Tucson
Betty Villegas	South Tucson Public Housing
Brian Swanton	Gorman Company
Carla Blackwell	Pima County Development Services
Corky Poster	PMM Poster Mirto McDonald
Daniela Figueroa	Youth On Their Own
Dennis Regnier	CODAC Behavioral Health
David Godlewski	Southern Arizona Home Builders Association
Jennifer Chancay	Pima County Health Department
John Bremond	KB Homes
Joy Taylor	Leon-Taylor Management
Karen Uhlich	Arizona Complete Health
Kim Fitch	Nicolosi and Fitch, Inc.
Liz Morales	City of Tucson
Maggie Amado-Tellez	Pima County Community Land Trust
Mark Clark	Pima Council on Aging
Maryann Beerling	Compass Affordable Housing

Meghan Heddings	Family Housing Resources
Michael Guymon	Tucson Metro Chamber of Commerce
Omar Mierles	HLS Properties
Thomas Warne	JL Investments
Tom Litwicki	Old Pueblo Community Services

Beginning February 4, 2022, the Task Force met 8 times. CWD brought in professional facilitators to help organize the Task Force’s work and define appropriate and measureable outcomes of the process. The facilitators—Dr. Angela Donelson and Dr. Robin Breault—walked the Task Force through a process to accurately define affordable housing. From there, they solicited subject matter expertise of the Task Force and facilitated a process over the course of several meetings to allow the Task Force to leverage that expertise to produce meaningful recommendations to County Administration.

Throughout the process, Task Force members, members of the public, and other community stakeholders completed surveys, the results of which were presented at each meeting. Surveys included the overall outcome the Task Force wanted to see at the end of the process and what approaches, ideas, or solutions that they explored during the process. The process also included small group work with groupings of various subject matter experts that allowed meaningful discussions about the development of and issues surrounding housing affordability in Pima County. Task Force members’ work was also informed by a review of the latest research, data analysis, and best practices locally and throughout the nation.

The public was actively engaged in the process, including attendance at both virtual and in-person meetings, public comment on the Task Force webpage, as well as working on various small group work at each meeting. Public comment and feedback was incorporated into the final report of the Task Force.

After the Task Force identified strategies to increase housing affordability, County staff provided information on the types of available private and county owned lands, current development priorities, and potential barriers to affordable housing viability and feasibility. County staff also presented the affordable housing continuum and outlined opportunities for new development and their potential structure for feasible outcomes. The Task Force learned about current state statutes on land use and disposition, tax liens, surplus property guidelines, and reviewed current codes for guest homes or accessory dwelling units, and incentive areas. County staff also provided information on current constraints, policy considerations, and current infrastructure. Members also received a review of zoning constraints and areas of opportunity, financial incentives for affordable housing development and maintenance, with outcome at the forefront of considering changes, updates or revisions to current code or procedures.

#### Affordable Housing Task Force Report and Recommendations

Task Force priorities were based on the following guiding principles:

- Consider what is feasible, viable, practical
- Build more and improve access to affordable housing
- Mitigate impacts on most vulnerable
- Consider different approaches by need (no one size fits all)

The Task Force recommended two broad strategies: build more across the housing continuum (“Build More”) and improve access to affordable housing (“Improve Access”). Build More means to establish and support actions and policies that increase the creation of more housing while promoting desegregation, de-concentration, and balancing city/county water and open space goals. Improve Access means to establish and support actions and policies that help individuals across the housing continuum attain and retain safe, affordable housing that allows them to live and thrive.

As detailed more thoroughly in the attached report, the Task Force produced a total of five recommendations within these two categories. In the Build More category, the Task Force recommended (1) creation of a regional housing body that facilitates building more housing; (2) streamlining development processes to promote housing density, infill, and more affordable housing; and (3) creating a housing market dashboard to drive investment across the continuum. In the Improve Access category, the Task Force recommended (4) keeping people housed by reducing barriers to affordable housing; and (5) leveraging innovation. One action contained in the plan, recommends that a master list of county properties be compiled for the consideration of affordable housing projects. In May, the Board of Supervisors directed staff to begin this inventory. The status of the inventory is addressed in a separate memo to the Board of Supervisors.

Attached is the final report, project outlines and other materials utilized throughout the process. The information is also available on the Affordable Housing [webpage](#).

#### Recommendation

Consistent with the Task Force’s first recommendation, staff recommends that the current Housing Commission be sunset and that the Board create a Pima County Regional Affordable Housing Commission. Staff recommends extending an invitation to Task Force members to continue their service as the inaugural body of the Pima County Regional Affordable Housing Commission, which would ensure continuity of the implementation of the aforementioned recommendations. Using the Task Force’s recommended Implementation Action Plan as a roadmap, the commission would identify current assets within the region for housing development, oversee development of programs and initiatives to implement the delineated actions, recommend procedures to streamline development, create and maintain a housing market dashboard, identify best practices to keep people housed and to leverage innovations through research and evaluation of funded projects. Monitoring the outcomes and measuring the results of the implementation plan will be a key function of the commission.

If so approved, CWD will provide staff and administrative support to the commission in their efforts to produce efficient, effective and long-term results to housing affordability in Pima County.

# Pima County Affordable Housing Taskforce Recommendations

Written by Angie Donelson, PhD, AICP and Robin Breault, PhD  
Submitted June 10, 2022

County Administrator Jan Leshner empaneled a 21-member taskforce of local industry experts from February 4 through May 27, 2022, to recommend means of improving housing affordability in Pima County. Pima County Community and Workforce Development retained Donelson Consulting to facilitate the process, by which the taskforce arrived at consensus-based recommendations with supporting documentation.

Given the critical need for housing across the entire spectrum of affordability, the taskforce stressed the urgency and importance of county leadership immediately identifying a comprehensive funding approach to begin addressing affordable housing. The taskforce recommends the county proceed with a PAYGO strategy. Pima County has an Integrated Infrastructure Plan in place, which is currently silent on affordable housing, but could incorporate these needs.

Over six working meetings from February 18 through April 29, the taskforce identified two strategies for action: 1) to quickly produce more housing across the housing continuum and 2) to improve access to affordable housing.

## Build More Across the Housing Continuum

The taskforce recommends building more housing across the housing continuum. This includes producing not only affordable housing, but market rate housing more quickly, since insufficient supply is squeezing affordability in all parts of the market.<sup>1</sup> As part of their work, the taskforce defined needs across the affordable housing continuum.

- **Recommendation #1: A regional housing body facilitates building more housing** - As noted in the Action Plan, the City of Tempe provides a strong governance framework; the City of Tucson is also a potential partner, as they recently established a nonprofit development entity for this purpose. Establish a regional housing affordability body that facilitates the production and development of and integration of housing related services. Already, Pima County has begun an inventory of its real property for this purpose. The regional body (including Marana, Oro Valley, and other jurisdictions) could promote solutions for faster production of housing across the continuum.
- **Recommendation #2: Streamlined development processes promote housing density, infill, and more affordable housing** - The first step in this process is to gain a clearer understanding of what developers need. A starting point is to build upon the City of Tucson's recent surveys of the development community (see supporting document #9). The Action Plan recommends ways to assess needs of both affordable and market rate housing developers. Strategic updates can be made to the zoning code and faster-track regulatory processes implemented to incentivize affordable housing to meet the taskforce's stated goal of promoting de-concentration and integration of desegregation. Affordable housing goals should be prioritized within the context of broader regional goals for water conservation and open space management.

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<sup>1</sup> "At present, we have a 20-year low in MLS supply and a 20-year low in new home community counts, and unfortunately, neither of those problems are going to be solved anytime soon...Prices are currently at historic levels, and while this occurs for a variety of reasons, the main culprit is supply." [Will White of Land Advisors Organization Answers Questions on State of Tucson New Home Market, May 20, 2022.](#)



- **Recommendation #3: Housing market dashboard drives investment across the continuum** - The first step is to gather baseline data to understand gaps in the market. Although partial data on need exists<sup>2</sup>, core questions and projections remain unanswered. It is not known how much market rate, workforce housing, affordable housing and housing bridging from homelessness is needed now, regionally, and within the next five to ten years. To address these questions, the Action Plan recommends immediately conducting a Value Market Analysis – that is, an assessment as to where different types of housing development investment or intervention strategies are needed to be most effective. This information is also important for neighborhood-level scale understanding of existing concentrations of affordable housing, areas of opportunity to build and places to target regulatory changes within Pima County and across jurisdictions.

### **Improve Access to Affordable Housing**

The Affordable Housing Taskforce also prioritized the need for improved access to affordable housing. It prioritizes an integrated regional strategy that helps individuals and families make the most of income, promotes timely service delivery, and reduces barriers to attaining safe, adequate housing. The taskforce urged the importance of leveraging local innovations to keep people housed.

- **Recommendation #4: Keeping people housed by reducing barriers to affordable housing** - The first step is to gain a clearer understanding of barriers that prevent maximizing income and hinder timely provision of housing services, especially from the perspective of small landlords. Taskforce members agreed this includes leadership of a regional housing affordability body to guide this work. The Action Plan identifies ways to gain clarity about needs and strategies to support landlords, nonprofit providers, tenants and homeowners. The taskforce recommends controlling more housing for those at risk for housing displacement and providing targeted housing services to keep people housed.
- **Recommendation #5: Leverage innovations** - Taskforce members agreed they would like to understand the impact to date of Community Land Trusts, regionally, as solutions for permanent affordable housing. The University of Arizona and other universities could evaluate this work.

An Action Plan, which accompanies these recommendations, identifies specific funding strategies and actions steps. The Action Plan is a working document meant to guide staff as the County leads the implementation of taskforce recommendations and reports quarterly on measurable short-, mid-, and long-term outcomes with time frames determined by the county and the regional housing body. Additionally, these recommendations include a draft charter document based upon the taskforce's agreement about shared values essential to carrying out its recommendations with fidelity.

### **List of Work Products and Supporting Documents**

1. [Overview of Strategic Recommendations: Build More and Improve Access](#)
2. [Key Terms and Definitions](#)

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<sup>2</sup> Housing needs identified: Pima County needs at least 27,500 finished lots within the next 5 years for housing; with existing permitting activity of 5,500 homes per year, Pima County is expected to need 27,500 lots within the next 5 years.

Affordable housing needs identified: 12,000 units are available to low-income households and 75,000 units are needed (sources: [People, Communities, and Homes Investment Plan Investing in Tucson's Infrastructure of Opportunity](#). Adopted by the Tucson Mayor and City Council on January 20, 2021 and [Housing Affordability Strategy for Tucson](#) Adopted by the Tucson Mayor and City Council on December 21, 2021.

Bridging homelessness into housing needs identified: 2,546 supportive housing beds are available in Pima County as of 2018 (last pre-pandemic homelessness count), and 2,000 beds are needed within the next 10 year (source: Scaling Smart Resources, Doing What Works: A system-level path to producing supportive housing in Tucson and Pima County. [Tucson Pima Collaboration to End Homelessness Gaps Analysis 2019](#). [Compass Affordable Housing](#).





Pima County Affordable Housing Taskforce Recommendations  
Submitted June 10, 2022

3. [Implementation Action Plan](#)
4. [Draft Charter](#)
5. [List of Empaneled Taskforce Members](#)
6. [Taskforce Meeting Process \(including public engagement strategies\)](#)
7. [Draft RFP Structure: Value Market Analysis](#)
8. [Financial Access and Barrier Reduction Strategies for Multi-stakeholder Affordable Housing Coalitions to Consider](#)
9. [Scope of Work Considerations for Needs Analysis of Housing Developers](#)
10. [List of Taskforce-identified Stakeholder Coalitions and Networks to Engage](#)
11. [LIHTC Developers List](#)
12. [Summaries of Data Informing Taskforce Priorities](#)
13. [Knowledge Graph Lit Review of Key Reports](#)



## Strategy 1: Build More Across the Housing Continuum SHORT TERM

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
1. Develop regional housing assessment of availability and need, considering the continuum of housing	<b>Create a Joint Regional Housing Affordability Body</b>  1.1 Assess organizational structure and its operating needs	1. Identify appropriate governance structure to address housing affordability needs n Pima County and coordinate jurisdictions; Consider creating a nonprofit development entity or coordinating/contracting with existing nonprofit development entity or entities 2. Identify how governance structure would support and enhance work of existing regional housing nonprofit service providers 3. Identify costs associated with funding and staffing the appropriate governing structure of a joint regional housing body; identify resources to fund its creation.	County staff; nonprofit development entities; staff of municipal jurisdictions  <a href="#">City of Tempe</a> affordable housing governance (best practice)
	<b>Streamline Development</b> 1.2 Understand what developers need to be able to increase production, including ways to address pre-development and construction costs	1. Conduct needs assessment of housing developers through comprehensive semi-structured interviews, to: <ol style="list-style-type: none"> <li>Identify what market-rate developers need to bring timely new projects into the housing development pipeline - see <a href="#">Draft RFP Structure: Value Market Analysis</a> for proposed questions</li> <li>Identify what Arizona affordable housing/LIHTC developers need in order to incentivize building more affordable housing - see <a href="#">Scope of Work Considerations for Needs Analysis of Housing Developers</a> for proposed questions</li> </ol> 2. Identify feasibility of offering Affordable Housing boot-camp/training (with ongoing support) for non-profit developers and new/small developers 3. Identify funding for items # 1 and 2; consider HUD technical assistance request to assist in funding	County development services staff and staff of municipal jurisdictions  Southern Arizona Home Builders Association  Contracted professional services/RFP support as needed
	<b>Housing Market Dashboard</b> 1.3 Develop comprehensive understanding of land and market (supply and demand) to facilitate and increase housing affordability  1.4 Inventory potential of county and municipal properties for redevelopment	1. Develop a master list of county properties (delinquent tax sales and developable land). Properties should consider lands outside of conservation land and open space with access to water and sewer availability. 2. Identify cost and funding sources for conducting a regional Housing Market Value Analysis (an analysis as to where different types of housing development investment or intervention strategies will be most effective) and Housing Market Dashboard. 3. Conduct a Housing Market Value Analysis (engaging support of a firm with national expertise in market value analysis) and a complementary Supply/Demand + Housing Costs Dashboard into an Affordable Housing Action Plan that: <ol style="list-style-type: none"> <li>Identifies existing demand and 10-year projections for three market segments, building on what is currently known about the Pima County housing continuum:               <ul style="list-style-type: none"> <li>Market rate/total: Pima County needs at least 27,500 finished lots within the next 5 years for housing<sup>1</sup></li> <li>Affordable housing: 12,000 units are available to low-income households<sup>2</sup> and 75,000 units are needed<sup>3</sup></li> <li>Bridging homelessness into housing: 2,546 supportive housing beds are available in Pima County as of 2018 (last pre-pandemic homelessness count), and 2,000 beds are needed within the next 10 years<sup>4</sup></li> </ul> </li> </ol>	Housing Market Value Analysis Request for Proposals could be modeled after <a href="#">City of Denton, TX</a> (best practice)  Housing Data Dashboard could be modeled after <a href="#">Maricopa Association of Governments</a> (best practice)  Supply and 5-year demand dashboard could be modeled in part after <a href="#">King County, WA</a> (best practice)  County staff; staff of municipal jurisdictions  Southern Arizona Home Builders Association

<sup>1</sup> With existing permitting activity of 5,500 homes per year, Pima County is expected to need 27,500 lots within the next 5 years.

<sup>2</sup> People, Communities, and Homes Investment Plan Investing in Tucson's Infrastructure of Opportunity. Adopted by the Tucson Mayor and City Council on January 20, 2021. Available at <https://p-chip.tucsonaz.gov/>

<sup>3</sup> Housing Affordability Strategy for Tucson Adopted by the Tucson Mayor and City Council on December 21, 2021. Available at <https://housingaffordability.tucsonaz.gov/>

<sup>4</sup> Scaling Smart Resources, Doing What Works: A system-level path to producing supportive housing in Tucson and Pima County. Tucson Pima Collaboration to End Homelessness Gaps Analysis 2019. Compass Affordable Housing. Available at <https://tpch.net/wp-content/uploads/TPCH-Gaps-Analysis-2019-.pdf>

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
		b. Identifies existing concentrations of affordable housing, areas of opportunity to build and places to target development oriented regulatory changes within Pima County based on place-based needs.	

Strategy 1: Build More Across the Housing Continuum MID TERM

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
2. Promote housing density/infill across the continuum of housing	<b>Joint Regional Housing Body</b>  2. 1 Create joint regional housing body	1. Joint regional housing body is created and funded (using existing and/or dedicated funding sources) to: <ul style="list-style-type: none"> <li>a. Facilitate opportunities for development, including with local nonprofits and for-profit developers</li> <li>b. Work with a joint multi-jurisdictional entity that facilitates building, and potentially builds, affordable housing</li> </ul>	County staff; staff of municipal jurisdictions; nonprofit development entities  <a href="#">City of Tempe</a> affordable housing governance (best practice)
	<b>Streamline Development</b>  2.2 Fast track and incentivize (including through subsidy financing) innovation in design, height and density for housing development projects	1. Develop a “Streamlining Development” Implementation Plan, enacting recommendations of goals 1.2 and 1.3, to: <ul style="list-style-type: none"> <li>a. Fast track projects that incorporate flexible design guidelines and promote height and density development goals. Joint county and jurisdictional tools to support this work could include, but are not limited, to:               <ul style="list-style-type: none"> <li>■ Infill incentive districts for affordable housing</li> <li>■ Streamlined, complementary regulatory processes for building ADUs (City of Tucson) and Casitas (Pima County), including permitting modular units</li> <li>■ Reduced bottlenecks in the prefabricated/pattern zone housing site approval process</li> <li>■ Expedited entitlement processes (for rezonings, variances, conditional use permits, etc.)</li> </ul> </li> <li>b. Develop funding sources and offer for developers appropriate financial subsidies/incentives for fast-track projects that promote housing affordability. Financial incentives are essential in “buying down” costs of housing<sup>5</sup>, and can include, but are not limited, to:               <ul style="list-style-type: none"> <li>■ Creation of Industrial Development Authority-financed revolving loan fund</li> <li>■ Reduced impact fees for properties already near existing infrastructure</li> <li>■ Reduced engineering/fee studies</li> <li>■ Reduced fees for greywater, EV readiness solar readiness, Slurry Coating Newly Finished Streets, Complete Streets, retention/detention work</li> <li>■ County general fund or dedicated sources of funding, including bonding or property tax</li> </ul> </li> </ul> 2. Develop strategic updates to county zoning code to enable “missing middle” housing (duplexes, triplexes, townhomes, condos) and align with municipal jurisdictions <ul style="list-style-type: none"> <li>a. Amend zoning code text in Pima County development code to reduce lot size, while increasing density and height requirements</li> </ul>	County staff; staff of municipal jurisdictions  Pima County Community Land Trust, CUADRO Design and City of Tucson  Industrial Development Authorities (City and County)  Mi Casita (coordinated by Pima County Community Land Trust, CUADRO Design and City of Tucson to support independent ADU development)  Prefabricated/3D printed housing best practices: <a href="#">Tempe Habitat for Humanity</a> , <a href="#">ICON</a>

<sup>5</sup> According to economists at the National Association of Home Builders, for every \$1,000 increase in the price of a home, 510 households – in Tucson – are “priced out” from owning that home (source: SAHBA)

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
		b. Identify opportunities for multi-jurisdictional collaboration on zoning, progress that needs to be made, and the timeframe to accomplish zoning alignment  3. Incentivize affordable housing and balance with county goals for water and open space management	
	<b>Housing Market Dashboard</b>  2.3 Issue RFP for county and municipal properties available for redevelopment  2.4 Inventory potential of redevelopment of underutilized properties in Pima County and municipal jurisdictions	1. Create inventory of county properties suitable for sale to nonprofit developers that are below fair market value rents (as allowed in state statutes); align opportunities with municipal jurisdictions  2. Identify county parcels suitable for land swaps with other municipal jurisdictions. If infrastructure is not currently available, identify financing sources needed for predevelopment costs associated with available infrastructure (as identified/allowed in Pima County Capital Improvement Plan)  3. Issue and fund an RFP for developing affordable housing of developable vacant properties; identify partnerships with municipal jurisdictions, private sector and nonprofit developers  4. Inventory potential of redevelopment of underutilized hotels, commercial props, schools, and existing parking lots; market assets; identify partnerships with municipal jurisdictions, private sector and nonprofit developers.	County; staff of municipal jurisdictions   Buildable lands best practice: <a href="#">City of Portland Bureau of Planning and Sustainability Buildable Lands Inventory and Growth Allocation GIS model</a>

Strategy 1: Build More Across the Housing Continuum LONG TERM

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
3. Facilitate creation of more affordable and market rate housing across the continuum of housing	<b>Joint Regional Housing Body</b>  3.1 Joint regional housing body promotes solutions for market rate housing and increases production for vulnerable populations	1. A regular funding source is developed to evaluate the impact of the joint regional housing body  2. The joint regional housing body’s impact is evaluated + reported to the county and multi-jurisdictional officials and stakeholders	County; staff of municipal jurisdictions  Tucson Association of Realtors
	<b>Streamline Development</b>  3.2 Density and height allowances increase throughout the built environment. In so doing, this promotes de-concentration and desegregation of affordable housing  3.3.Balance affordable housing with regional water and open space management goals	1. Monitor goals and progress through Supply/Demand + Housing Costs Dashboard (goal 1.2) and though alignment to regional comprehensive plans  2. Fairly assess taxes so affordable housing/smaller lots do not subsidize costs of infrastructure development	County; staff of municipal jurisdictions  Contracted/RFP support if needed
	<b>Housing Market Dashboard</b>	1. Create county infill incentive districts and amend zoning code text to enable flexible development of underutilized properties; align with municipal jurisdictions	County; staff of municipal jurisdictions

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
	3.4 Underutilized and county owned properties are transformed into housing	2. Increase housing development in underutilized existing properties	

Strategy 2: Improve Access to Affordable Housing SHORT TERM

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
4. Build awareness of strategies for enhancing living wages, income, and reducing barriers among vulnerable populations	<b>Keep People Housed</b>  4.1 Understand organizational structure with community-based organizations needed for joint regional housing body around reducing barriers and maximizing all sources of income  4.2 Assess ways individuals can maximize all sources of income and reduce barriers to staying in their housing (transportation, childcare, quality jobs)	<ol style="list-style-type: none"><li>1. Identify needs of landlords and nonprofit housing providers (through semi-structured interviews or focus groups) to understand what supports would be most effective in reducing barriers and promoting income capture. Investigate potential of HUD technical assistance and other funding sources to fund the needs assessment.</li><li>2. Identify the viability of creating a multi-stakeholder collaborative to improve financial access + reduce barriers, especially for vulnerable populations.</li></ol>	<p>Collaborative informed by research during the pandemic: <a href="#">Achieving Financial Resilience in the Face of Financial Setbacks</a></p> <p>Landlord members of Southern Arizona Home Builders Association</p> <p>Tucson Association of Realtors; <a href="#">mortgage</a> best practices</p> <p><a href="#">Asset Funders Network</a> as funding source</p> <p>Affordable housing coalitions and stakeholders resources list developed by task force (see List of <a href="#">Taskforce Identified Stakeholder Coalitions and Networks to Engage List</a>)</p>
	<b>Leverage Innovations</b>  4.3 Evaluate potential of regional land trusts to scale  4.4 Evaluate potential of University of Arizona/universities as clearinghouse for innovations	<ol style="list-style-type: none"><li>1. Identify funding sources to fund evaluation of existing property uses and potential of Pima County Community Land Trust, Southern Arizona Land Trust and smaller city and county land trusts. Identify opportunities for scaling that potentially integrate mortgage financing and down payment assistance.</li><li>2. Assess potential for University of Arizona to serve as a clearinghouse for ways of scaling local innovations and consider offering faculty research grants for actionable research to serve vulnerable populations and promote deconcentration of affordable housing. Consider submitting a HUD Policy Development and Research funding request to fund this effort.</li></ol>	<p>County; staff of municipal jurisdictions</p> <p>Pima County Community Land Trust</p> <p>Southern Arizona Land Trust</p> <p>UA College of Architecture, Planning and Landscape Architecture + Drachman Institute</p> <p><a href="#">Homelessness tiny home/gardening feasibility model</a> as a potential scalable practice</p>

Strategy 2: More access to Affordable Housing MID TERM

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
5. Promote service integration in a timely manner, with income capture + barrier reduction strategies for improved access	<b>Keep People Housed</b>  5.1 Create collaborative to provide timely housing services and promote income capture + barrier reduction strategies  5.2 Control and own more long-term housing resources for population with chronic histories of eviction (poor rental and criminal histories)	<ol style="list-style-type: none"><li>1. Create collaborative and identify funding sources to improve financial access + reduce barriers; explore how:<ol style="list-style-type: none"><li>a. Landlords can receive appropriate, targeted support through incentives such as:<ul style="list-style-type: none"><li>■ Voucher programs that include damage and unpaid rents</li><li>■ Arizona Department of Housing grants for property owners</li><li>■ Property tax rebates</li><li>■ Rental rehabilitation support</li></ul></li><li>b. Tenants can benefit from reduced wait times through enhanced rental assistance availability and homeownership assistance</li><li>c. Accessory dwelling units/casitas can allow rentals and concessions to assisted living situations for persons with disabilities. For example, partners can market how local realtors and mortgage brokers are blending Fannie Mae mortgage products and 203k rehabilitation mortgage products, along with paired service supports in Accessory dwelling units/casitas, for older adults<sup>6</sup> and families with adult children with special needs</li><li>d. Increase funding (primarily for staffing overhead) for increased case management of housing providers so individuals have guidance and support/case workers are not overworked by case loads</li><li>e. Collaborative can identify ways to control and own more long-term housing resources for population with chronic histories of eviction (poor rental and criminal histories)</li></ol></li></ol>	Partner with The Center for Neighborhood Technology (cnt.org) on the role transit and transportation affordability plays in the overall family budget and eTOD (equitable Transportation Oriented Development) <a href="https://cnt.org">https://cnt.org</a>  County; staff of municipal jurisdictions
	<b>Leverage Innovations</b>  5.3 Implement innovations to improve access for local land trust innovations  5.4 Engage in regional Transportation Oriented Development strategies to improve access  5.5 Procure research and evaluation support from the University of Arizona/universities	<ol style="list-style-type: none"><li>1. Fund an inventory and evaluation of the effectiveness of local land trust innovations</li><li>2. Engage jurisdictions in joint Transportation Oriented Development strategies to promote affordable housing</li><li>3. Procure research and evaluation support from the University of Arizona</li></ol>	County; staff of municipal jurisdictions

<sup>6</sup>Access to a larger stock of smaller, more affordable housing, including Accessory Dwelling Units and casitas, can help accommodate the changing needs of America’s older adults who otherwise may be adversely impacted by a pending wave of short sales. Nelson, Arthur C. (2020) "The Great Senior Short-Sale or Why Policy Inertia Will Short Change Millions of America's Seniors," *Journal of Comparative Urban Law and Policy*: Vol. 4 : Iss. 1 , Article 28, 473-528. Available at: <https://readingroom.law.gsu.edu/jculp/vol4/iss1/28>

Strategy 2: More access to Affordable Housing LONG TERM

Goal <i>What are we trying to accomplish?</i>	Outcome <i>What results do we want?</i>	Actions <i>What time phased results do we need to achieve success?</i>	Resources for action <i>Who can do it + resources?</i>
6. Improved financial access + reduced barriers to affordable housing	<b>Keep People Housed</b> 6.1 Individuals at risk of housing displacement receive supports and stability to stay in their homes	<div>1. Affordable housing is developed for the most vulnerable populations</div> <div>2. Housing incentives/financial assurance/support is available for landlords + housing operators of long-term housing willing to take on additional risk</div>	County; staff of municipal jurisdictions
	<b>Leverage Innovations</b> 6.2 Local affordable housing innovations are validated by research and evaluation, providing justification for scale	<div>1. Innovations, which are validated by research and evaluation, scale across the region</div> <div>2. Innovations are shared with regional stakeholders</div>	County; staff of municipal jurisdictions



# ATTACHMENT 2



DATE: August 3, 2022

TO: Jan Leshar, County Administrator

FROM: Carla Blackwell, Development Services Director *UB*

SUBJECT: Inventory of Pima County Owned Property

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At the Board of Supervisor's meeting held on May 17, 2022, staff were directed to complete an inventory of surplus County owned parcels and buildings that could be used for the development of affordable housing. This task was also a key recommendation of the Affordable Housing Task Force. A small group of County staff convened to develop the search criteria to identify potentially suitable parcels of land and buildings for affordable housing projects. A summary of the methodology used is as follows:

1. Outreach to County departments occurred to determine whether existing improved properties were available. There were no improved properties not already in use and suitable for redevelopment for affordable housing.
2. Utilizing the County's GIS system and the assessor's database, hundreds of County owned properties were identified for further review based primarily on usable size.
3. The following properties were eliminated from the search due to the following conditions:
  - a. County owned parcels purchased or donated for open space. Most of these lands are committed to the Sonoran Desert Conservation Plan and the Section 10 permit program.
  - b. County parcels purchased to protect the Davis Monthan Airforce Base (DMAFB) and maintain open space in accordance with the military airport environs zone.
  - c. County owned properties with no available sewer, water, improved roads or other utilities in the vicinity that would be an obstacle to development.
  - d. Septic parcels since they require one acre of land per dwelling.

- e. County properties that have other designated uses such as specifically used for drainage, right-of-way, department operations, or other restrictions.
  - f. No tax lien parcels were included due to the state statutes regarding disposition of the parcels.
4. The following County owned land targeted for economic development was excluded from the inventory:
- a. 75 E. Broadway: the County and Rio Nuevo remain in discussion for potential employment-generating and mixed-use development of this site..
  - b. Cushing Street and I-10: this small parcel near I-10 frontage road remain in discussion for potential employment-generating and mixed-use development.
  - c. Former Roger Road Treatment Plant: The site has been clean-closed but still has substantial wastewater treatment structures and infrastructure that is costly to remove.
  - d. Sunset Road Innovation Campus: This land is proposed for mixed-use campus development with adjacent recreational amenities complementary to the Chuck Huckelberry Loop. The site contains cultural resources that require mitigation.
  - e. Southeast Employment & Logistics Center: This land surrounding the fairgrounds is slated for large industrial, manufacturing and distribution applications requiring large sites with freeway access. The Board of Supervisors will be considering a county prepared Specific Plan in the future, which will also include options for compatible workforce housing to support the envisioned uses.
  - f. Kino South Complex: The county land adjacent to the recreation fields is currently under contract with Knott Development for compatible sporting, entertainment and associated uses.

Through consultation with appropriate departments, 30 parcels (or parcel groups) were identified with potential for affordable housing projects (see attachment). The properties have the following characteristics:

- 1. Eight (8) lots have existing homes located on them that potentially could be rented at an affordable rate.
- 2. Most of the remaining parcels are vacant and require additional analysis with transportation and flood control to delineate a developable area.
- 3. Utilities are adjacent or nearby including sewer potentially allowing for additional density on the parcel subject to zoning.
- 4. Half the parcels have transit within a half mile, but most are still in the urban area served by improved roads.

5. Nine (9) parcels are located in the City of Tucson and would require further review and coordination with City departments.
6. Four (4) parcels are owned by the Regional Flood Control District (RFCD). As a separate entity, RFCD land cannot be used for general county uses including affordable housing. However, Pima County can trade or reimburse RFCD for developable land that could be used for affordable housing.
7. Some of the County owned lots are smaller than required by zoning, or “substandard”, due to a County action such as road construction.

Current zoning was identified for all parcels. In most cases, the zoning allows only one or two homes on the lots. Depending on the specific circumstances, current zoning could be a barrier for development of some parcels beyond one or two units, if dense residential development is not permitted in the zone. However, since the provision of affordable housing is deemed a government purpose, projects could potentially be exempted from adherence to existing zoning regardless of the jurisdictional location if the county retains ownership of the property.

The County has applied a governmental zoning exemption for projects such as community centers, parks, libraries, etc. If application of an exemption to affordable housing projects is not desirable, projects involving higher densities than allowed by current zoning would require a zone change through a rezoning, along with compliance with adopted development standards of the jurisdiction where the project is located. Similarly, if the land is sold or transferred by the County to a third-party affordable housing developer, the project will need to adhere to the zoning requirements for density and site development.

Arizona Revised Statute allows the County to convey land through various means for affordable housing for less than market value or without holding a public auction. The County also may acquire an interest in property to provide affordable housing. ARS § 11-252.10 states:

A. If a board of supervisors determines that any real property or interest in the real property owned, or to be purchased, by a county can be used to provide affordable housing for persons and families of low income as determined by the United States department of housing and urban development and that this use is in the county's best interests, development and that this use is in the county's best interests, the county may sell, lease, exchange, quitclaim, convey or otherwise dispose of the real property or interest in the real property at less than fair market value, or purchase an interest in the real property, to provide affordable housing without holding a public auction and for less than the fair market value as required by section 11-256.

B. Dwelling units provided for persons and families of low income under this section shall be restricted by regulatory agreement to remain continually affordable to low income persons and families for the longest feasible time, but not less than thirty years, pursuant to a method prescribed by the county.

C. The regulatory agreement shall contain a provision making the covenants and conditions of the office of the county agreement binding on a successor in interest and shall be recorded in recorder of the county in which the housing development is located.

## Recommendation

This list of properties is based on preliminary evaluation of potential opportunities. Further review and input from individuals and groups with expertise, and that perform work, in affordable housing, land trust and development areas would be beneficial to determine the viability for affordable housing projects at these locations.

As such, it is recommended that upon formation of the Pima County Regional Affordable Housing Commission, per the Affordable Housing Task Force Action Plan, the Commission further evaluate these properties along with County staff. Steps to perform further review could include the following steps:

1. Along with Community and Workforce Development, Real Property, Development Services, and others determine the development potential of each parcel and clear any restrictions.
2. Prepare requests for proposals or other partnership agreements to identify groups interested in working with the County to develop the parcels for affordable housing.
3. Upon selecting partners, draft partnership or development agreements outlining the terms for affordable housing project, including land ownership, project financing, operation, etc.
4. Present agreements, once finalized, to the Board of Supervisors for approval.

c: Carmine DeBonis Jr., Deputy County Administrator  
Francisco Garcia, Deputy County Administrator  
Jeff Teplitsky, Real Property Department

LIST OF POTENTIAL SITES FOR AFFORDABLE HOUSING											
No.	PARCEL NO.	OWNERSHIP	SIZE	ZONING (Jurisdiction)	LOCATION	REMARKS	NEARBY BUS STOP	EXISTING ZONING ALLOWS LOW DENSITY RESIDENTIAL	EXISTING ZONING ALLOWS MEDIUM DENSITY RESIDENTIAL	EXISTING ZONING ALLOWS HIGH DENSITY RESIDENTIAL	DEPARTMENT COMMENTS
1	101-07-135D	RFCD	3.473 acres	SH (City of Tucson)	Northwest Corner of River and Shannon	Existing SH zoning permits low density residential. Minimum lot size is 36,000 sqaure feet and allows for 1 residence per 18,000 square feet	Y	Y	N	N	Part of exchange from RFCD to PC
2	101-11-7360, 101-14-3620	RFCD	8.272 acres	SH (County)	Northeast Corner of River and Shannon	Existing SH zoning permits low density residential. Minimum lot size is 36,000 sqaure feet and allows for 1 residence per 18,000 sqaure feet	Y	Y	N	N	Part of exchange from RFCD to PC
3	103-05-024F	PC	2.19 acres	MU (County)	2401 W Zinnia	Flowing Wells industrial area; requires evaluation for compatable uses. Existing zoning allows multiple dwelling units, mobile home units. Height can be 80 feet with proper setbacks. Allow 1 unit per 3,500 square feet	Y	Y	Y	Y	
4	104-02-001A	PC	.3756 acres (16,361 sf)	CR-2 (County)	Northwest Corner of Roller Coaster Road and La Canada	Small size limits number of units. Existing zoning permits 1 residence per 16,000 square feet	Y	Y	N	N	
5	104-02-1710	PC	.4725 acres (20,582 sf)	CR-2 (County)	5335 North La Canada	Small size limits number of units. Existing zoning permits 1 residence per 16,000 square feet	Y	Y	N	N	
6	104-01-050A	PC	.65 acres (28,314 sf)	CR-2 (County)	5635 North La Canada	Small size limits number of units. Existing zoning permits 1 residence per 16,000 square feet	Y	Y	N	N	
7	104-03-186A	PC	.7233 acres (31,506 sf) (size estimated)	MU (County)	4560 N Romero Rd.,East side of Ruthrauff, north of Wetmore Road	Needs legal description to separate right-of-way from useable area. Existing zoning allows multiple units for residential SFR 1 unit per 3,500 square feet	Y	Y	Y	Y	
8	104-03-232A, 233B, 233C	PC	.3313 acres (14,431 sf) (size estimated)	MU (County)	Northwest Corner of Wetmore Road and Pomona Avenue	Needs legal description to separate right-of-way from useable area. Existing zoning allows multiple units for residential SFR 1 unit per 3,500 square feet	Y	Y	Y	Y	
9	118-18-0750	PC	.3301 acres	SB-1 (South Tucson)	Southeast Corner of 4th Ave and 26th St	Located in City of South Tucson. Existing zoning allows SR-2 and SR-3 uses with 1 unit per 3,000 square feet	Y	N	Y	Y	
10	114-13-0700	PC	.4242 acres	CR-1 (County)	5081 N Kolb	Vacant Single-family Residence Lot	N	Y	N/A	N/A	
11	114-13-0710	PC	.4630 acres	CR-1 (County)	5061 N Kolb	Existing Single-family Residence; potential rental unit	N	Y	N/A	N/A	
12	114-13-0720	PC	.5586 acres	CR-1 (County)	5041 N Kolb	Existing Single-family Residence; potential rental unit	N	Y	N/A	N/A	
13	114-13-0730	PC	.5828 acres	CR-1 (County)	5021 N Kolb	Existing Single-family Residence; potential rental unit	N	Y	N/A	N/A	
14	114-13-0740	PC	.5347 acres	CR-1 (County)	5001 N Kolb	Existing Single-family Residence; potential rental unit	N	Y	N/A	N/A	
15	114-17-0890	PC	.5529 acres	CR-1 (County)	7281 E Clayridge	Existing Single-family Residence; potential rental unit	N	Y	N/A	N/A	
16	114-17-0900	PC	.8141 acres	CR-1 (County)	7260 E Cripple Creek	Existing Single-family Residence; potential rental unit	N	Y	N/A	N/A	
17	114-17-1030	PC	.5897 acres	CR-1 (County)	7261 E Cripple Creek	Existing Single-family Residence; potential rental unit	N	Y	N/A	N/A	
18	114-17-1230	PC	.5562 acres	CR-1 (County)	7181 E Pintail	Existing Single-family Residence; potential rental unit	N	Y	N/A	N/A	

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19	118-07-0300 thru 0380 and 118-07-0510 thru 0580	PC	17 platted unimproved lots	R-1 (City of Tucson)	West side of Mission, north of 36th Street	Platted subdivision Book 34 Page 20. Requires further Regional Flood Control review. Existing zoning allows 1 residence per 7,000 square feet	Y	N	Y	N	Per RFCD, Lots 10-21 would difficult due to FEMA floodplain issues. Lots 1-9 and 22-29 would be easier.
20	119-01-0520, 0530; 119-03-1950, 196A, 196D	PC	1.053 acres	C-1, C-2 (City of Tucson)	Southeast Corner of 40th Street and 10th Avenue	Vacant Land. Proximate to I-10; may be subject to noise restrictions. Existing zonings allow for residential uses	Y	N	Y	Y	
21	119-03-196C	PC	.2827 acres (12,314 sf)	C-1 (City of Tucson)	Northeast Corner of 41st Street and 10th Avenue	Vacant Land. Proximate to I-10; may be subject to noise restrictions. Existing zonings allow for residential uses	Y	Y	Y	Y	
22	119-03-2020, 203A	PC	.2503 acres (10,903 sf)	O-3 (City of Tucson)	Southeast Corner of 41st Street and 10th Avenue	Vacant Land. Proximate to I-10; may be subject to noise restrictions. Existing zonings allow for residential uses	Y	Y	Y	Y	
23	132-08-006D (portion)	PC	82,000 sf +/-	R-1/R-2 (City of Tucson)	North side of Kino Ramp, east side of Campbell	Northwest area of Juvenile Court Complex. Existing zoning allows for residences on 7,000 square feet and 3,000 square feet	Y	N	Y	Y	
24	132-19-1400	PC	4.3 acres	R-1, O3 (City of Tucson)	West of Country Club, north of I-10	Existing R-1 zoning allows for 1 residence per 7,000 square feet; Existing O-3 allows for high density residential development	Y	N	Y	Y	Per Facilities Management, available and not being used for Office of Medical Examiner building. Unpaved access
25	136-33-753B	RFCD	3.09 acres	SR (City of Tucson)	South of Golf Links, north side of Pantano	Vacant land south of existing subdivision. 1 residence per 144,000 square feet	Y				Possible areas for development.
26	137-11-4620	PC	1.15 Acres	SH	Irvington/Mission	Purchased for intersection improvements in 1987; drainage structure on south portion of site; Minimum lot size is 36,000 square feet and allows for 1 residence per 18,000 square feet	Y	Y	N	N	Difficult access for development
27	140-31-1230, 1240, 1250	PC	2.05 acres	MU (Pima County)	Southeast Corner of Bonney and Drexel	Exchange in process with COT to acquire these propoerties	Y	N	Y	Y	
28	140-39-019A, 0200, 0210	PC	2.21 acres	C-2 (Cityof Tucson)	North side of I-10, west of Craycroft Road	I-10 adjacent; access issues. Existing zoning allows for residential uses	N	Y	Y	Y	
29	108-26-015B, 015D, 016A	RFCD	8.08 acres	SR	Existing zoning allows 1 residence per 3.31 acres; erosion hazard set-back issues for portions of property, Zone "A" flood	Purchased by RFCD from church that could not afford the cost of flood mitigation (\$925,000 in 2015).	Y	Y	N	N	Per RFCD, mostly unusable. There may be 0.75 to 1 acre fronting River Road that could be developed with a lot of fill and bank protection. May not be affordable. Also may be historic significance.

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30	137-11-4710	PC	1.38 acres	SH	Nebraska and S. Mission Rd	Minimum lot size is 36,000 sf and allows for 1 residence per 18,000 sf	N	Y	N	N	Donation of Excess land from the Estes Company. Has past due taxes.