

# Community Academy: Housing and Development Trends

Class 3  
October 17, 2023



Town of Oro Valley

# Class Schedule



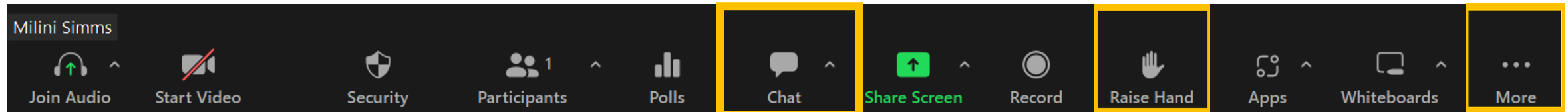
<del>Welcome and Overview of Town Governance</del>	<del>Tuesday, October 10</del>
<del>Planning for Oro Valley's Future</del>	<del>Thursday, October 12</del>
<b>Housing and Development Trends</b>	<b>Tuesday, October 17</b>
Zoning 101 and Development Review	Thursday, October 19
Town Finances and Economic Development	Tuesday, October 24
Public Safety and Parks/Recreation	Thursday, October 26
Town Water Resource Planning	<b>Monday, October 30</b>
<b>Graduation during Town Council meeting</b>	<b>Wednesday, November 1</b>

Participants who attend at least ½ of the classes (4) will graduate.



# Zoom Participation

- ▶ To participate during the meeting, please raise your virtual hand or use the chat feature.
- ▶ Zoom controls are located at the bottom or type of your screen (depends on device). If you cannot see the “chat” or “raise hand” icon, click on the “More” icon to see both.
- ▶ Videos may be on but please mute yourself unless you have a question or comment.



## Phone

**Raise Hand: \*9**

**Unmute: \*6**

# Apply for a Board or Commission



Apply online today – interviews starting now for appointments in December

- ▶ Board of Adjustment (2 vacancies)
- ▶ Budget and Finance (2 vacancies)
- ▶ Historic Preservation Commission (3 vacancies)
- ▶ Parks and Recreation Advisory Board (1 vacancy)
- ▶ Planning and Zoning Commission (3 vacancies)
- ▶ Stormwater Utility Commission (2 vacancies)







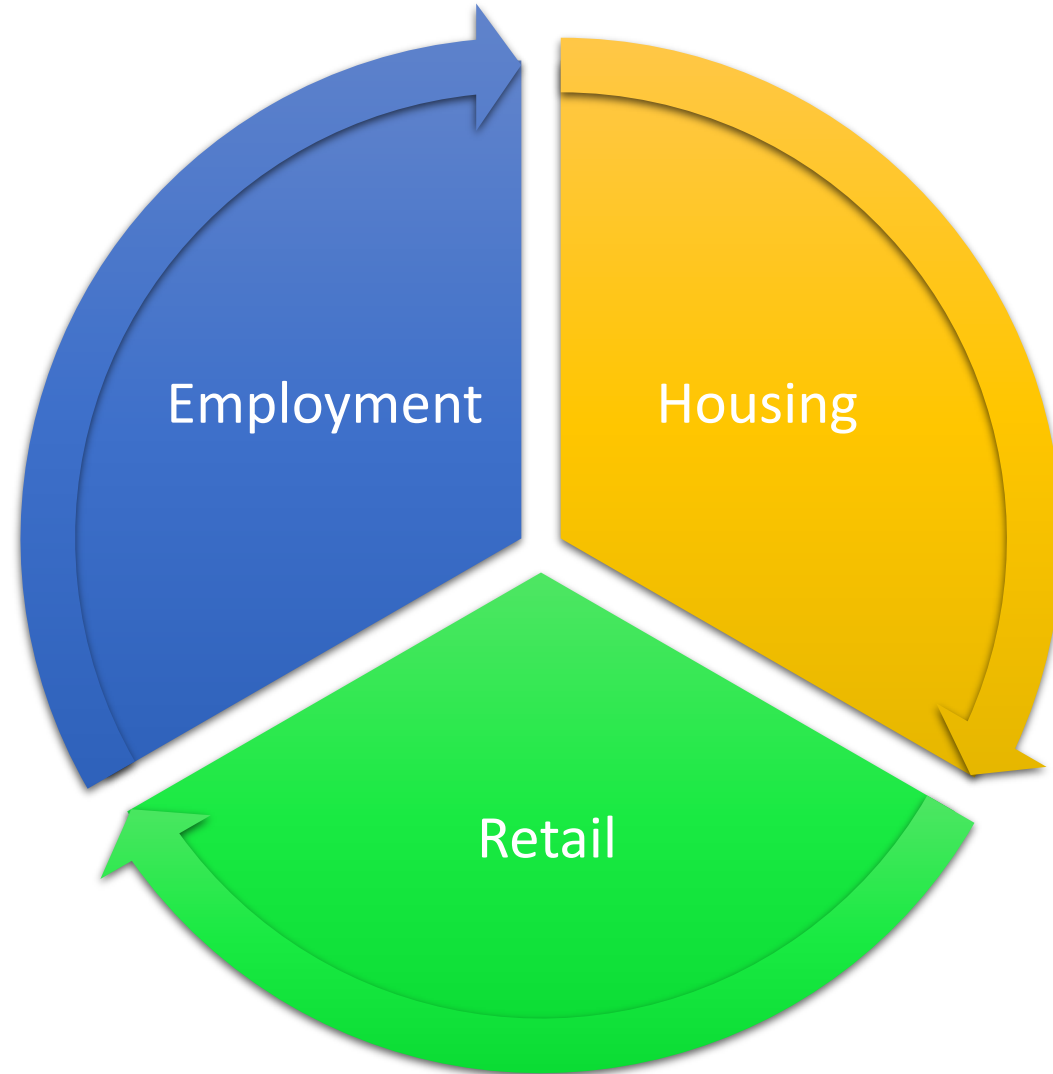
Town of Oro Valley

# Housing and Development Trends





# Complete Community

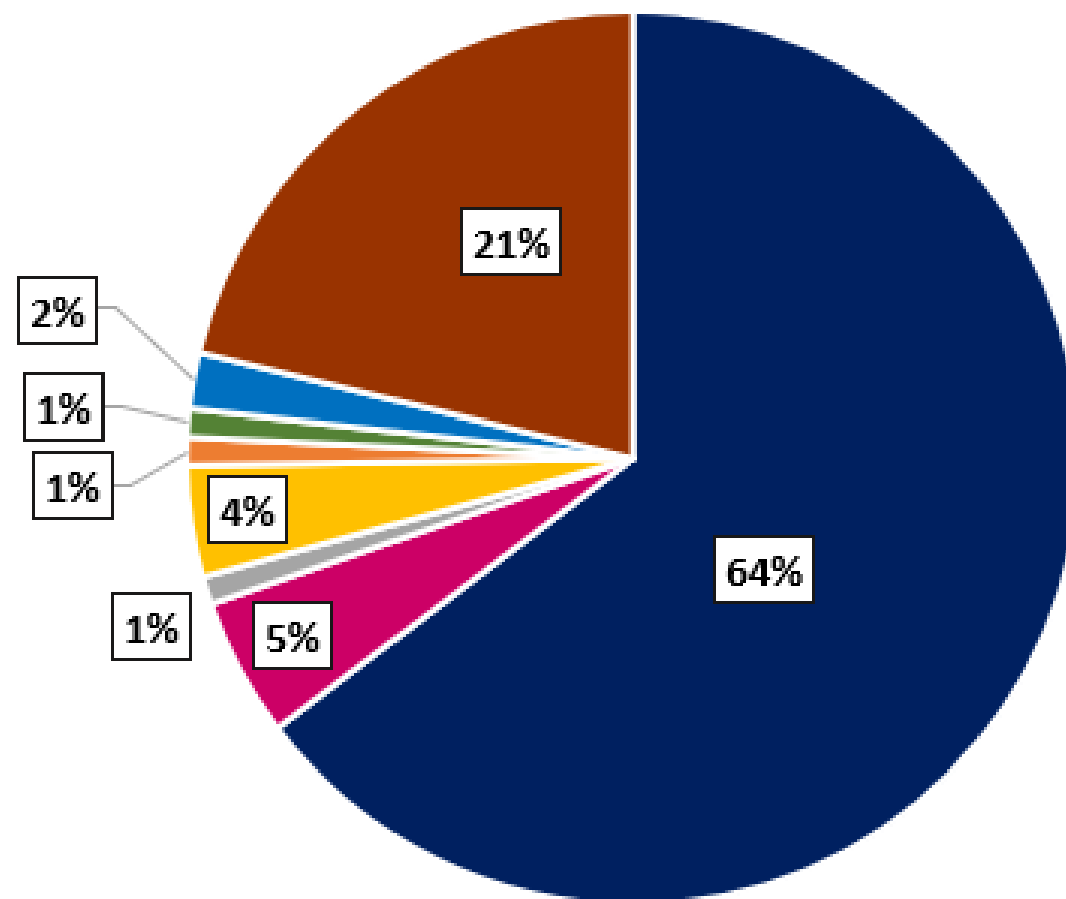




# Historical Development Patterns

## ► Housing is the driver

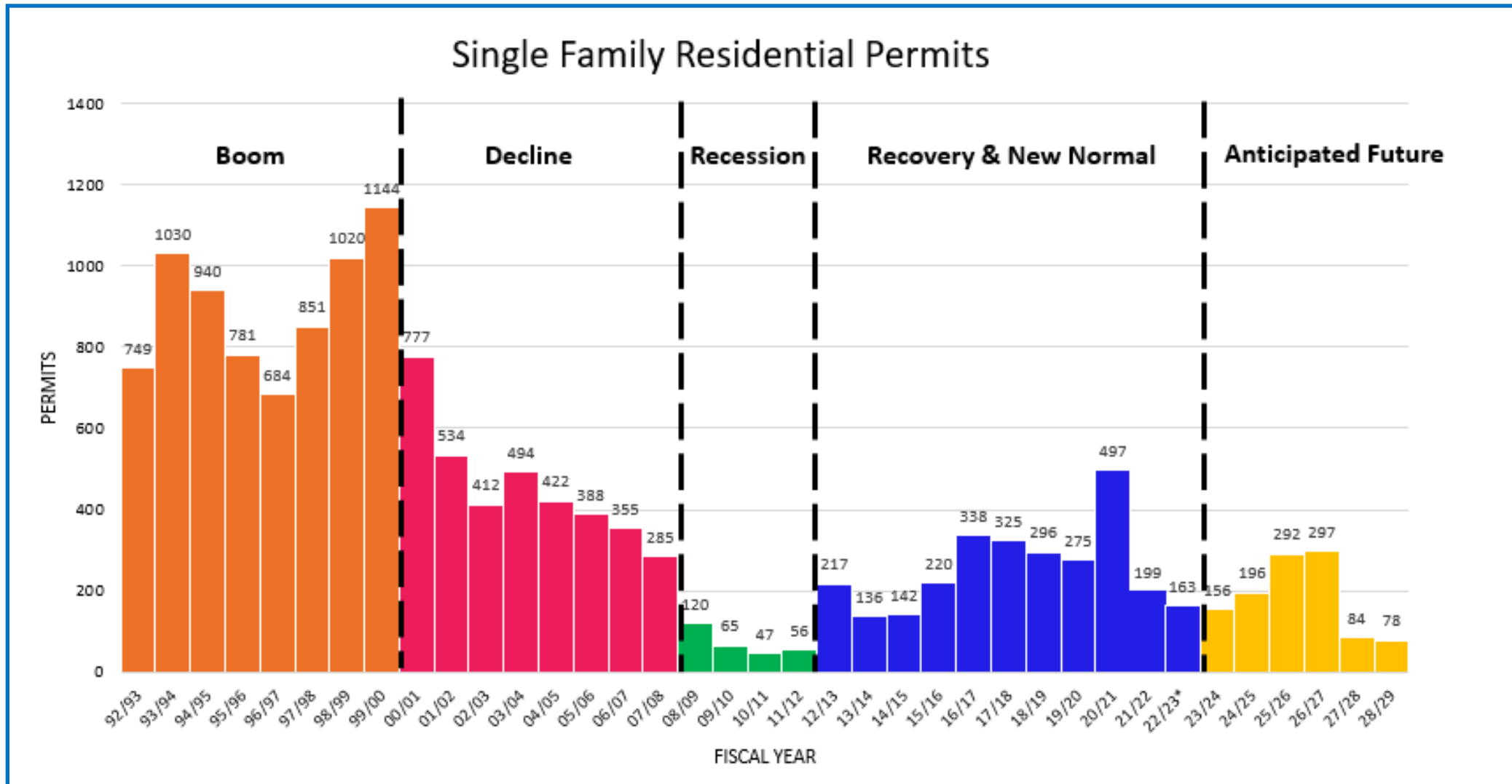
- Single-Family Residential (R1-300 to R1-7)
- Multi-Family Residential, Resort or Senior Care
- Tech Park (T-P)
- Church / School (PS)
- Government\* / Hospital
- Office or Mixed-Use (R-S and C-N)
- Commercial (C-1 and C-2)
- Public or Private Roads





# Single-Family Development Trends

Town of Oro Valley

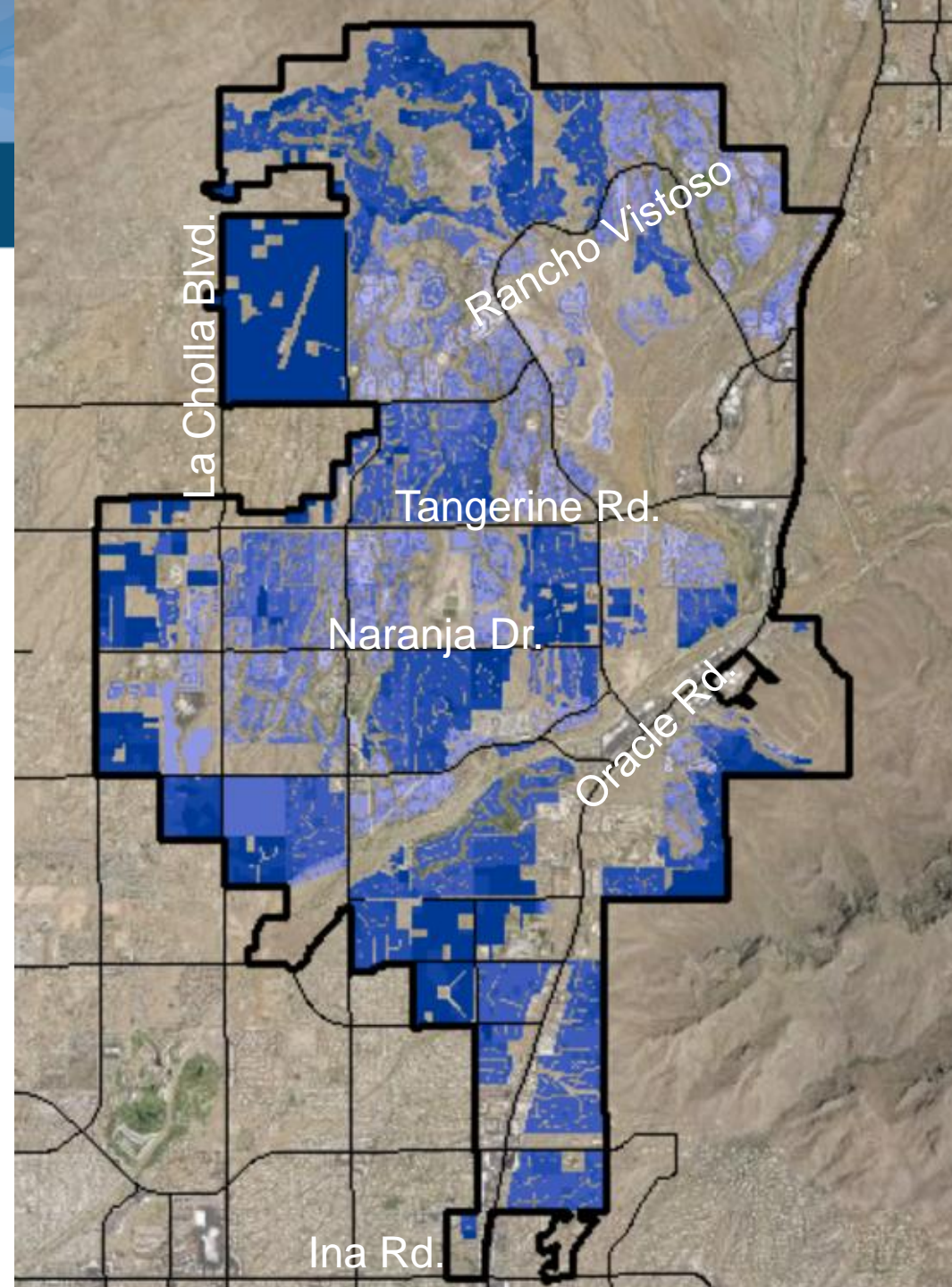
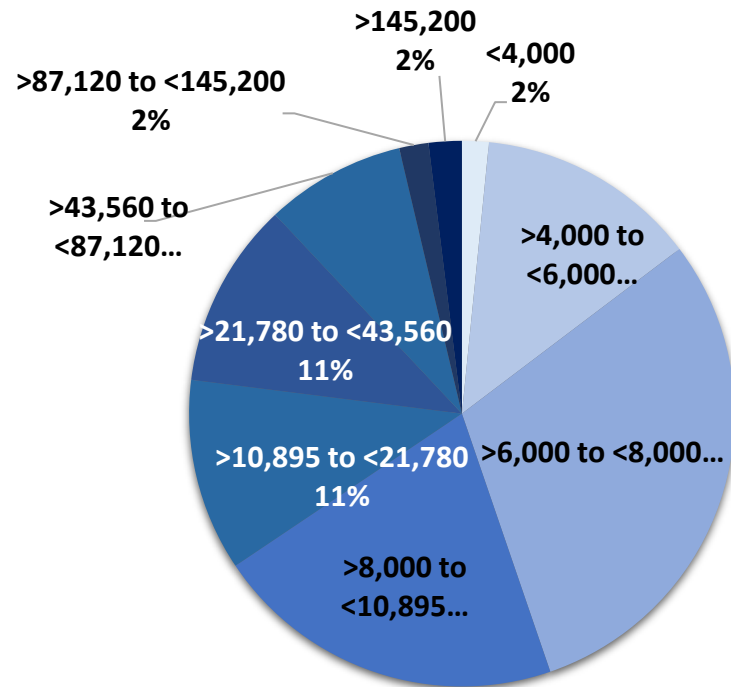




# Single-Family Development Trends

## ▶ Mostly Medium-Lot Sized Housing

- ▶ 15% - small lots (<4,000 to 6,000 sf.)
- ▶ 51% - medium lots (>6,000 to 10,895 sf.)
- ▶ 32% - larger lots (>1/4 to 3.3+ acres)





# Impact on commercial development

## OV Marketplace example

- Chandler
- Gilbert
- Glendale
- Mesa
- Oro Valley
- Peoria
- Phoenix
- Scottsdale
- Tempe
- Queen Creek

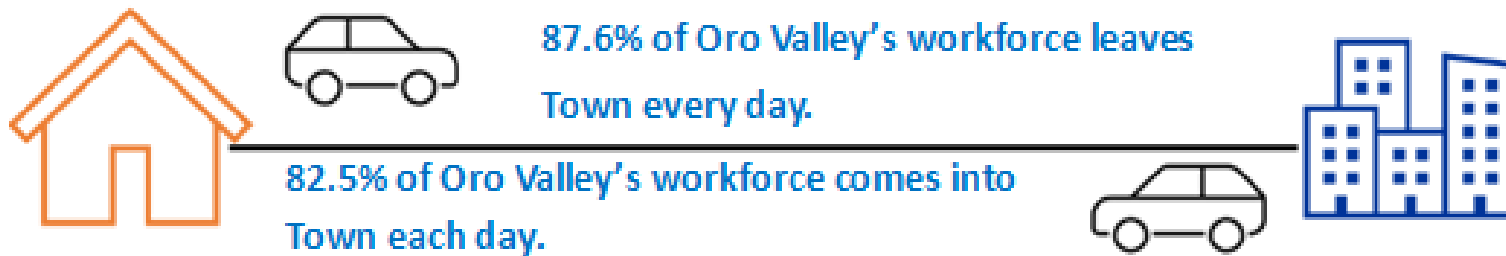
	Average	OV Marketplace	
Size in sq. feet	570,789	860,000	↑
Income within 5-7 miles	\$83,008	\$89,318	≈
Population within 5-7 miles	211,061	129,826	↓
Population per sq. mile	41,739	18,547	↓
Sq. feet per person	2.9	6.2	↑

OV has too much supply and not enough people



# Impact on employment

- ▶ Commuting times matter
  - ▶ More traffic along Oracle, La Cholla and La Canada
  - ▶ Less money spent in OV
- ▶ Population is outpacing the number of people in the labor force
  - ▶ Lower number of services provided

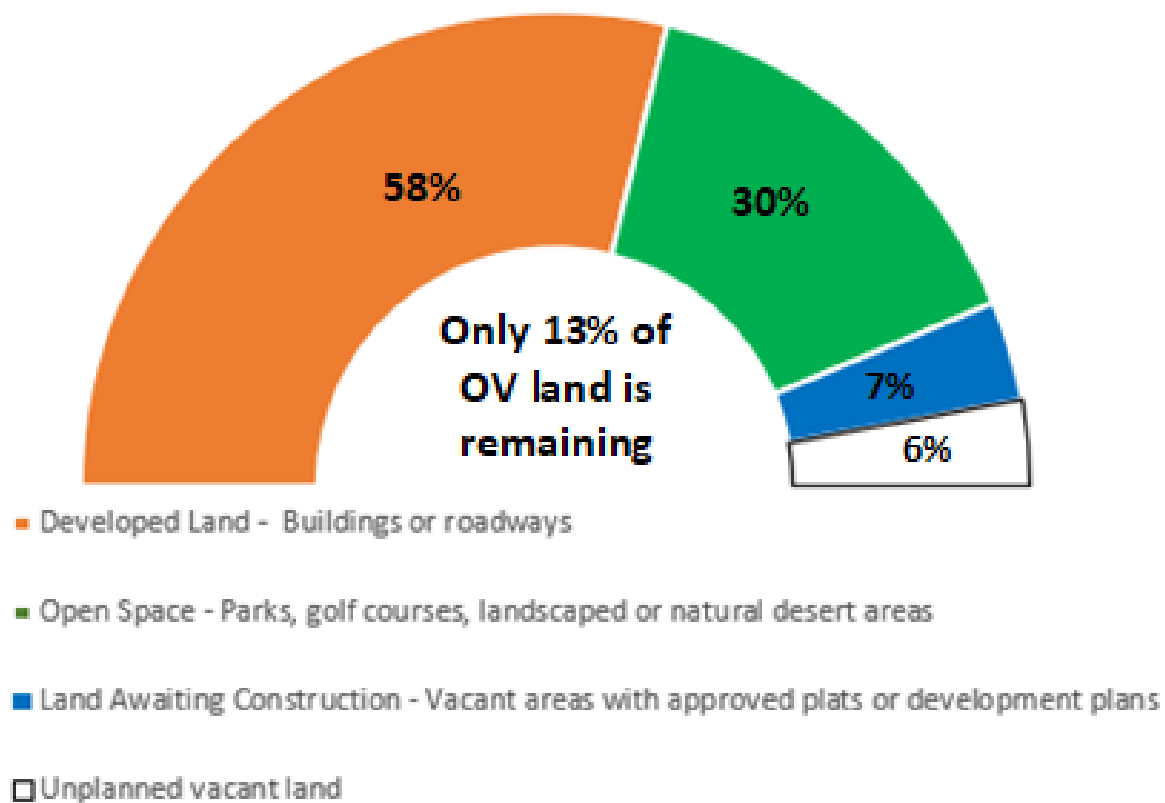


Company/Employer	Employees
Roche Tissue Diagnostics	1,800
Oro Valley Hospital	<b>500</b>
Simpleview	<b>470</b>
Town of Oro Valley	<b>449</b>
Amphitheater Public Schools in OV	439
Walmart (2 locations)	338
El Conquistador Tucson	294
Splendido	200
Fry's Food and Drug (2 locations)	182
Casa de la Luz Hospice	155
Meggitt Securaplane Technologies	130
<b>Total</b>	<b>4,957</b>



## Looking ahead - remaining land

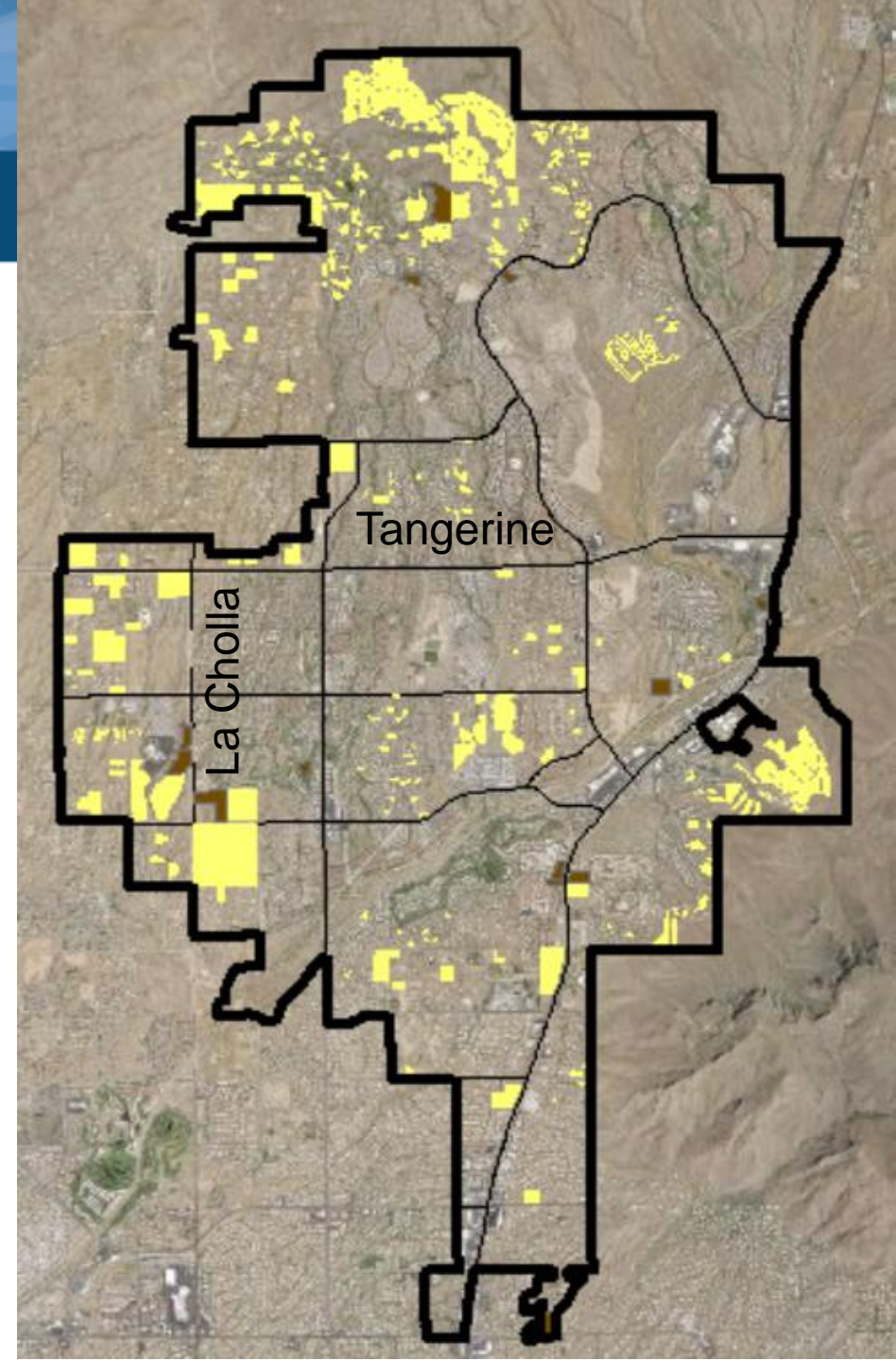
- ▶ Mostly large-lot (3+ acre lots) residential – 49%
- ▶ Tech Park & Commercial – 27%





## Looking ahead – housing units

- ▶ 3,117 units remaining without rezonings or annexations
  - ▶ 50/50 single-family residential and multi-family residential
- ▶ No more large subdivisions remaining (300+ units)
- ▶ Mostly small, infill residential projects





## Looking ahead – housing needs

▶ On average, which type of housing do you think costs roughly \$1,466 a month?



Single-family home



Apartment



# Mortgage Rates

- ▶ Single-family and townhome prices increased 57% of the past 5 years
- ▶ 2022 - Less than 1% of single-family homes sold at a price residents making the median income could afford

Affordability (Less than 30% of income)			
Median Income	\$92,548	Interest Rate	6.95%
<b>Monthly payment</b>	<b>\$2,159</b>	Down Payment	10%
		Loan Principle	\$326,227
		<b>Monthly payment</b>	<b>\$2,159</b>
		<b>House Value</b>	<b>\$358, 850</b>

# Rental Rates



Type of Apartment	Average Rent	Required Income
Studio	\$900	\$39,600
1-bedroom	\$1,259	\$50,400
2-bedroom	\$1,516	\$60,000
3-bedroom	\$1,834	\$73,400



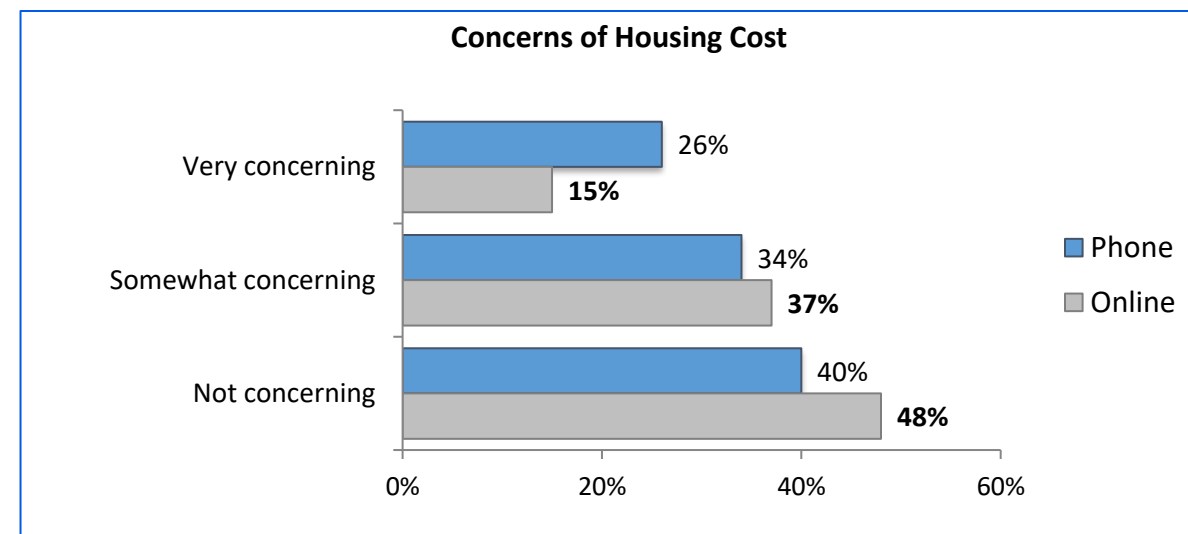


# Owner cost-overburdened

Owner-Occupied Housing Unit Costs with a Mortgage						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
<b>Housing units with a mortgage</b>	<b>9,330</b>		<b>166,183</b>		<b>1,205,595</b>	
Less than \$600	50	0.5%	1,931	1.2%	13,890	1.2%
\$600 to \$999	634	6.8%	30,150	18.1%	180,132	14.9%
\$1,000 to \$1,499	1,752	11.1%	61,024	36.7%	376,387	31.2%
\$1,500 to \$1,999	2,238	14.2%	39,681	23.9%	315,997	26.2%
\$2,000 to \$2,499	2,163	13.7%	18,750	11.3%	165,873	13.8%
\$2,500 to \$2,999	1,370	8.7%	7,089	4.3%	77,365	6.4%
\$3,000 or more	1,123	7.1%	7,558	4.5%	75,951	6.3%
Median (dollars)	\$1,998		\$1,417		\$1,545	
<b>Housing units with a mortgage</b>	<b>9,330</b>		<b>163,169</b>		<b>1,114,225</b>	
Less than 20.0 percent	4,496	48.2%	78,295	48.0%	534,480	48.0%
20.0 to 24.9 percent	1,687	18.1%	25,792	15.8%	172,110	15.4%
25.0 to 29.9 percent	1,022	11.0%	15,425	9.5%	110,119	9.9%
30.0 to 49.9 percent	1,292	13.8%	27,183	16.7%	181,116	16.3%
50.0 percent or more	800	8.6%	16,474	10.1%	116,400	10.4%
Not computed	33		818		6,817	

Source: ACS 2021 5-year estimate

*Resident survey conducted via phone and online*





# Renter cost-overburdened

Gross Rent as % of Household Income						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
<b>Total:</b>	<b>5,018</b>		<b>149,648</b>		<b>917,899</b>	
Less than 10.0 percent	415	8.3%	5,276	3.5%	34,370	3.7%
10.0 to 14.9 percent	635	12.7%	12,106	8.1%	75,438	8.2%
15.0 to 19.9 percent	588	11.7%	17,625	11.8%	111,618	12.2%
20.0 to 24.9 percent	547	10.9%	17,479	11.7%	118,168	12.9%
25.0 to 29.9 percent	522	10.4%	15,291	10.2%	103,104	11.2%
30.0 to 34.9 percent	346	6.9%	13,476	9.0%	79,296	8.6%
35.0 to 39.9 percent	194	3.9%	9,122	6.1%	58,411	6.4%
40.0 to 49.9 percent	439	8.7%	13,130	8.8%	78,864	8.6%
50.0 percent or more	1,019	20.3%	35,478	23.7%	196,099	21.4%
Not computed	313	6.2%	10,665	7.1%	62,531	6.8%
<b>Total Spending More than 30%</b>	<b>1,998</b>	<b>39.8%</b>	<b>71,206</b>	<b>47.6%</b>	<b>412,670</b>	<b>45.0%</b>
<b>Total Spending More than 50%</b>	<b>1,019</b>	<b>20.3%</b>	<b>35,478</b>	<b>23.7%</b>	<b>196,099</b>	<b>21.4%</b>

Source: ACS 2021 5-year estimate

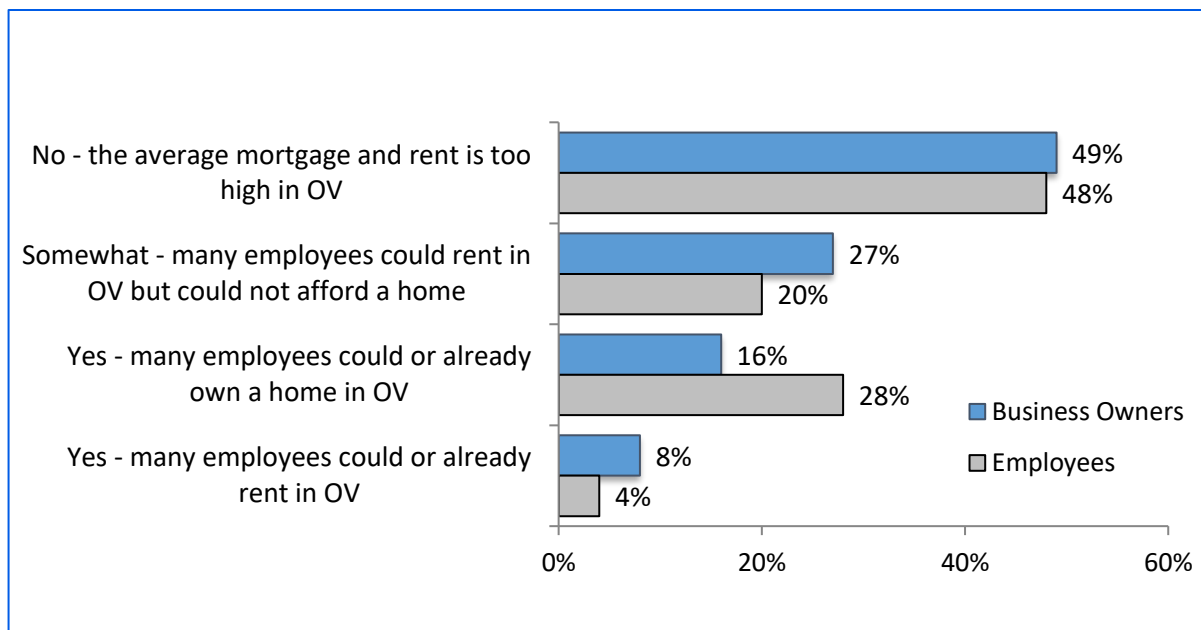




# Workforce housing

## Online business owner or non-resident employee survey

Occupation	Pima County 2022 Median Wage	Monthly Affordable Housing Cost (30% of Income)	Monthly Affordable Rent (Less Utilities)
Hotel, Motel, and Resort Desk Clerks	\$28,964	\$724	\$624
Retail Salespersons	\$29,677	\$742	\$642
Cooks, Restaurant	\$33,977	\$849	\$749
Nursing Assistants	\$35,430	\$886	\$786
Waiters and Waitresses	\$36,081	\$902	\$802
Pharmacy Technicians	\$41,828	\$1,046	\$946
Construction Laborers	\$38,404	\$960	\$860
Firefighters	\$40,181	\$1,005	\$905
Paramedics	\$49,673	\$1,242	\$1,142
Elementary School Teachers	\$45,943	\$1,149	\$1,049
Secondary School Teachers	\$48,477	\$1,212	\$1,112
Licensed Practical Nurses	\$61,547	\$1,539	\$1,439
Police and Sheriff's Patrol Officers	\$60,583	\$1,515	\$1,415
Registered Nurses	\$82,164	\$2,054	\$1,954



*47% of resident phone respondents and 38% of resident online respondents agreed there is a lack of housing for teachers, police, first responders, retail or service employees, or entry level professionals.*

Source: Arizona Office of Economic Opportunity in cooperation with the Bureau of Labor Statistics, May 2023



## Looking ahead – housing types

- ▶ Place a dot on the housing type you think is most needed in Oro Valley?
- ▶ Online participants, type your answer in the chat.

Single-family  
homes

Townhomes or  
duplexes

Condos

Secondary  
residential  
units

Apartments

Tiny Homes

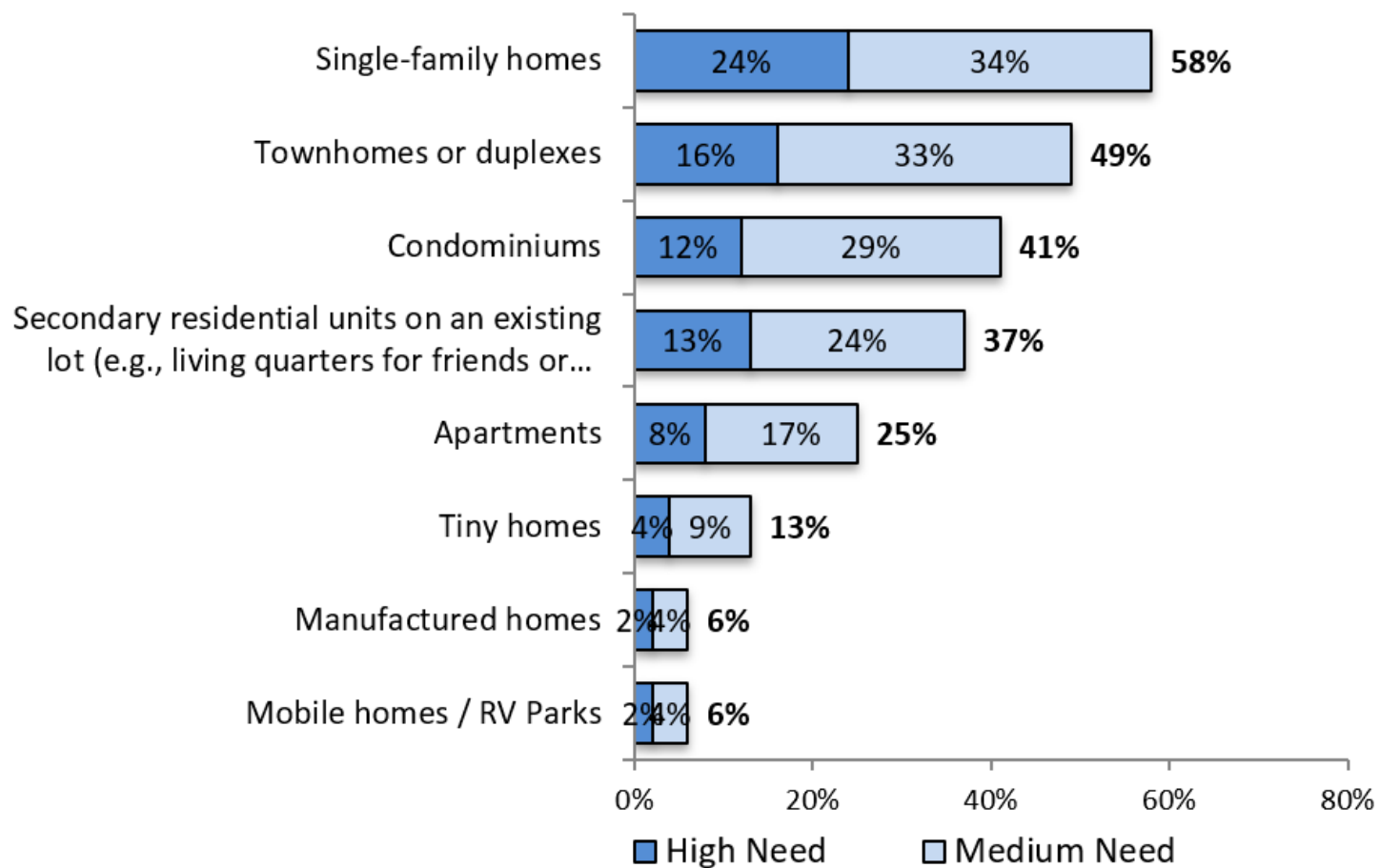
Manufactured  
Homes

Mobile  
homes/RV  
Parks



# Survey responses

**Housing Needs in Oro Valley**  
**"High or Medium need"**  
**Among Online Respondents with an Opinion**





## Looking ahead – housing types

- ▶ Place a dot on the type of rental option you think is most acceptable in Oro Valley?
- ▶ Online participants, type your answer in the chat.

Detached 1-2 story  
rental homes

Attached 1-2 story  
rental homes (e.g.,  
duplex or  
townhome)

2-3 story rental  
apartments

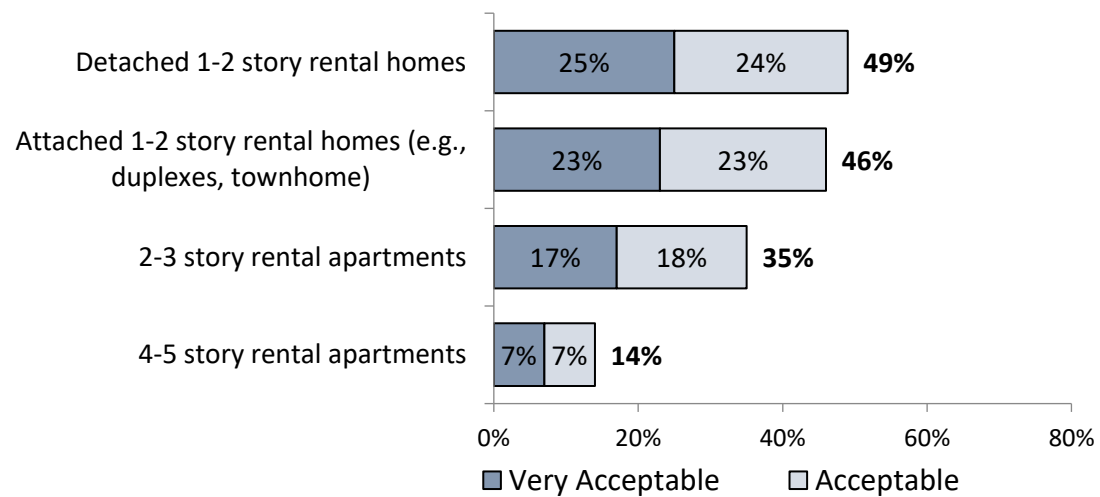
4-5 story rental  
apartments



# Survey responses

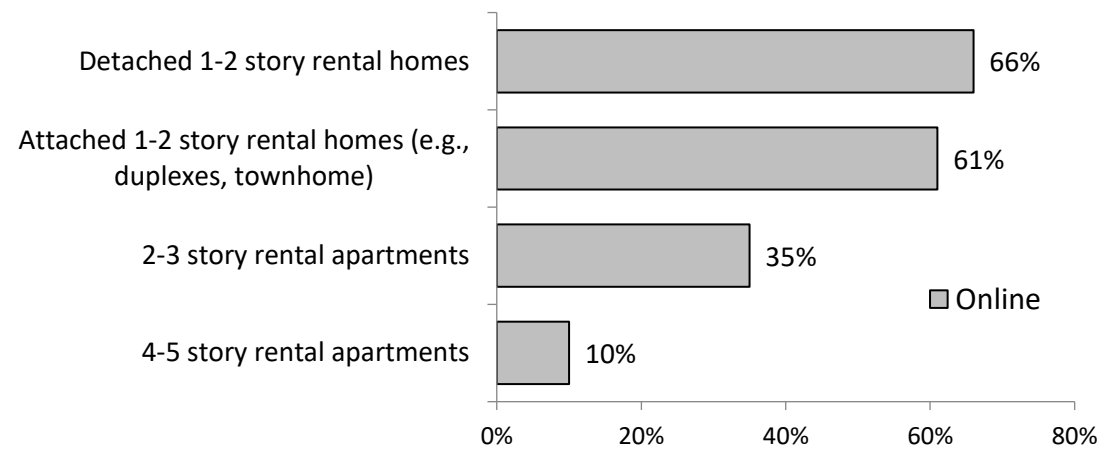
## Phone Resident Survey

**Rental Options in Oro Valley  
Very Acceptable and Acceptable  
Among Those with an Opinion**



## Online Resident Survey

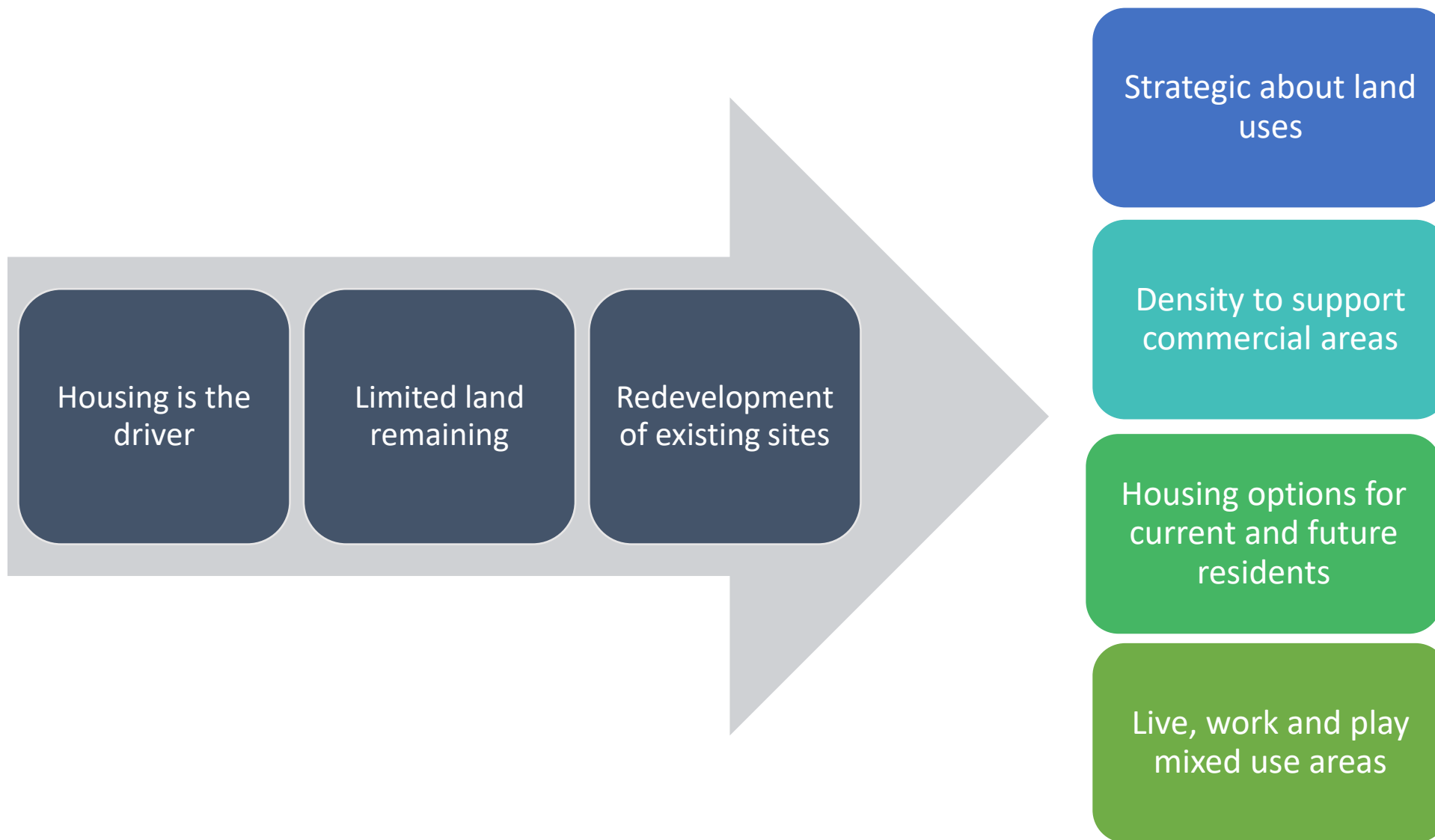
**Rental Options in Oro Valley  
Summary of Very Acceptable + Acceptable  
Among Online Survey Respondents with an Opinion**







# Considerations for the next General Plan



## Coming soon!

- ▶ Learn more and continue the conversation about housing during the General Plan process
  - ▶ Housing study and survey report
  - ▶ Short summary video and factsheet
  - ▶ Online discussion

**Thank you, questions?**  
Milini Simms, AICP  
Long-range Principal Planner  
[msimms@orovalleyaz.gov](mailto:msimms@orovalleyaz.gov)  
520-229-4836

# Thursday

- ▶ Thursday – Zoning 101 and Development Review
  - ▶ Hands on exercise – please try to attend in-person
  
- ▶ Questions? Contact Alexandra Chavez

