

Attachment 1: Housing Assessment Town of Oro Valley, Arizona



Prepared for:
Town of Oro Valley
October 2023



Prepared by:



Elliott D. Pollack & Company
5111 North Scottsdale Road, Suite 202
Scottsdale, Arizona 85250

Table of Contents

Executive Summary	i
Key Findings	i
Current Housing Types and Occupancy	i
Housing Costs and Attainability	ii
Housing Needs	iii
Relationship to Retail Development and Town Revenues.....	iv
Recommendations	iv
I. Background and Methodology.....	1
II. Demographics	2
A. Population.....	2
B. Household Characteristics	5
III. Current Housing Types and Occupancy	7
A. Apartment Inventory	12
B. Short-Term Rentals Inventory.....	13
IV. Housing Costs and Attainability	15
A. Ownership Market	16
B. Apartment Rental Market.....	19
V. Housing Needs	19
A. Number of Units	19
B. Type of Housing and Attainability.....	20
VI. Relationship to Retail Demand and Town Revenues.....	26
VII. Conclusions and Recommendations	29
Glossary	30
Appendix A: Additional Population and Household Data.....	31
Appendix B: Additional Economic Statistics	37



Executive Summary

The Town of Oro Valley commissioned a comprehensive housing study to determine its current standing with regards to the housing market and how the Town's housing is responding to the needs of current and future residents. **The main purpose of this report is to provide important background information to assist the community in developing their vision, goals, and policies in the next General Plan. Specifically, as they relate to having a complete community with opportunities to live, work and play.**

Several key steps were required to accomplish the goals set out by the Town. Independent research within this report focused on historical and current housing trends, local demographics, and economic factors such as industry employment and commuting trends. Housing gaps were then calculated from the data.

The assessment is divided into five main sections:

- Current Housing Types and Occupancy
- Housing Costs and Attainability
- Housing Needs
- Relationship to retail demand and Town revenues
- Conclusion and Recommendations

Key Findings

Current Housing Types and Occupancy

There is a significant demand for rental properties. However, the housing mix in Oro Valley may, in effect, restrict renters from living in the community.

- Oro Valley has a high percentage of single-family detached units (73%) compared to multifamily units (19%). An estimated 13.7% of the housing stock is located within traditional apartment communities.
- There are 759 short-term rentals with roughly 264 available year-round.
- Homeownership has declined in the past 10 years yet remains high for the region at 76.5%.
- Approximately 3,674 single family homes are rented compared to 2,750 apartment-style units (apartments, condos, and time-share units).
- The apartment vacancy rate for Oro Valley has been at low levels (at or below stabilized vacancy of 7%), indicating significant demand for rental properties.



Housing Costs and Attainability

The price of housing in Oro Valley, across all types of housing, has increased dramatically over the past five years.

- Affordability has become an issue over the past few years for many income levels due to rents and values that have increased well above the rate of inflation. Home prices increased 40% from 2018 through 2021 compared to 11% inflation over that period. At the same time, wages have not kept pace, with household income increasing 21% from 2018 through 2021. Housing cost burden affects low- and moderate-income households the most, including many essential occupations such as elementary and high school teachers, police, firemen, and nurses.
- With a median income of \$92,500 the affordable housing value for Oro Valley is \$358,850. In all of 2022, out of 1,006 single family home sales, only 66 homes (0.66%) were sold for less than \$359,000. In the condo market, 104 out of 181 sales in 2022 were sold for less than \$359,000.
- Most new single-family homes (75% of new homes sold in the previous 12 months) offered sizes ranging between 2,100 and 3,200 square feet and prices range between \$500,000 and \$650,000 (59% of new home sales in the previous 12 months). An additional 30% of sales ranged from \$650,000 to \$1,000,000. Household incomes required to afford a new home in Oro Valley at current interest rates start at \$136,700 for a \$500,000 home and \$177,700 for a \$650,000 home. Stabilized interest rates (5%) would equate to \$104,600 for a \$500,000 home and \$136,000 for a \$650,000 home.
- Existing single family home prices are up 57% over the last five years to an average of \$616,928 (compared to 18% inflation over the same period). At this price, single family homes are likely well beyond the reach of many working families, requiring a household income of approximately \$160,000 (approximately \$129,000 at a stabilized 5% mortgage interest rate).
- Townhomes experienced an increase of 57% in the last four years. Manufactured homes have risen most (62% since 2018) to an average of \$185,131. However, they are still the most affordable option in Oro Valley yet limited to a specific area of Town.
- Average apartment rents peaked in the second quarter of 2022 and have since moderated to the currently reported average rent of \$1,466. Income qualifications for average rent in Oro Valley is now approximately \$58,000.



Housing Needs

Although the projected amount of future units will support the anticipated population growth, the need for attainable housing options is very apparent when comparing housing cost trends, wages, and households who are cost overburdened. Historical development patterns of single-family homes will not address the affordability issue. Low-rise, high-density multi-family housing types are an alternative option to provide affordable housing.

- The demand for housing through 2040 totals approximately 3,100 units or an average of 171 units per year, excluding seasonal demand. The town projects roughly 3,117 units remain to be built based on the existing zoning allowances.
- The housing affordability gap, or the difference between the housing available in Oro Valley and the housing needed to ensure that working households can live in the Town for a reasonable cost is 4,561 units, or approximately 22% of total households.
- Owners comprise most cost-burdened households (the number of households paying more than 30% of their income on housing). An estimated 2,563 owner households and 1,998 renter households are cost overburdened.
- Oro Valley has a limited resident labor force to support its growing population. Although the labor force grew by 7.1% since 2015, the population grew by 11.3% over the same timeframe. This means the labor force is not keeping up with the demand for services created by the population.
- For an economy to operate efficiently, it must have employees to fill service-related, retail, and restaurant jobs without forcing long commutes. For Oro Valley, 87.3% of the Town's residents (12,831 workers) in the workforce leave the community each day for work. An estimated 82.5% of the people who work in Oro Valley (8,474 workers) commute into the community each day from other locations. A high number of commuters increases traffic on roadways, especially north-south routes in Oro Valley. It also decreases potential spending within the Town if local workers would prefer to live within the Town but cannot due to lack of affordable housing supply.
- Service workers making less than \$50,000 are essentially priced out of Oro Valley's rental market as a single income household. Affordable housing for service workers is an economic issue that could affect the future viability of the town.
- A comparison between median wages of specific occupations, such as firefighters, police, nurses and teachers and Oro Valley's average monthly mortgage rates show that none of the occupations would be able to afford a \$2,159 monthly mortgage payment as a single income household. Additionally, the average Oro Valley apartment rent of \$1,466 is also out of reach for most occupations as a single earner household.
- Historical development patterns and preference for single family homes will not address the cost issue without substantial public investment to subsidize down payments or provide forgivable loan grants.



Relationship to Retail Development and Town Revenues

Density is the main predictor for retail development. The Town has an abundance of vacant commercial land that will not be supported by the remaining number of projected units. Retail development and new Town revenues, overwhelmingly favor multi-family development.

- With 1,471 single family lots available left in Oro Valley, future retail growth will largely depend on supporting infill development, including higher density residential products.
- The Town estimates roughly 265 acres of commercially zoned land remains, which could support 1.7 million square feet of new commercial space. This may not be supportable by the amount of remaining housing units. A retail gap analysis should be conducted to determine an optimal land use balance for the remaining vacant land.
- On a per acre basis, the potential for new tax revenues from residential development overwhelmingly favors multi-family development. Density is the key predictor of new tax revenue generation. For example, a three-story apartment (220 units) on 10-acres would provide an estimated \$510,000 in new local revenues compared to only \$100,000 in tax revenues from a high-end single-family, 10-acre subdivision (3 units per acre).

Recommendations

It is recommended that this report and associated options be further discussed with the community through the upcoming General Plan process to develop the Town's goals, policies, and vision for future housing in Oro Valley.

The Town of Oro Valley has opportunities to provide the types of residential development that ensures support of current and future residents specifically necessary first responders, teachers, and trade professionals. The need for affordable housing is very apparent as average home prices and rents are too high for most working families. Options to address this gap include:

- Allow higher-density rental products, such as single-family rentals, townhomes, duplexes or 2-3 story apartments in strategic areas along major roadways or near service areas to provide a variety of housing types and increase density to support retail. This may include land currently zoned for commercial development.
- Conduct a retail gap analysis to determine future commercial development potential. If warranted from that analysis, consider approving additional residential development on commercial parcels to create more demand for retail, create a well-balanced community, and maximize both commercial opportunities and town revenue.
- Allow secondary dwelling units on existing lots.



- Allow manufactured homes or similar affordable housing types in more areas. Although prices increased, manufactured homes are the most affordable ownership option in Oro Valley yet limited to one area.
- Seek grant funding opportunities to support housing and supporting infrastructure (such as transportation) options.
- Support carefully targeted subsidized housing programs targeting workforce level wage (40%-100% AMI) households to support police, fire, teachers, nurses, and other critical service providers in Oro Valley that are currently overburdened by housing costs.



I. Background and Methodology

The Town of Oro Valley commissioned a comprehensive housing study to determine its current standing with regards to the housing market and how the Town's housing is responding to the needs of current and future residents. The need for a housing study was identified in their 2016 General Plan, known as *Your Voice, Our Future* and further prioritized through the Town's strategic leadership plan. The study also provides important data for their upcoming General Plan effort.

- 2016 General Plan: *Respond to and plan for the present and future housing needs of the community, while considering changes in demographics and overall growth by conducting a housing inventory, developing a housing plan that addresses the needs of a diverse community, and developing zoning strategies that implement the housing plan.*
- Legal requirements for Oro Valley's next General Plan: *A housing element consisting of standards and programs for the elimination of substandard dwelling conditions, for the improvement of housing quality, variety, and affordability and for provision of adequate sites for housing. This element shall contain an identification and analysis of existing and forecasted housing needs. This element shall be designed to make equal provision for the housing needs of all segments of the community regardless of race, color, creed, or economic level.*

Several key steps were required to accomplish the goals set out by the Town. Independent research within this report focused on historical and current housing trends, local demographics, and economic factors such as industry employment and commuting trends.

The housing assessment also identifies the affordability gap for the community - the shortage of units that are needed to provide affordable housing for all segments of the population – and provides recommendations and strategies to address the housing gap.

Affordability is determined by using the standard that no more than 30% of a household's income is devoted to housing costs¹. The U.S. Census provides an estimate of the number of cost-burdened owner and renter households that are paying more than 30% of their income on housing. This essentially identifies the size of the housing gap. To determine the affordability gap, data from a variety of sources are evaluated including the U.S. Census, the American Community Survey, and the Pima County Assessor.

¹ The US Department of Housing and Urban Development defines "affordable housing" as housing for which the occupant is paying no more than 30% of gross income. "Attainable housing" is defined as housing that costs no more than 30% of the gross incomes of households earning 80% to 120% of the area median income.



Unfortunately, data from the U.S. Census is limited to what the Census calls 5-Year estimates which are based on 60 months of collected data and 2020 decennial census data readily available at the time of the analysis. The most comprehensive data comes from the decennial count with additional data for Oro Valley from the 2021 5-Year estimates which are subject to variability and in some cases a high margin of error. To compensate for this shortcoming, housing data was also received from the Pima County Assessor’s office.

II. Demographics

A. Population

According to the Arizona Office of Economic Opportunity (OEO), Oro Valley had a population of 48,906 persons as of July 2022 or 46,607 in 2020. Estimates for 2023 were not available at the time of this report. The City of Tucson and the Town of Marana experienced the largest increase in population since 2010.

Pima County Population Change 2010-2022					
Place	2010	2015	2020	2022	2010-2022 Change
Marana*	35,071	42,144	52,643	56,758	21,687
Oro Valley	41,005	43,956	47,208	48,906	7,901
Sahuarita	25,389	28,602	34,378	36,179	10,790
South Tucson	5,642	5,113	4,615	4,599	-1,043
Tucson	520,678	527,138	543,136	554,021	33,343
Balance of County	353,230	358,966	363,609	371,835	18,605
Pima County	981,015	1,005,920	1,045,589	1,072,298	91,283
Percent Change Pima County Jurisdictions					
Place	2010	2015	2020	2022	CAGR
Marana*		4.0%	4.6%	2.9%	3.8%
Oro Valley		3.8%	1.0%	1.4%	1.4%
Sahuarita		1.7%	3.0%	1.7%	2.8%
South Tucson		-2.3%	-1.6%	-0.1%	-1.6%
Tucson		0.5%	0.3%	1.5%	0.5%
Balance of County		0.1%	0.5%	0.9%	0.4%
Pima County		0.6%	0.7%	1.3%	0.7%

CAGR - Compound Annual Rate

Source: Arizona Office of Economic Opportunity



The above population estimates only include permanent residents of the communities and do not account for the seasonal population. The following table provides an estimate of the seasonal population for 2021. The estimates for seasonal housing in Pima County and the state show a decline in the number of units across all cities and the incorporated area since 2015. The reason for the decline could be a Census survey issue or economic as the recovery from the Great Recession forced some seasonal housing owners to dispose of their homes. No matter the reason for the decline, the seasonal population of Pima County and Oro Valley increase tremendously during the fall, winter, and spring months. Oro Valley has 1,069 seasonal housing units, likely increasing the population of the town by 2,465 persons for six to nine months of the year and pushing the total population to nearly 51,400 persons in 2022 or 49,100 in 2020.

Seasonal Housing Units & Seasonal Population			
Year	Oro Valley	Pima County	Arizona
Seasonal Housing Units			
2020	1,069	13,285	182,829
Potential Seasonal Population			
2020	2,465	25,489	472,183

As expected, the population of Oro Valley has a high median age above 55.4 years and a smaller average household size compared to the Arizona and county averages. **A high median age of a community raises questions about the availability of personnel to provide services for the population.** Without a younger population, service workers may need to commute long distances to work in businesses in the town. **In addition, it is unusual to find a larger household size in renter-occupied units as is noted in Oro Valley.** Typically, younger persons in smaller households occupy rental units as is found across Arizona.

Median Age & Average Household Size			
	Oro Valley	Pima County	Arizona
Median Age	55.4	41.2	38.9
Avg Household Size	2.24	2.41	2.58

Source: U.S. Census 2020 Decennial Census



Although Oro Valley has a high median age and percentage of residents over 65 (34.7%) compared to the county and the state, **the largest age cohort (43.2%) in Oro Valley are those between the ages of 25-65 or workforce age.**

Population by Age						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total	46,607		1,015,933		6,991,233	
Under 5 years	1,442	3.1%	51,040	5.0%	391,939	5.6%
5 to 9 years	2,151	4.6%	57,542	5.7%	443,369	6.3%
10 to 14 years	2,541	5.5%	62,917	6.2%	484,427	6.9%
15 to 19 years	2,555	5.5%	61,778	6.1%	460,653	6.6%
20 to 24 years	1,682	3.6%	66,530	6.5%	450,896	6.4%
25 to 29 years	1,569	3.4%	66,187	6.5%	460,184	6.6%
30 to 34 years	1,704	3.7%	63,861	6.3%	449,330	6.4%
35 to 39 years	2,030	4.4%	60,572	6.0%	434,070	6.2%
40 to 44 years	2,315	5.0%	56,024	5.5%	408,137	5.8%
45 to 49 years	2,560	5.5%	55,416	5.5%	408,798	5.8%
50 to 54 years	2,704	5.8%	56,563	5.6%	409,237	5.9%
55 to 59 years	3,320	7.1%	65,253	6.4%	440,031	6.3%
60 to 64 years	3,869	8.3%	70,366	6.9%	442,351	6.3%
65 to 69 years	4,400	9.4%	69,601	6.9%	413,723	5.9%
70 to 74 years	4,508	9.7%	61,946	6.1%	369,127	5.3%
75 to 79 years	3,336	7.2%	42,455	4.2%	252,900	3.6%
80 to 84 years	2,086	4.5%	25,744	2.5%	150,859	2.2%
85 years and over	1,835	3.9%	22,138	2.2%	121,202	1.7%
Under 20 Years	8,689	18.6%	233,277	23.0%	1,780,388	25.5%
65 years+	16,165	34.7%	221,884	21.8%	1,307,811	18.7%

Source: 2020 Decennial Census

There are also more family (61%) households than non-family households in Oro Valley. Of those, 21% have children under 18 and 7% are single-parent households. Less than 1% of grandparents live with and are responsible for their own grandchildren in Oro Valley.

Families by Type with Children						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	14,309		260,337		1,771,949	
Married couple family:	12,249	85.6%	182,080	69.9%	1,257,542	71.0%
With own children under 18 years:	2,980	24.3%	57,676	31.7%	445,648	35.4%
<i>Under 6 years only</i>	514	17.2%	11,902	20.6%	86,372	19.4%
<i>Under 6 years and 6 to 17 years</i>	534	17.9%	12,596	21.8%	103,720	23.3%
<i>6 to 17 years only</i>	1,932	64.8%	33,178	57.5%	255,556	57.3%
No own children under 18 years	9,269	75.7%	124,404	68.3%	811,894	64.6%
Other family:	2,060	14.4%	78,257	30.1%	514,407	29.0%
Male householder, no spouse present:	631	30.6%	25,199	32.2%	171,254	33.3%
With own children under 18 years:	302	47.9%	11,552	45.8%	81,575	47.6%
<i>Under 6 years only</i>	33	10.9%	2,485	21.5%	17,873	21.9%
<i>Under 6 years and 6 to 17 years</i>	32	10.6%	2,007	17.4%	14,790	18.1%
<i>6 to 17 years only</i>	237	78.5%	7,060	61.1%	48,912	60.0%
No own children under 18 years	329	52.1%	13,647	54.2%	89,679	52.4%
Female householder, no spouse present:	1,429	69.4%	53,058	67.8%	343,153	66.7%
With own children under 18 years:	652	45.6%	24,776	46.7%	166,088	48.4%
<i>Under 6 years only</i>	87	13.3%	4,085	16.5%	26,988	16.2%
<i>Under 6 years and 6 to 17 years</i>	63	9.7%	4,531	18.3%	32,723	19.7%
<i>6 to 17 years only</i>	502	77.0%	16,160	65.2%	106,377	64.0%
No own children under 18 years	777	54.4%	28,282	53.3%	177,065	51.6%

Source: 2020 Decennial Census



Grandparents Raising Children						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	33,733		628,136		4,295,384	
Living with own grandchildren under 18 years:	418	1.2%	21,900	3.5%	168,740	3.9%
Grandparent responsible for own grandchildren under 18 years:	113	27.0%	7,870	35.9%	56,087	33.2%
Grandparent responsible less than 6 months	14	12.4%	816	10.4%	4,466	8.0%
Grandparent responsible 6 to 11 months	16	14.2%	860	10.9%	5,778	10.3%
Grandparent responsible 1 or 2 years	8	7.1%	1,290	16.4%	10,976	19.6%
Grandparent responsible 3 or 4 years	8	7.1%	1,471	18.7%	9,613	17.1%
Grandparent responsible 5 years or more	67	59.3%	3,433	43.6%	25,254	45.0%
Grandparent not responsible for own grandchildren under 18 years	305	73.0%	14,030	64.1%	112,653	66.8%
Not living with own grandchildren under 18 years	33,315	98.8%	606,236	96.5%	4,126,644	96.1%

B. Household Characteristics

The educational attainment of Oro Valley residents is well above the statewide average for bachelor’s degrees and higher (55.9% versus 31.2%). There is also a much smaller percentage of adults without at least a high school diploma compared to the state (2.9% in versus 11.7%).

Educational Attainment						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Population 25 years and over	35,563		699,288		4,792,007	
Less than 9th grade	453	1.3%	28,678	4.1%	236,487	4.9%
9th to 12th grade, no diploma	575	1.6%	45,790	6.5%	323,973	6.8%
High school graduate (includes equivalency)	4,943	13.9%	149,641	21.4%	1,125,498	23.5%
Some college, no degree	6,662	18.7%	172,153	24.6%	1,177,629	24.6%
Associate's degree	3,032	8.5%	62,649	9.0%	433,004	9.0%
Bachelor's degree	10,392	29.2%	137,833	19.7%	923,339	19.3%
Graduate or professional degree	9,506	26.7%	102,544	14.7%	572,077	11.9%
High school graduate or higher	34,535	97.1%	624,820	89.4%	4,231,547	88.3%
Bachelor's degree or higher	19,898	56.0%	240,377	34.4%	1,495,416	31.2%

Source: ACS 2021 5-year estimate



Household incomes in Oro Valley are high at an average of \$120,121, higher than the county average of \$80,772 and the statewide average income of \$89,693. Median incomes follow a similar pattern. Renter households in Oro Valley have incomes of \$60,497, about 40% above the statewide median. The median income of owner households in Oro Valley is 1.3 times higher than renter incomes (\$100,700 versus \$60,497).

Households By Income						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Occupied Units	20,754		417,483		2,683,557	
Less than \$10,000	789	3.8%	26,719	6.4%	147,596	5.5%
\$10,000 to \$14,999	249	1.2%	18,369	4.4%	91,241	3.4%
\$15,000 to \$19,999	1,058	5.1%	38,408	9.2%	206,634	7.7%
\$20,000 to \$24,999	1,100	5.3%	40,078	9.6%	228,102	8.5%
\$25,000 to \$34,999	2,034	9.8%	55,943	13.4%	338,128	12.6%
\$35,000 to \$49,999	2,843	13.7%	72,225	17.3%	488,407	18.2%
\$50,000 to \$74,999	3,279	15.8%	54,690	13.1%	362,280	13.5%
\$75,000 to \$99,999	4,213	20.3%	62,205	14.9%	437,420	16.3%
\$100,000 to \$149,999	2,055	9.9%	24,214	5.8%	187,849	7.0%
\$150,000 or more	3,155	15.2%	24,631	5.9%	198,583	7.4%
Average	\$120,121		\$80,772		\$89,693	
Median	\$92,548		\$59,215		\$65,913	
Homeowner Median	\$100,700		\$76,054		\$79,873	
Renter Median	\$60,497		\$37,718		\$46,290	

Source: ACS 2021 5-year estimate



As illustrated in the table to the right, household income growth in Oro Valley is outpacing the state. Median household income has increased by 21% from 2018 through 2021 versus 17.3% for the state over the same time period. Average wages have grown 18.1% in Oro Valley from 2018 through 2021 versus 16.2% for the state over the same time period. Also, as noted above, median and average incomes for town households are still above statewide incomes yet like Marana, which has a median household income of \$94,983.

Household Income Growth 2018 - 2021			
	Oro Valley	Pima County	Arizona
Median Income			
2018	\$76,484	\$51,037	\$56,213
2019	\$83,341	\$53,379	\$58,945
2020	\$86,863	\$55,023	\$61,529
2021	\$92,548	\$59,215	\$65,913
2018-2021 Change	21.0%	16.0%	17.3%
Average Income			
2018	\$101,736	\$70,610	\$77,221
2019	\$107,122	\$73,554	\$80,779
2020	\$110,466	\$75,662	\$84,380
2021	\$120,121	\$80,772	\$89,693
2018-2021 Change	18.1%	14.4%	16.2%

Source: ACS 2021 5-year estimate

III. Current Housing Types and Occupancy

Oro Valley's housing inventory is comprised of 23,303 units according to the 2020 Decennial Census with 20,791 of those units occupied on a year-round basis by permanent residents.

Oro Valley has a high percentage of single-family detached units and a lower percentage of multifamily units which is typical for a suburban community. Approximately 15.4% of all housing units are considered apartments or multifamily (buildings with five or more units in a building) compared to 17.2% across Pima County. Pima County also has a higher percentage of mobile homes at 10.0% versus just 1% within the Town (manufactured homes are currently restricted to just one area of Town).

The housing mix in Oro Valley may, in effect, restrict renters from living in the community. If renters do desire to live in the community, alternatively they must rent single family homes or mobile homes which usually have higher rents.



Units In Structure						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	23,458		467,191		3,056,890	
1, detached	17,053	72.7%	280,750	60.1%	1,959,704	64.1%
1, attached	1,691	7.2%	33,610	7.2%	152,413	5.0%
2	184	0.8%	8,252	1.8%	39,593	1.3%
3 or 4	675	2.9%	15,839	3.4%	103,919	3.4%
5 to 9	964	4.1%	16,993	3.6%	119,475	3.9%
10 to 19	1,200	5.1%	22,619	4.8%	123,151	4.0%
20 to 49	514	2.2%	16,935	3.6%	76,510	2.5%
50 or more	925	3.9%	24,065	5.2%	167,599	5.5%
Mobile home	234	1.0%	46,668	10.0%	302,822	9.9%
Boat, RV, van, etc.	18	0.1%	1,460	0.3%	11,704	0.4%

Source: ACS 2021 5-year estimate

An estimated 2,512 units are considered vacant or 12.1% of the total inventory, lower than the state but higher than Pima County. Vacant units are classified in several ways including units that are in the process of being sold or rented and those used for seasonal or recreational purposes. Approximately 39.5% of all vacant units in the town are used for seasonal use, a much higher ratio than found in Pima County or the state. Stated another way, seasonal housing equals about 4.6% of the total housing inventory in Oro Valley. As noted earlier in this report, assuming 2.31 person per seasonal unit, this could add another 2,465 persons to the population of the town during the winter months. Some of the vacant seasonal units could be short-term rentals, but the Census does not track this type of rental housing.

Occupancy Status						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	23,303		470,132		3,082,000	
Occupied	20,791	89.2%	427,021	90.8%	2,705,878	87.8%
Vacant	2,512	12.1%	43,111	10.1%	376,122	13.9%

Source: 2020 Decennial Census

Vacancy Status						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	2,512		43,111		376,122	
For rent	606	22.4%	12,989	26.1%	86,906	23.3%
Rented, not occupied	122	4.5%	1,327	2.7%	8,665	2.3%
For sale only	296	10.9%	4,630	9.3%	31,309	8.4%
Sold, not occupied	136	5.0%	1,838	3.7%	13,571	3.6%
For seasonal, recreational, or occasional use	1,069	39.5%	13,285	26.7%	182,829	49.0%
For migrant workers	1	0.0%	19	0.0%	915	0.2%
Other vacant	282	10.4%	9,023	18.2%	51,927	13.9%

Source: 2020 Decennial Census



Of the vacant units in the town, most are single family detached houses. And 9.3% of the single-family inventory is considered vacant. **However, all types of housing have high vacancy levels above 11.5% with the highest level occurring in the single family attached home category at 26%.** Some of these vacant units could be short-term rentals.

Vacant Units by Type Oro Valley			
	Total Units	Vacant Units	% Vacant
Total:	23,458	2,704	11.5%
1, detached	17,053	1,579	9.3%
1, attached	1,691	440	26.0%
2	184	28	15.2%
3 or 4	675	160	23.7%
5 to 9	964	184	19.1%
10 to 19	1,200	134	11.2%
20 to 49	514	48	9.3%
50 or more	925	88	9.5%
Mobile home	234	43	18.4%
Boat, RV, van, etc.	18	0	0.0%

Source: ACS 2021 5-year estimate

Oro Valley has a high percentage of owner-occupied units and a lower percentage of renter-occupied units (includes apartments, townhomes, and single-family homes) relative to the statewide average. This trend is consistent with what is typically found in the non-urban parts of Arizona, particularly in communities with tourism-oriented economies.

Tenure						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	20,791		427,021		2,705,878	
Owned with a mortgage or a loan	9,892	47.6%	179,331	42.0%	1,217,609	45.0%
Owned free and clear	6,006	28.9%	92,439	21.6%	549,676	20.3%
Renter occupied	4,893	23.5%	155,251	36.4%	938,593	34.7%

Source: 2020 Decennial Census

Homeownership has been relatively robust in the town but has declined since 2000. The decline in homeownership was largely due to the Great Recession which affected homeowners across the country. Homeownership stabilized but decline from 77.4% to 76.5% 2020, well above the Arizona average.

Homeownership			
	Oro Valley	Pima County	Arizona
2000	84.2%	64.3%	68.0%
2010	77.4%	64.1%	66.0%
2020	76.5%	63.6%	65.3%

Source: Decennial Census



The inventory of occupied single-family housing in the town totals 15,474 units according to the U.S. Census. Approximately 18% of those homes or 3,674 single family homes are rented. There are also 3,149 apartment-style units in the community which is a combination of apartments, condominiums, and time share units (5 to 50 units in a building). Eighty-seven percent (87%) of those units (2,750) are rented.

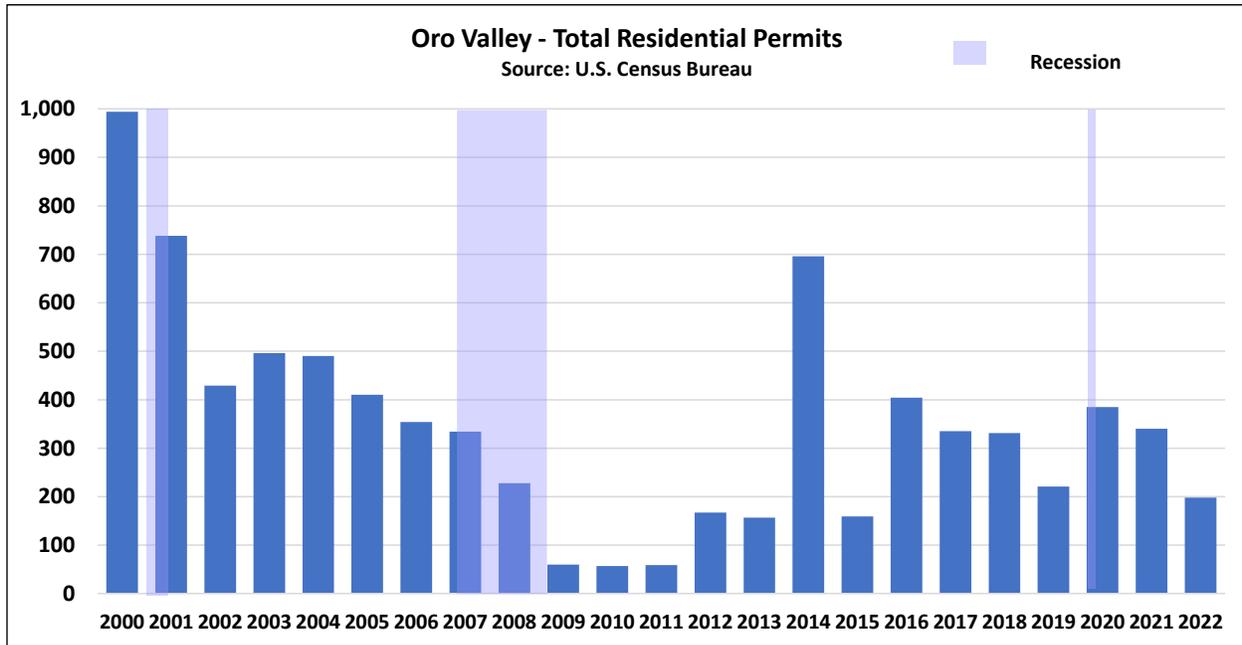
Tenure by Units In Structure						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	20,754		417,483		2,683,557	
Owner-occupied housing units:	15,736	75.8%	267,835	64.2%	1,765,658	65.8%
1, detached	13,981	88.8%	212,668	79.4%	1,451,827	82.2%
1, attached	1,034	6.6%	17,458	6.5%	87,460	5.0%
2	122	0.8%	700	0.3%	3,263	0.2%
3 or 4	40	0.3%	1,522	0.6%	11,212	0.6%
5 to 9	129	0.8%	1,514	0.6%	11,355	0.6%
10 to 19	10	0.1%	810	0.3%	5,862	0.3%
20 to 49	233	1.5%	797	0.3%	5,074	0.3%
50 or more	27	0.2%	616	0.2%	10,350	0.6%
Mobile home	160	1.0%	30,526	11.4%	170,606	9.7%
Boat, RV, van, etc.	0	0.0%	1,224	0.5%	8,649	0.5%
Renter-occupied housing units:	5,018	24.2%	149,648	35.8%	917,899	34.2%
1, detached	1,493	29.8%	45,006	30.1%	312,804	34.1%
1, attached	217	4.3%	11,782	7.9%	45,955	5.0%
2	34	0.7%	6,534	4.4%	30,984	3.4%
3 or 4	475	9.5%	11,594	7.7%	80,168	8.7%
5 to 9	651	13.0%	13,390	8.9%	93,092	10.1%
10 to 19	1,056	21.0%	18,054	12.1%	99,401	10.8%
20 to 49	233	4.6%	13,006	8.7%	60,308	6.6%
50 or more	810	16.1%	21,124	14.1%	138,269	15.1%
Mobile home	31	0.6%	8,922	6.0%	53,863	5.9%
Boat, RV, van, etc.	18	0.4%	236	0.2%	3,055	0.3%

Source: ACS 2021 5-year estimate

Residential building permit activity was extremely strong prior to the Great Recession, stabilizing at around 500 permits in 2003-2004. However, the rising cost of housing at that time curtailed demand and, after the recession, it was not until 2012 that activity rose above 100 units. Since 2018, permitting has leveled off at an average of 300 units. 2021 was strong because of the COVID pandemic at 340 units with a slowdown to below 200 in 2022.



Since 2018, 98.2% of all residential permits have been for single family detached units. Only 26 multifamily units have been built over the past five years.



Oro Valley Residential Permits					
Year	1-unit	2-units	3-4 units	5+ units	Total
2010	57	0	0	0	57
2011	59	0	0	0	59
2012	167	0	0	0	167
2013	157	0	0	0	157
2014	134	0	0	562	696
2015	159	0	0	0	159
2016	176	0	0	228	404
2017	335	0	0	0	335
2018	311	4	16	0	331
2019	215	6	0	0	221
2020	385	0	0	0	385
2021	340	0	0	0	340
2022	219	0	0	0	219

Source: U.S. Census Bureau; RealData, Inc.



A. Apartment Inventory

An inventory of traditional apartment complexes was conducted for this study. The inventory was prepared from 50 or more units from RealData, Inc. The inventory outlined in the following table may not include all apartment units in smaller apartment communities but is the best information available.

The town's inventory of apartment units is largely comprised of small (less than 100 units) and medium sized (100 to 300 units) complexes, the largest being 424 units in size. The inventory totals 3,210 units. The last major complex to be built is the 64-unit Linda Vista in 2023. Prior to Linda Vista, no apartments had been constructed since 2016. Of the communities identified, none of the complexes have been identified as "affordable" defined as built under the Low-Income Housing Tax Credit (LIHTC) program. The apartment inventory represents 13.7% of the housing stock in the town. The average size of complexes is 214 units with a median age built in 1997.

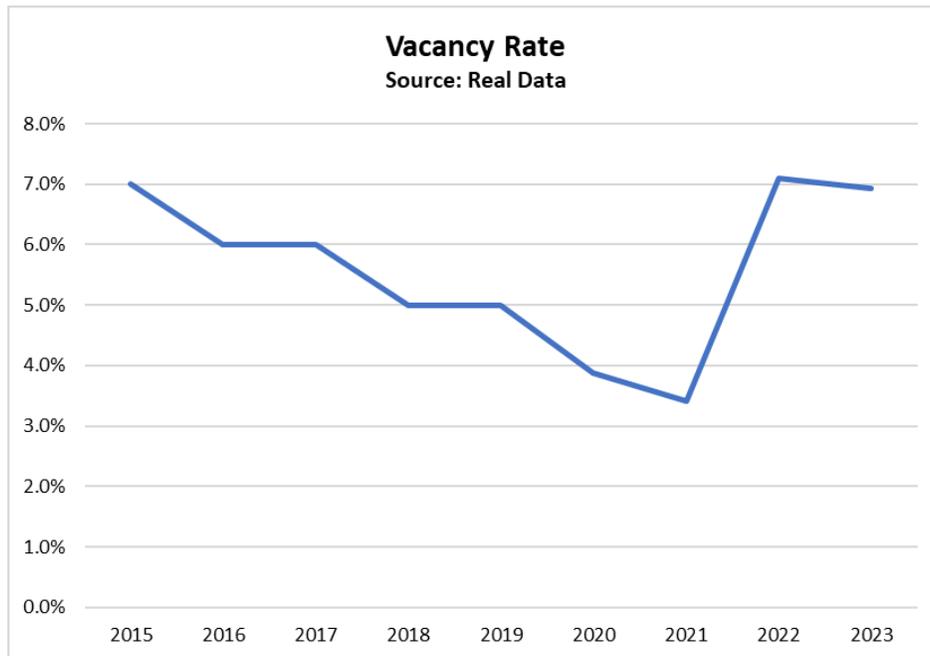
Oro Valley Apartments						
Properties	Units	Rent	Avg. Size	Rent/SF	Vacancy	Year Built
Casas Lindas	144	\$1,640	1,115	\$1.47	9.0%	1987
La Reserve Villas	240	\$1,556	900	\$1.73	7.0%	1988
Catalina Crossing	97	\$1,110	871	\$1.27	3.0%	1985
Saddle Ridge	248	\$1,292	677	\$1.91	8.0%	1985
Peak at Oro Valley	330	\$1,298	848	\$1.53	6.0%	1986
Overlook at Pusch Ridge	424	\$1,135	815	\$1.39	4.0%	1986
Rock Ridge	319	\$1,473	1,030	\$1.43	16.0%	1995
Pusch Ridge	144	\$1,084	866	\$1.25	1.0%	1998
Golf Villas at Oro Valley	231	\$1,582	1,105	\$1.43	4.0%	1999
Sunnyslope	41	\$995	545	\$1.83	7.0%	1971
Oro Vista	138	\$1,815	1,081	\$1.68	6.0%	2006
Encantada at Steam Pump	288	\$1,640	1,030	\$1.59	8.0%	2014
Villas at San Dorado	274	\$1,695	1,063	\$1.59	7.0%	2014
Canyons Linda Vista Trail	228	\$1,669	1,057	\$1.58	6.0%	2016
Linda Vista	64	\$2,477	1,019	\$2.43	100.0%	2023
Total/Average	3,210	\$1,466	943	\$1.55	8.8%	1997

Source: RealData

The apartment vacancy rate for Oro Valley has been at low levels (at or below stabilized vacancy of 7%), indicating significant demand for rental properties. According to RealData, the stabilized vacancy rate currently stands at 6.9%. A stabilized vacancy rate for apartments is typically 5% to 7% to account for lease expirations and people moving in and out of complexes.



Apartment vacancies below 5% indicate a significant shortage of rental units. This could cause rents to rise due to strong demand, further increasing the cost of housing cost for households that cannot afford to purchase a home. The lack of construction of new rental units is apparent from the data. Likewise, the abundance of short-term rentals may also impact the availability of rental housing for permanent residents of the community.



B. Short-Term Rentals Inventory

Short-term rentals (STRs) of homes and apartment units offered on platforms such as VRBO or Airbnb have impacted the availability of housing for permanent residents. The short-term rental website Airdna was accessed to determine the potential number of rentals that may be available in the Oro Valley area. The data indicates there may have been as many as 759 rentals offered in Oro Valley on various platforms over the past year. The Town monitors the number of short-term rental listings and as of October 2023, there were between 300-400 active listings. Virtually all these units are listed as entire house or unit rentals as opposed to room rentals within a unit.

The chart to the right shows the number of days a unit is “available for rent”. Any units listed for rent beyond 180 days are considered full-time rentals. The “booked

Oro Valley Short Term Rentals				
Days Available	Available Units	% of Total	Booked Units	% of Total
1-90	267	35.2%	443	58.5%
91-180	236	31.1%	198	26.2%
181-270	156	20.7%	96	12.7%
271-365	100	13.3%	22	3.0%
Total	759		759	

Source: Airdna



units” show those that were rented over the past year. Most of the rentals are for less than 90 days.

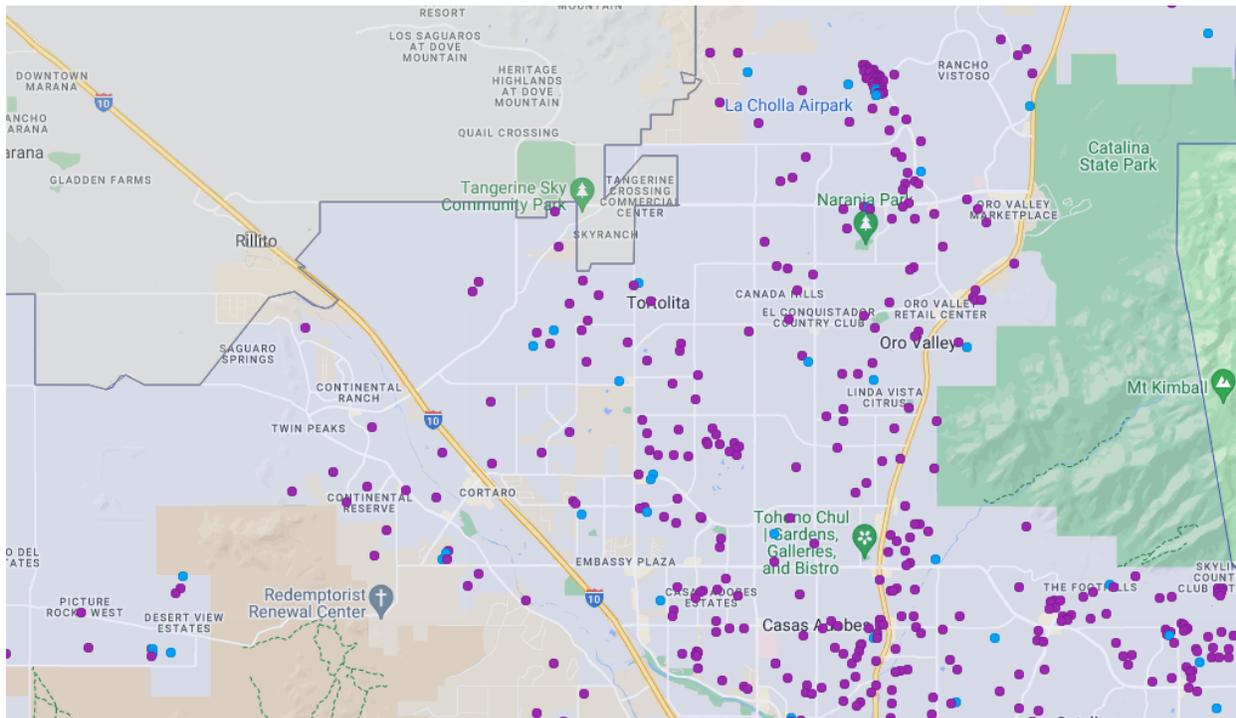
Of the 759 rentals listed on the Airdna website, 254 units are available during the entire year which likely means they are occupied only by visitors. The remaining units may be available part time when the owner or resident is not living in the unit. Airdna indicates there are currently 759 active rentals in the town. Active rentals vary by the season of the year.

Using 254 STRs that are used solely as full-time vacation rentals, this represents about 1.1% of the total 23,303 housing units in the town. Although this is not a significant percentage of the housing stock, it still represents units that could have been made available to people who are looking to permanently move to or work in the town.

Data listed on the Airdna website has not been verified through any other sources. Hotels and timeshare rentals are known to list units on the main STR platforms which can affect the total available units. However, Airdna.com likely provides an indication of the number of short-term rentals in the area. The following map shows the extent on STRs listed of the Airdna website. **Short-term rentals do not pose an issue for Oro Valley.** However, the extent of short-term rentals in the town should be monitored periodically to determine if they start raising an issue.

Location of Short-Term Rentals

Source: Airdna

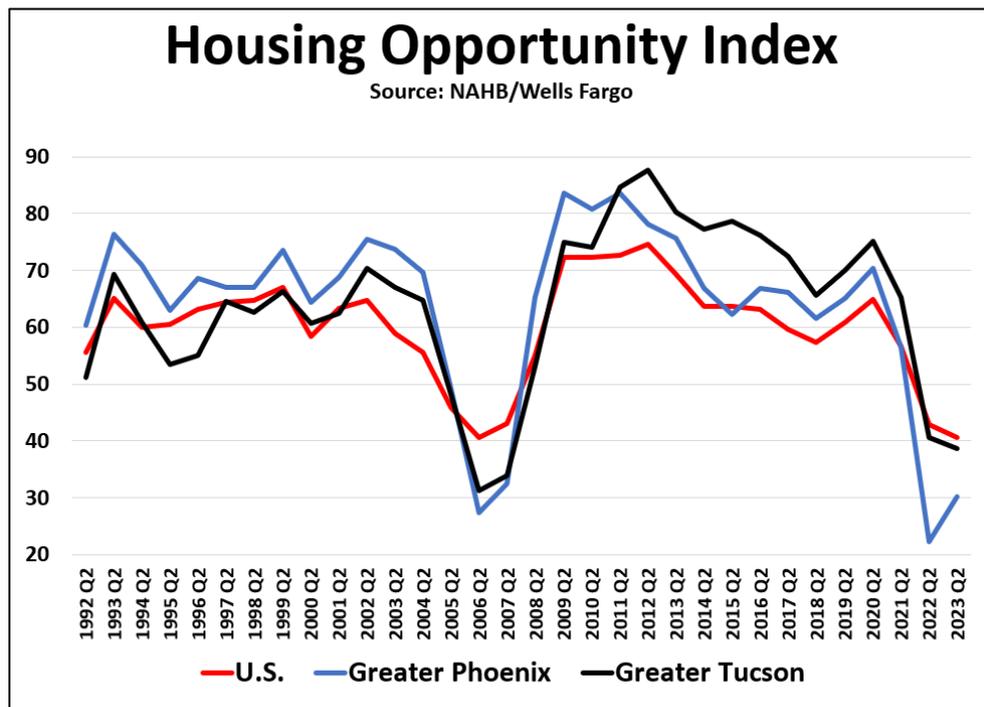


IV. Housing Costs and Attainability

The price of housing in Oro Valley, across all types of housing, has increased dramatically over the past five years. While still affordable, manufactured housing units have risen the most (62% since 2018) to an average of approximately \$185,131. The price of townhomes rose at a slower rate than manufactured homes, but they still experienced an increase of 57% in just the last year. However, manufactured home prices are likely influenced by the small number of units that have been sold, creating significant variation in pricing from year to year.

The National Association of Home Builders (NAHB) and Wells Fargo Bank produce a quarterly report known as the Housing Opportunity Index or HOI for metropolitan areas of the country. The HOI is defined as the share of homes sold in an area that would be affordable to a family earning the local median income based on standard mortgage underwriting criteria. NAHB assumes a family can afford to spend 28% of gross income on housing, obtains a 30-year mortgage with a 10% down payment at a current mortgage rate according to a Freddie Mac survey.

The HOI for the Greater Tucson metro area, which is Pima County, has been declining since 2012 when the index was at 87.7%, reaching 35% in the fourth quarter of 2022 before increasing slightly to 46.8% in the first quarter of 2023. While this is a dramatic decrease in affordability in ten years, the national HOI stands at 45.6% in 2022 which is down from 78.8% in 2012. However, the national median income is estimated by NAHB at \$96,300 compared to the Pima County median income of \$86,000. This means that a home in Pima County must be much lower in price to be affordable for a family earning the median income. The NAHB estimates the median price of a single-family home in Pima County at \$325,000 which likely includes manufactured units.



The affordable housing value for Oro Valley is shown in the following table based on the median income of approximately \$92,500. With a 10% down payment and a 6.95% loan, the maximum affordable house value is \$358,850. **In all of 2022, out of 1,006 single family home sales, only 66 homes (0.66%) were sold for less than \$359,000. In the condo market, 104 out of 181 sales in 2022 were sold for less than \$359,000.**

Affordable House Value Oro Valley	
Median Income	\$92,548
Monthly payment at 28% of Income	\$2,159
Interest Rate	6.95%
Down Payment	10%
Loan Principal	\$326,227
Monthly Loan Payment	\$2,159
House value with 10% down	\$358,850

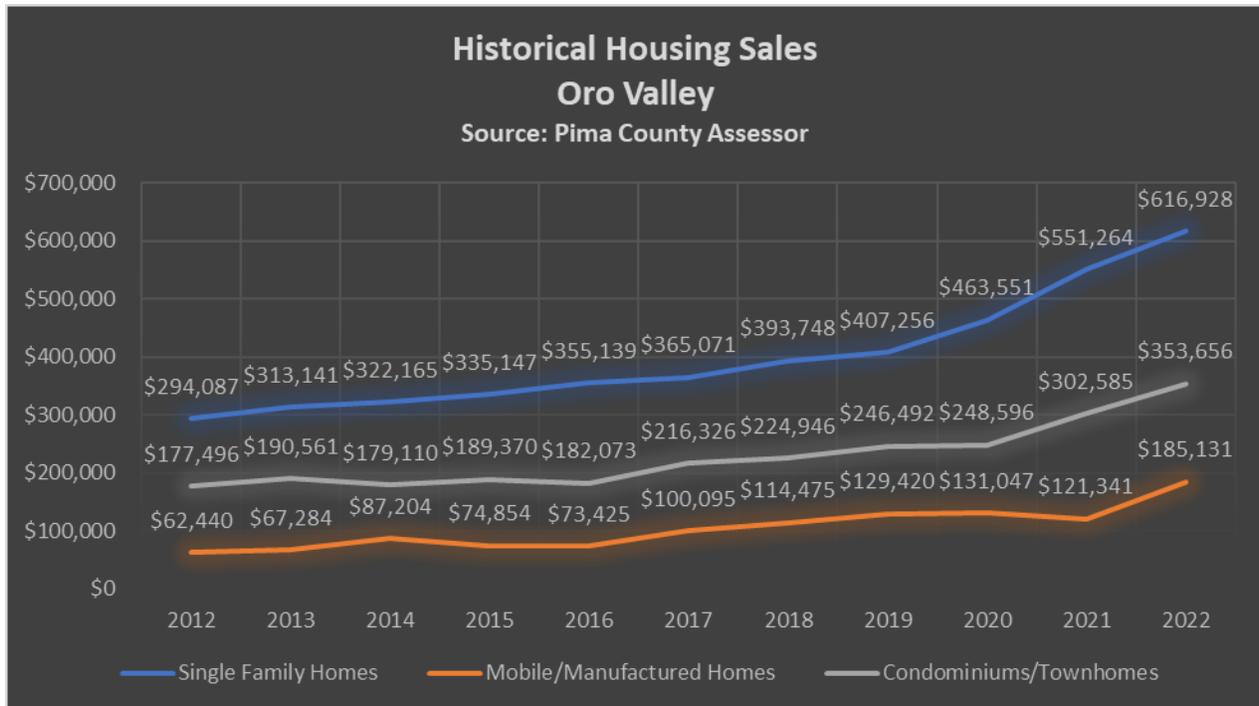
A. Ownership Market

Single family home prices are up 57% over the last five years to an average of \$616,928. **At this price, single family homes are likely well beyond the reach of many working families.** Even condo/townhomes units have reached above the \$350,000 level. Most of the steep increase in prices started in 2020 and continued in 2021, followed by additional increases in 2022.

Sales & Average Sales Price Oro Valley											
Single Family Homes				Mobile/Manufactured Homes				Condominiums/Townhomes			
Year	Sales	Price	% Chg	Year	Sales	Price	% Chg	Year	Sales	Price	% Chg
2012	884	\$294,087		2012	15	\$62,440		2012	113	\$177,496	
2013	965	\$313,141	6.5%	2013	11	\$67,284	7.8%	2013	136	\$190,561	7.4%
2014	957	\$322,165	2.9%	2014	13	\$87,204	29.6%	2014	116	\$179,110	-6.0%
2015	1,034	\$335,147	4.0%	2015	28	\$74,854	-14.2%	2015	144	\$189,370	5.7%
2016	1,323	\$355,139	6.0%	2016	20	\$73,425	-1.9%	2016	199	\$182,073	-3.9%
2017	1,364	\$365,071	2.8%	2017	19	\$100,095	36.3%	2017	244	\$216,326	18.8%
2018	1,302	\$393,748	7.9%	2018	20	\$114,475	14.4%	2018	248	\$224,946	4.0%
2019	1,295	\$407,256	3.4%	2019	16	\$129,420	13.1%	2019	217	\$246,492	9.6%
2020	1,538	\$463,551	13.8%	2020	16	\$131,047	1.3%	2020	273	\$248,596	0.9%
2021	1,576	\$551,264	18.9%	2021	11	\$121,341	-7.4%	2021	200	\$302,585	21.7%
2022	1,006	\$616,928	11.9%	2022	15	\$185,131	52.6%	2022	181	\$353,656	16.9%
Price Chg 2018 - 2022			57%	Price Chg 2018 - 2022			62%	Price Chg 2018 - 2022			57%

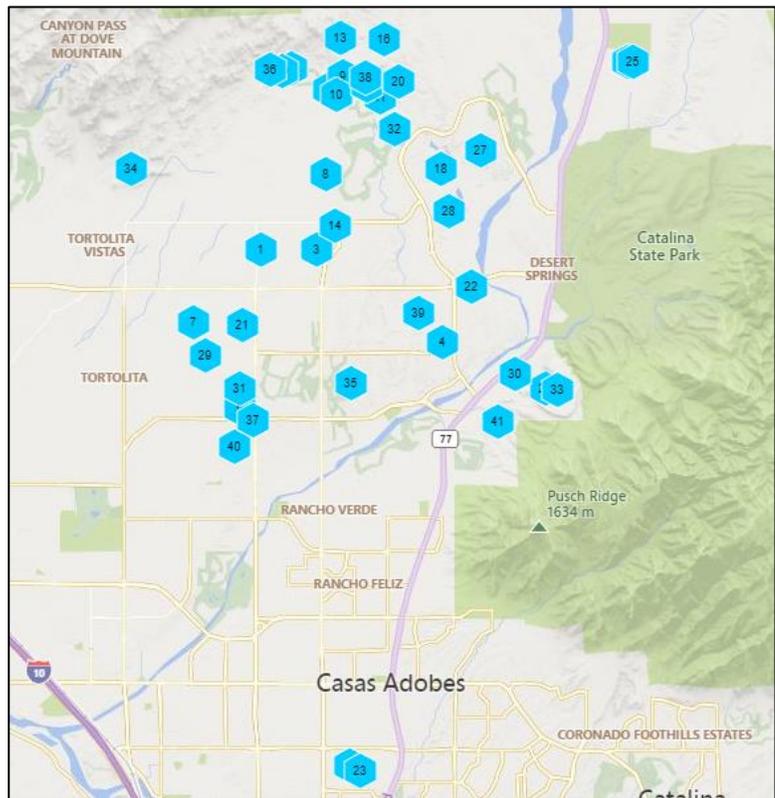
Source: Yavapai County Assessor; Coconino County Assessor





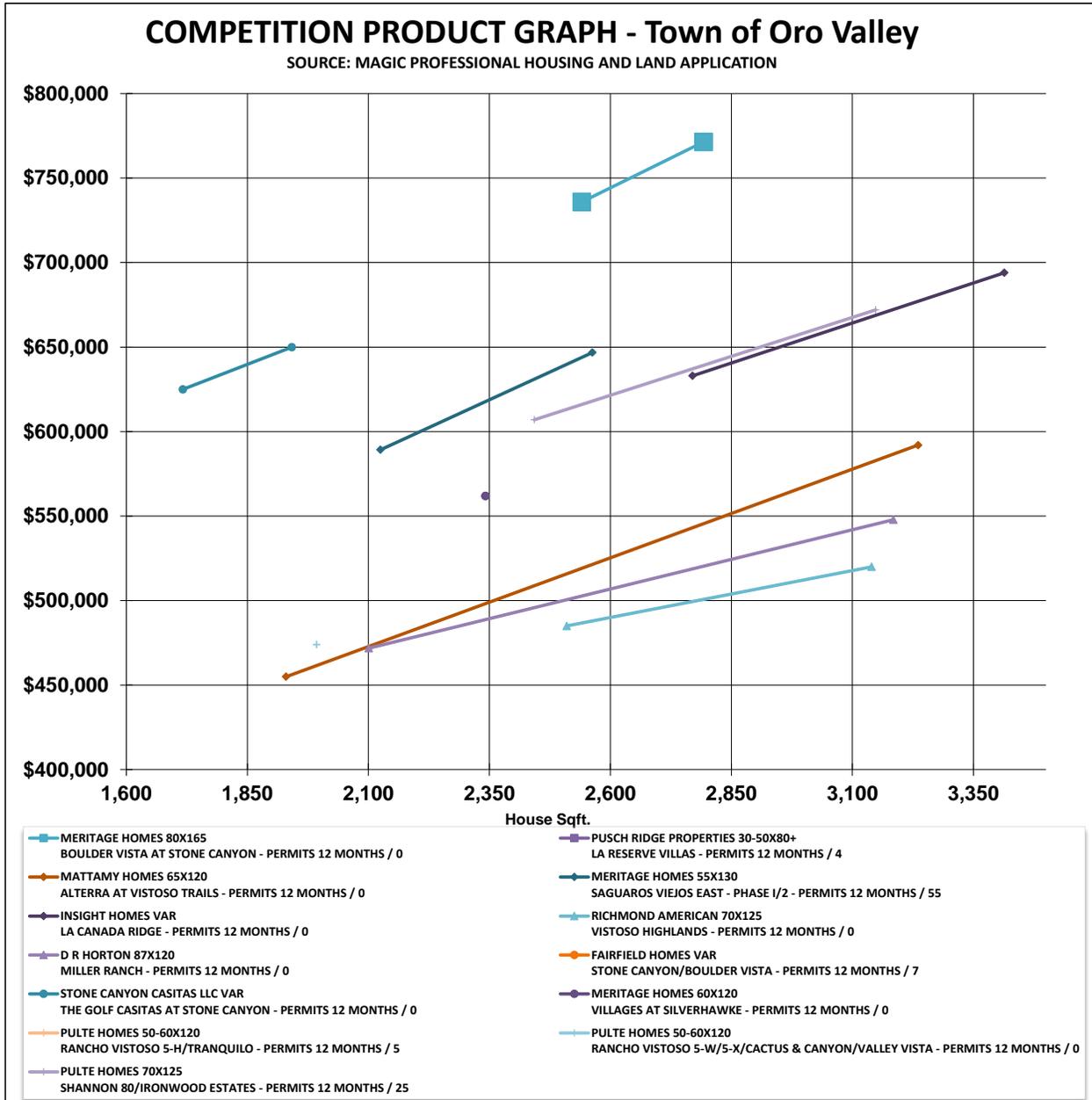
There are 41 active new home subdivisions (subdivision that has pulled at least one permit or had at least one closing in the past 12 months) within the Town of Oro Valley. Of that total, 25 “subdivisions” are custom home builders, typically consisting of a limited number of lots (1-5 homes).

New home builders pulled 150 permits over the last 12 months and reported 164 closings. The most active subdivisions include Saguaros Viejos East (Meritage Homes, 55 permits and 48 closings), Ironwood Estates (Pulte Homes, 25 permits and 1 closing), Capella (Richmond American Homes, 21 permits and 10 closings), and Villages at Silverhawke (Meritage Homes, 33 closings). There are 399 remaining available lots in active subdivisions, representing less than three years until build out at the current velocity of new home construction.



Pricing among active new home subdivisions ranges from \$450,000 up to \$771,400 at the high end. In terms of size, the smallest housing unit offered is 1,717 square feet and ranges up to 3,414 square feet. Most new homes offered range between 2,100 and 3,200 square feet and range between \$500,000 and \$650,000.

Household incomes required to afford a new home in Oro Valley at current interest rates start at \$123,000 for a \$450,000 home and increase to \$136,700 for a \$500,000 home and \$177,700 for a \$650,000 home.



B. Apartment Rental Market

Rents for apartments in Oro Valley jumped substantially in 2021, increasing from an average of \$1,121 at the end of 2020 to \$1,453 by the end of 2021, an increase of nearly 30%. **Average apartment rents peaked in the second quarter of 2022 and have since moderated to the currently reported average rent of \$1,466.**

Oro Valley Apartments					
Quarter	Properties	Units	Rent	Vacancy	Stabilized
2020 Q4	14	3,146	\$1,121	3.9%	
2021 Q4	14	3,146	\$1,453	3.4%	
2022 Q1	14	3,146	\$1,488	4.2%	
2022 Q2	14	3,146	\$1,495	6.3%	
2022 Q3	14	3,146	\$1,476	6.7%	
2022 Q4	14	3,146	\$1,483	7.1%	
2023 Q1	15	3,210	\$1,466	8.8%	6.9%

Source: RealData

The following table depicts the inventory of apartments in Oro Valley by floor plan. Two-bedroom units make up most units within the Town (52.7%) followed by one-bedroom units (37.0%). Nearly 10% of the apartment inventory is three-bedroom units. There are very few studios in the market. The average rent and required income for each unit size is shown below:

- Studio - \$990 with a required income of \$39,600
- One-bedroom – \$1,259, with a required income of \$50,400
- Two-bedroom - \$1,516, with a required income of \$60,600
- Three-bedroom - \$1,834, with a required income of \$73,400

Oro Valley Apartments						
Floor Plan	Units	% Total	Rent	Avg. Size	Rent/SF	Required Income
Studio	24	0.7%	\$990	400	\$2.48	\$39,600
One Bedroom	1,187	37.0%	\$1,259	716	\$1.76	\$50,400
Two Bedrooms	1,692	52.7%	\$1,516	1,049	\$1.44	\$60,600
Three Bedrooms	307	9.6%	\$1,834	1,283	\$1.43	\$73,400
TOTAL	3,210		\$1,466	943	\$1.55	\$58,600

Source: RealData

V. Housing Needs

A. Number of Units

The Town of Oro Valley is forecasted to grow by just 6,920 persons over the next 18 years (the forecast was prepared by the Arizona Office of Economic Opportunity in 2018 and will be updated by the end of 2023). If accurate, Oro Valley will only capture 5.4% of Pima County’s population growth through 2040. Most of the population growth in the county will occur in the City of



Tucson, unincorporated areas of the county and the Town of Marana. No place is expected to experience population loss.

2022 - 2040 Population Forecast									
Places	Actual 2022	Forecast					2021-2040 Change	% Change	% of County's Growth
		2022	2025	2030	2035	2040			
Marana	56,758	53,217	58,139	66,306	74,563	82,287	29,070	54.6%	22.8%
Oro Valley	48,906	47,588	49,224	51,758	53,864	54,508	6,920	14.5%	5.4%
Sahuarita	36,179	34,259	37,168	41,781	45,856	49,148	14,889	43.5%	11.7%
South Tucson	4,599	5,678	5,679	5,681	5,682	5,684	6	0.1%	0.0%
Tucson	554,021	556,616	565,169	578,080	590,122	601,587	44,971	8.1%	35.2%
Balance of County	371,835	370,083	376,231	385,618	394,000	401,928	31,845	8.6%	24.9%
Pima County Total	1,072,298	1,067,441	1,091,610	1,129,224	1,164,088	1,195,142	127,701	12.0%	

*2022 Population Projections is only available at a County or Higher level. 2018 Population Projections were used for Subcounty places

Source: Arizona Office of Economic Opportunity

At an average household size of 2.24 persons per unit, the demand for housing through 2040 totals approximately 3,100 units or an average of 171 units per year. This demand estimate does not consider seasonal or recreational housing demand that may continue to increase the non-permanent population of the community. Residential building permits have been above 300 units per year since 2016 but are anticipated to slow down in the next 10 years.

The Town of Oro Valley has analyzed the remaining residential land within Town boundaries and has determined that 3,117 residential units can be built. This also matches the forecasted build-out population for the Town. Most of the Town’s projected residential and population growth is anticipated to occur in the next 4-6 years.

In terms of residential type, approximately 1,471 units are single family residential on 71 parcels and 1,646 are designated as multi-family units, which includes single-family rentals, apartments, townhomes, or duplexes on 19 parcels. **Only 5 of the remaining multi-family parcels are large enough to accommodate a traditional, market-rate apartment community.**

B. Type of Housing and Attainability

1. *Housing Affordability Gap*

The housing affordability gap is the difference between the rents or housing values in a community and the ability of households to afford those rents or values. Affordability has become an issue over the past few years for many income levels due to rents and values that have increased well above the rate of inflation. At the same time, wages have stagnated. **Housing affordability affects low- and moderate-income households, including many essential occupations such as teachers, police officers, firemen, and nurses.**



There has been much discussion about the term “affordable housing”. “Affordable” is often associated with housing for the lowest income households. “Workforce” or “attainable” housing is often associated with the demand from critical service providers or essential personnel such as police, firefighters, nurses, schoolteachers, and others. In the context of this study, the term “affordable” will apply to all households that are burdened by housing costs or those that can’t find housing due to its cost relative to household income. Affordable housing refers to a continuum of housing demand that affects persons from the lowest income levels to those earning above the area median income. A healthy economy and housing market should address all these demand sectors.

As outlined in this report, households are considered burdened by the cost of housing if rent and other housing costs total more than 30% of total household income. For a homeowner, the cost of housing typically includes a mortgage, property taxes, and insurance. For a renter, the cost of housing is rent and utilities. The U.S. Department of Housing and Urban Development also recognizes households that pay more than 50% of income towards housing known as an “severely cost burdened.” Across the country, approximately one-third of all households are considered cost burdened and about 16% are severely burdened.

The following table outlines the number of renter households in Arizona, Pima County, and Oro Valley based on the U.S. Census 5-year American Community Survey. The housing cost burden for renters in Oro Valley is lower than the statewide average, but still totals nearly 2,000 households. For Oro Valley, 39.8% of all renters pay more than 30% of their income toward housing. **An estimated 20.3% of renter households pay more than 50% of their incomes on housing, totaling 1,019 households. These households are considered severely rent overburdened.**

Gross Rent as % of Household Income						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	5,018		149,648		917,899	
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%
Total Spending More than 30%	1,998	39.8%	71,206	47.6%	412,670	45.0%
Total Spending More than 50%	1,019	20.3%	35,478	23.7%	196,099	21.4%

Source: ACS 2021 5-year estimate



For owner occupants, the housing cost burden for those with a mortgage is higher than the statewide average. Nearly 2,100 households in Oro Valley fall into this category. It should be noted that homeowners typically have more options than renters to address their housing burden. For instance, an owner could sell the home and move to a less costly unit if one is available. Similarly, homeowners could have voluntarily increased their housing costs by taking out a second mortgage or home equity loan on the home. These factors all affect the housing burden of homeowners while renters have limited opportunities to reduce their housing burden beyond seeking a smaller or older unit.

Owner-Occupied Housing Costs with a Mortgage						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Housing units with a mortgage	9,330		163,987		1,121,042	
Monthly Mortgage Payment						
Less than \$600	50	0.5%	4,227	2.6%	26,384	2.4%
\$600 to \$999	634	4.0%	28,226	10.5%	157,650	8.9%
\$1,000 to \$1,499	1,752	11.1%	59,131	22.1%	347,653	19.7%
\$1,500 to \$1,999	2,238	14.2%	37,441	14.0%	280,931	15.9%
\$2,000 to \$2,499	2,163	13.7%	18,084	6.8%	153,284	8.7%
\$2,500 to \$2,999	1,370	8.7%	8,792	3.3%	74,393	4.2%
\$3,000 or more	1,123	7.1%	8,086	3.0%	80,747	4.6%
Median (dollars)	\$1,998		\$1,417		\$1,545	
Monthly Mortgage Payment as a percent of Household Income						
Housing units with a mortgage	9,297		163,169		1,114,225	
Less than 20.0 percent	4,496	48.4%	78,295	48.0%	534,480	48.0%
20.0 to 29.9 percent	2,709	29.1%	41,217	25.3%	282,229	25.3%
30.0 percent or more	2,092	22.5%	43,657	26.8%	297,516	26.7%
Not computed	33		818		6,817	

Source: ACS 2021 5-year estimate

The housing affordability gap for Oro Valley is 4,561 units, or approximately 22% of total households. Owners comprise most cost-overburdened households. An estimated 2,563 owner households are overburdened, and an estimated 1,998 renter households are cost overburdened.

- One of the largest groups of households affected is earning less than \$20,000. There are 567 households earning less than \$20,000 that are burdened by rent. These households



are most appropriately housed in public housing units, typically owned by a government entity or non-profit, with rents set at 30% of the household’s income.

- There are an additional 1,896 households in the Town earning between \$20,000 and \$50,000 per year that are overburdened by housing costs. This group could be served by Low Income Housing Tax Credit projects or other government subsidized housing programs targeting 40%-60% AMI households.
- The third group of households, representing 1,522 households, earn over \$50,000 but are overburdened by housing costs. Most of these households would likely qualify for workforce housing units targeting 60%-120% AMI. Additionally, a portion of these households could be candidates for homeownership assistance programs.

Percent of Owner-Occupied Households Paying More Than 30% of Income Towards Housing Costs by Income Range				
	Oro Valley		Pima	Arizona
	Units	% Total	County	
Total Occupied Units	15,736		267,835	1,765,658
Less than \$20,000	576	93.5%	77.8%	75.0%
\$20,000 to \$34,999	393	36.3%	49.4%	48.0%
\$35,000 to \$49,999	464	32.9%	35.6%	37.3%
\$50,000 to \$74,999	428	22.3%	18.0%	22.3%
\$75,000 or more	702	6.6%	3.9%	4.7%
Total Paying More Than 30% of Income	2,563		56,510	369,594
% Paying More Than 30% of Income	16.3%		21.1%	20.9%

Source: ACS 2021 5-year estimate

Percent of Renter-Occupied Households Paying More Than 30% of Income Towards Housing Costs by Income Range				
	Oro Valley		Pima	Arizona
	Units	% Total	County	
Total Occupied Units	5,018		149,648	917,899
Less than \$20,000	567	100.0%	93.9%	93.4%
\$20,000 to \$34,999	637	98.9%	80.3%	85.1%
\$35,000 to \$49,999	402	70.3%	44.9%	59.3%
\$50,000 to \$74,999	265	30.2%	20.1%	28.1%
\$75,000 or more	127	6.2%	3.1%	4.6%
Total Paying More Than 30% of Income	1,998		71,206	412,670
% Paying More Than 30% of Income	39.8%		47.6%	45.0%

Source: ACS 2021 5-year estimate



Overcrowding is another housing problem (defined by HUD as more than one person per room living in a housing unit). Overcrowding is often a symptom of the lack of affordable housing when persons are forced to acquire housing that is smaller than their needs or where people must double-up in housing to afford the monthly housing cost. Rental units typically have a higher rate of overcrowding than owner-occupied units.

In Oro Valley, an estimated 0.7% of all housing units are considered overcrowded (more than one person per room). As illustrated below, the Town has far fewer overcrowded units compared to the statewide average. Overall, overcrowding does not appear to be a significant housing issue. However, the 146 overcrowded units is another indicator of the need for additional affordable housing supply.

Tenure by Occupants in Room						
	Oro Valley		Pima County		Arizona	
	Units	%	Units	%	Units	%
Total:	20,754		417,483		2,683,557	
Owner occupied:	15,736	75.8%	267,835	64.2%	1,765,658	65.8%
0.50 or less occupants per room	13,781	87.6%	204,018	76.2%	1,310,976	74.2%
0.51 to 1.00 occupants per room	1,906	12.1%	58,267	21.8%	405,655	23.0%
1.01 to 1.50 occupants per room	44	0.3%	4,176	1.6%	35,713	2.0%
1.51 to 2.00 occupants per room	5	0.0%	928	0.3%	9,532	0.5%
2.01 or more occupants per room	0	0.0%	446	0.2%	3,782	0.2%
Renter occupied:	5,018	24.2%	149,648	35.8%	917,899	34.2%
0.50 or less occupants per room	3,278	65.3%	88,696	59.3%	512,698	55.9%
0.51 to 1.00 occupants per room	1,643	32.7%	51,708	34.6%	335,107	36.5%
1.01 to 1.50 occupants per room	67	1.3%	5,378	3.6%	44,102	4.8%
1.51 to 2.00 occupants per room	12	0.2%	2,940	2.0%	19,574	2.1%
2.01 or more occupants per room	18	0.4%	926	0.6%	6,418	0.7%

Source: ACS 2021 5-year estimate

2. Business and Workforce Considerations

Oro Valley has higher concentrations of employment in its local economy compared to the state that benefits the community including:

- Consumer Services (restaurants, dry cleaners, etc.)
- Health Care
- Hospitality, Tourism, Recreation
- High Tech Manufacturing
- Retail



Major employers in the town show that the local economy is heavily weighted toward health care, retail, and tourism/hospitality with some manufacturing employment. Roche Tissue Diagnostics and Oro Valley Hospital are the town’s largest employers. **The lack of affordable housing primarily falls upon those in service jobs that have moderate wages.**

The chart to the right shows Pima County median wages for a variety of occupations, some of which are considered critical service jobs such as firefighters, paramedics, and police officers. **The monthly affordable housing cost for each occupation shows that none of the occupations would be able to afford to purchase a home among the local housing stock outlined above as a single income household. Additionally, the average Oro Valley apartment rent of \$1,466 is also out of reach for most occupations as a single earner household.**

Housing Affordability by Occupation			
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
Construction Laborers	\$38,404	\$960	\$860
Firefighters	\$40,181	\$1,005	\$905
Pharmacy Technicians	\$41,828	\$1,046	\$946
Elementary School Teachers	\$45,943	\$1,149	\$1,049
Secondary School Teachers	\$48,477	\$1,212	\$1,112
Paramedics	\$49,673	\$1,242	\$1,142
Police and Sheriff's Patrol Officers	\$60,583	\$1,515	\$1,415
Licensed Practical Nurses	\$61,547	\$1,539	\$1,439
Registered Nurses	\$82,164	\$2,054	\$1,954

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

The wage data displayed below does not consider that a household may have two wage earners. However, for single person households or families where only one person works, the availability of affordable housing is a critical need. Without such housing, persons or households must find roommates or double up in rental units. There are nearly 5,500 one-person households and 9,600 two-person households. There are 954 households in Oro Valley consisting of single parents with children.

The labor force participation rate for Oro Valley in 2021 is well below the state average (48.5% versus 60.6%), reflective of its retirement population. This creates some uncertainty as to where service sector employment comes from to serve the retired population. Although the labor force participation rate is low, it has grown over the past 10 years. The labor force is now 7.1% higher than it was in 2015. However, the population of Oro Valley grew by 11.3% over that same timeframe. Also, when accounting for the seasonal population of some 3,900 additional residents, the labor force participation rate would be even lower and nearing 40%.



For an economy to operate efficiently, it must have employees to fill service-oriented, retail, and restaurant jobs without forcing those employees to commute long distances to work. The availability of affordable housing for those workers is essential and an important economic development issue. The U.S. Census Bureau produces a model that estimates commuting patterns of residents for counties and cities. The data is somewhat dated from 2020 but provides some indication of where residents live and work. The following table shows the inflow and outflow of all jobs for Oro Valley.

All Jobs Inflow/Outflow Job Counts 2020					
Place of Residence for Oro Valley Workers			Place of Employment for Oro Valley Residents		
Place	Count	Share	Place	Count	Share
All Places (Cities, CDPs, etc.)	10,275	100.0%	All Places (Cities, CDPs, etc.)	14,632	100.0%
Tucson city, AZ	2,300	22.4%	Tucson city, AZ	5,631	38.5%
Oro Valley town, AZ	1,801	17.5%	Oro Valley town, AZ	1,801	12.3%
Casas Adobes CDP, AZ	1,326	12.9%	Phoenix city, AZ	1,242	8.5%
Marana town, AZ	762	7.4%	Casas Adobes CDP, AZ	949	6.5%
Catalina Foothills CDP, AZ	379	3.7%	Marana town, AZ	616	4.2%
Phoenix city, AZ	314	3.1%	Catalina Foothills CDP, AZ	506	3.5%
Catalina CDP, AZ	256	2.5%	Tempe city, AZ	265	1.8%
Flowing Wells CDP, AZ	147	1.4%	Flowing Wells CDP, AZ	207	1.4%
Mesa city, AZ	145	1.4%	Scottsdale city, AZ	195	1.3%
Saddlebrooke CDP, AZ	144	1.4%	Mesa city, AZ	172	1.2%
All Other Locations	2,701	26.3%	All Other Locations	3,048	20.8%

Source: U.S. Census Bureau's OnTheMap

For Oro Valley, 87.3% of the Town's residents in the workforce leave the community each day for work. The Census model shows that many residents work in Tucson, Phoenix, Casas Adobes, Marana, Catalina Foothills, and Tempe.

An estimated 82.5% of the people who work in Oro Valley commute into the community each day from other locations. Most come from Tucson, Casas Adobes, Marana, Catalina Foothills, and Phoenix.

VI. Relationship to Retail Demand and Town Revenues

Town residents have long desired additional retail options. However, over the past decade, brick and mortar retail development has been substantially curtailed, in large part due to the continued growth in e-commerce and the domination of big box superstores cutting into overall market share.



Brick and mortar retail, though substantially more muted than in decades past, continues. There will continue to be demand for grocery stores, personal services, restaurants, entertainment, and fitness-related establishments for the foreseeable future. However, retail development requires population growth. Additionally, retail development does not precede future residential growth.

With only 1,471 single family lots available left in Oro Valley, future retail growth will largely depend on supporting infill development, including higher density residential products. As the following table illustrates, a hypothetical new 250-unit apartment community (22 units per acre) would add \$5.1 million of retail spending annually to the area, which would support an additional 11,700 square feet of commercial space. In comparison, on the same parcel size, an estimated 57 single family detached homes could be developed (five units per acre). This would add \$1.6 million in retail spending power annually, or the equivalent of supporting just under 3,600 square feet of commercial space.

Retail Spending Analysis - New Residential Development				
	Apartments		Single Family Homes	
Income & Spending Assumptions	Dollars	% of Income	Dollars	% of Income
Required Income	\$74,800		\$129,000	
Total Retail Spending/HH (Excluding vehicles)	\$20,317	27.2%	\$27,297	21.2%
Local-Serving Retail Spending	\$8,915	11.9%	\$11,324	8.8%
Grocery Spending/HH	\$4,378	5.9%	\$5,321	4.1%
Other Non-Grocery Local-Serving Retail Spending/HH	\$4,537	6.1%	\$6,003	4.7%
Regional-Serving Retail Spending/HH	\$8,034	10.7%	\$11,345	8.8%
Restaurant Spending/HH	\$3,367	4.5%	\$4,628	3.6%
New Households	250		57	
Supportable Local-Serving Retail Demand	Demand		Demand	
Total Grocery Spending	\$1,094,510		\$303,303	
Supportable SF at \$500 Per SF in Sales	2,189		607	
Other Local-Serving Retail Spending (excluding Groceries)	\$1,134,231		\$342,155	
Supportable SF at \$300 Per SF in Sales	3,781		1,141	
Restaurant Spending	\$841,780		\$263,821	
Supportable SF at \$500 Per SF in Sales	1,684		528	
Regional Serving Retail Spending	\$2,008,614		\$646,667	
Supportable SF at \$500 Per SF in Sales	4,017		1,293	
TOTAL LOCAL-SERVING RETAIL DEMAND	11,671		3,568	

Sources: U.S. Consumer Expenditure Survey; AZ DOA; Elliott D. Pollack & Company



The Town estimates roughly 265 acres of commercially zoned land remains, which could support 1.7 million square feet of space. This may not be supportable compared to the amount of remaining housing units. A retail gap analysis should be conducted to determine an optimal land use balance for the remaining vacant land.

On a per acre basis, the potential for new town revenues from residential development overwhelmingly favors multi-family development. In every scenario modeled, density is the key predictor of new tax revenue generation.

As illustrated on the following table, a traditional, three-story garden apartment community on ten acres (220 units), with average household incomes of \$74,800 would provide an estimated \$518,500 in new Town and school district revenues compared to only \$100,000 in tax revenues from a high-end single-family subdivision (three units per acre) with homes priced at \$600,000 and average household incomes of nearly \$200,000. The 190 additional housing units containing more modest incomes far exceed the spending power of the low-density development.

Annual Fiscal Impact on Municipalities Land Use Comparisons on a 10-acre Site Town of Oro Valley (2023 Dollars)						
	Multi-Family: Four Story Apartment	Multi-Family: Garden Apartment	Single Family: Build to Rent	Single Family: Small Lot	Single Family: Move Up	Single Family: Luxury
Primary Impacts						
Sales Tax	\$104,700	\$49,300	\$30,300	\$15,100	\$13,700	\$8,200
Lease Tax	\$204,700	\$93,800	\$59,300	--	--	--
Utility Tax	\$30,800	\$15,000	\$8,900	\$5,400	\$4,300	\$2,500
State Shared Revenue	\$314,700	\$153,800	\$90,900	\$38,300	\$25,500	\$12,800
Secondary Impacts (employees)						
Spending Sales Tax	\$6,900	\$3,300	\$2,000	\$1,600	\$1,000	\$500
State Shared Revenue	\$700	\$300	\$200	\$100	\$100	\$0
Other Districts						
School District	\$484,500	\$203,000	\$120,000	\$62,300	\$55,400	\$34,600
Total Tax Revenues	\$1,147,000	\$518,500	\$311,600	\$122,800	\$100,000	\$58,600

Source: Elliott D. Pollack & Co.; IMPLAN; AZ Dept. of Revenue; AZ Tax Research Association



VII. Conclusions and Recommendations

In conclusion, the Town of Oro Valley has opportunities to provide the types of residential development that ensures support of current and future residents specifically necessary first responders, teachers, and trade professionals. The need for affordable housing is very apparent as average home prices and rents are too high for most working families.

It is recommended that this report and associated options be further discussed with the community through the upcoming General Plan process to develop the Town's goals, policies, and vision for future housing in Oro Valley.

The Town of Oro Valley has opportunities to provide the types of residential development that ensures support of current and future residents specifically necessary first responders, teachers, and trade professionals. The need for affordable housing is very apparent as average home prices and rents are too high for most working families. Options to address this gap include:

- Allow higher-density rental products, such as single-family rentals, townhomes, duplexes or 2-3 story apartments in strategic areas along major roadways or near service areas to provide a variety of housing types and increase density to support retail. This may include land currently zoned for commercial development.
- Conduct a retail gap analysis to determine future commercial development potential. If warranted from that analysis, consider approving additional residential development on commercial parcels to create more demand for retail, create a well-balanced community, and maximize both commercial opportunities and town revenue.
- Allow secondary dwelling units on existing lots.
- Allow manufactured homes or similar affordable housing types in more areas. Although prices increased, manufactured homes are the most affordable ownership option in Oro Valley yet limited to one area.
- Seek grant funding opportunities to support housing and supporting infrastructure (such as transportation) options.
- Support carefully targeted subsidized housing programs targeting workforce level wage households (40%-100% AMI) for multi-family housing to support police, fire, teachers, nurses, and other critical service providers in Oro Valley that are currently overburdened by housing costs.



Glossary

Active subdivision – A subdivision that has pulled at least one permit or had at least one closing in the past 12 months.

Affordable Housing - Determined by using the standard that no more than 30% of a household's income is devoted to housing costs.

Attainable Housing – Associated with the housing demand from critical service providers or essential personnel such as police, firefighters, nurses, teachers, and others.

Cost-burdened - The number of cost-burdened owners and renter households that are paying more than 30% of their income on housing.

Housing Affordability Gap - The shortage of units that are needed to provide affordable housing for all segments of the population.

Family –A group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together.

Multi-family - A building, or portion thereof, designed for occupancy by three (3) or more families.

Overcrowding – Defined by HUD as more than one person per room living in a housing unit. Overcrowding is a symptom of the lack of affordable housing when persons are forced to acquire housing that is smaller than their needs or where people must double-up in housing to make ends meet.



Appendix A: Additional Population and Household Data

Homeownership			
	Oro Valley	Pima County	Arizona
2000	84.2%	64.3%	68.0%
2010	77.4%	64.1%	66.0%
2020	76.5%	63.6%	65.3%

Source: Decennial Census

Tenure by Household Size						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	20,791		427,021		2,705,878	
Owner occupied:	15,898	76.5%	271,770	63.6%	1,767,285	65.3%
1-person household	3,434	21.6%	68,199	25.1%	395,639	22.4%
2-person household	7,993	50.3%	109,334	40.2%	685,501	38.8%
3-person household	1,788	11.2%	37,265	13.7%	249,834	14.1%
4-person household	1,653	10.4%	31,052	11.4%	220,156	12.5%
5-person household	637	4.0%	15,183	5.6%	117,036	6.6%
6-person household	267	1.7%	6,661	2.5%	57,332	3.2%
7-or-more-person household	126	0.8%	4,076	1.5%	41,787	2.4%
Renter occupied:	4,893	23.5%	155,251	36.4%	938,593	34.7%
1-person household	2,060	42.1%	64,821	41.8%	323,916	34.5%
2-person household	1,591	32.5%	42,620	27.5%	260,801	27.8%
3-person household	520	10.6%	20,245	13.0%	136,105	14.5%
4-person household	413	8.4%	14,601	9.4%	105,343	11.2%
5-person household	180	3.7%	7,490	4.8%	59,786	6.4%
6-person household	78	1.6%	3,269	2.1%	29,891	3.2%
7-or-more-person household	51	1.0%	2,205	1.4%	22,751	2.4%

Source: 2020 Decennial Census



Tenure by Age of Householder						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	20,791		427,021		2,705,878	
Owner occupied:	15,898	76.5%	271,770	63.6%	1,767,285	65.3%
Householder 15 to 24 years	72	0.5%	2,801	1.0%	19,432	1.1%
Householder 25 to 34 years	600	3.8%	22,151	8.3%	155,893	8.8%
Householder 35 to 44 years	1,494	9.5%	35,447	13.2%	254,111	14.4%
Householder 45 to 54 years	2,072	13.2%	40,675	15.2%	299,631	17.0%
Householder 55 to 59 years	1,448	9.2%	26,821	10.0%	182,250	10.3%
Householder 60 to 64 years	1,847	11.7%	31,625	11.8%	197,088	11.2%
Householder 65 to 74 years	4,621	29.4%	65,320	24.4%	386,166	21.9%
Householder 75 to 84 years	2,858	18.2%	36,013	13.4%	212,948	12.1%
Householder 85 years and over	886	5.6%	10,917	4.1%	59,766	3.4%
Renter occupied:	4,893	23.5%	155,251	36.4%	938,593	34.7%
Householder 15 to 24 years	291	5.8%	17,472	11.7%	94,245	10.3%
Householder 25 to 34 years	907	18.1%	37,048	24.8%	232,988	25.4%
Householder 35 to 44 years	733	14.6%	26,485	17.7%	180,566	19.7%
Householder 45 to 54 years	732	14.6%	21,831	14.6%	147,423	16.1%
Householder 55 to 59 years	386	7.7%	11,408	7.6%	68,466	7.5%
Householder 60 to 64 years	346	6.9%	11,044	7.4%	61,251	6.7%
Householder 65 to 74 years	641	12.8%	17,379	11.6%	88,882	9.7%
Householder 75 to 84 years	478	9.5%	8,312	5.6%	43,477	4.7%
Householder 85 years and over	379	7.6%	4,272	2.9%	21,295	2.3%

Source: 2020 Decennial Census

Tenure by Presence of People Under 18 Years						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	20,791		427,021		2,705,878	
Owner occupied:	15,898	76.5%	271,770	63.6%	1,767,285	65.3%
With children under 18 years	3,184	20.0%	67,707	24.9%	499,186	28.2%
No children under 18 years	12,714	80.0%	204,063	75.1%	1,268,099	71.8%
Renter occupied:	4,893	23.5%	155,251	36.4%	938,593	34.7%
With children under 18 years	1,209	24.7%	40,989	26.4%	301,861	32.2%
No children under 18 years	3,684	75.3%	114,262	73.6%	636,732	67.8%

Source: 2020 Decennial Census



Population by Race						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	47,070		1,043,433		7,151,502	
White alone	37,448	79.6%	633,382	60.7%	4,322,337	60.4%
Black or African American alone	776	1.6%	39,954	3.8%	339,150	4.7%
American Indian and Alaska Native alone	228	0.5%	34,593	3.3%	319,512	4.5%
Asian alone	2,043	4.3%	31,367	3.0%	257,430	3.6%
Native Hawaiian and Other Pacific Islander alone	57	0.1%	2,229	0.2%	16,397	0.2%
Some other race alone	1,456	3.1%	127,663	12.2%	899,870	12.6%
Two or more races:	5,062	10.8%	174,245	16.7%	996,806	13.9%

Source: 2020 Decennial Census

Families by Type with Children						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	14,309		260,337		1,771,949	
Married couple family:	12,249	85.6%	182,080	69.9%	1,257,542	71.0%
With own children under 18 years:	2,980	24.3%	57,676	31.7%	445,648	35.4%
<i>Under 6 years only</i>	514	17.2%	11,902	20.6%	86,372	19.4%
<i>Under 6 years and 6 to 17 years</i>	534	17.9%	12,596	21.8%	103,720	23.3%
<i>6 to 17 years only</i>	1,932	64.8%	33,178	57.5%	255,556	57.3%
No own children under 18 years	9,269	75.7%	124,404	68.3%	811,894	64.6%
Other family:	2,060	14.4%	78,257	30.1%	514,407	29.0%
Male householder, no spouse present:	631	30.6%	25,199	32.2%	171,254	33.3%
With own children under 18 years:	302	47.9%	11,552	45.8%	81,575	47.6%
<i>Under 6 years only</i>	33	10.9%	2,485	21.5%	17,873	21.9%
<i>Under 6 years and 6 to 17 years</i>	32	10.6%	2,007	17.4%	14,790	18.1%
<i>6 to 17 years only</i>	237	78.5%	7,060	61.1%	48,912	60.0%
No own children under 18 years	329	52.1%	13,647	54.2%	89,679	52.4%
Female householder, no spouse present:	1,429	69.4%	53,058	67.8%	343,153	66.7%
With own children under 18 years:	652	45.6%	24,776	46.7%	166,088	48.4%
<i>Under 6 years only</i>	87	13.3%	4,085	16.5%	26,988	16.2%
<i>Under 6 years and 6 to 17 years</i>	63	9.7%	4,531	18.3%	32,723	19.7%
<i>6 to 17 years only</i>	502	77.0%	16,160	65.2%	106,377	64.0%
No own children under 18 years	777	54.4%	28,282	53.3%	177,065	51.6%

Source: 2020 Decennial Census



Tenure by Household Type						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	20,791		427,021		2,705,878	
Renter occupied:	4,893	23.5%	155,251	36.4%	938,593	34.7%
Family households:	2,418	49.4%	71,459	46.0%	496,754	52.9%
Married couple:	1,540	63.7%	34,736	48.6%	252,425	50.8%
Householder 15 to 34 years	329	21.4%	10,723	30.9%	76,378	30.3%
Householder 35 to 64 years	774	50.3%	18,314	52.7%	142,120	56.3%
Householder 65 years and over	437	28.4%	5,699	16.4%	33,927	13.4%
Other family:	878	36.3%	36,723	51.4%	244,329	49.2%
Male householder, no spouse present:	249	28.4%	11,118	30.3%	76,603	31.4%
Householder 15 to 34 years	66	26.5%	4,113	37.0%	28,811	37.6%
Householder 35 to 64 years	158	63.5%	5,913	53.2%	41,764	54.5%
Householder 65 years and over	25	10.0%	1,092	9.8%	6,028	7.9%
Female householder, no spouse present:	629	71.6%	25,605	69.7%	167,726	68.6%
Householder 15 to 34 years	145	23.1%	8,151	31.8%	54,496	32.5%
Householder 35 to 64 years	412	65.5%	14,831	57.9%	98,465	58.7%
Householder 65 years and over	72	11.4%	2,623	10.2%	14,765	8.8%
Nonfamily households:	2,475	50.6%	83,792	54.0%	441,839	47.1%
Male householder:	1,089	44.0%	44,105	52.6%	231,330	52.4%
Living alone:	873	80.2%	33,959	77.0%	166,605	72.0%
Householder 15 to 34 years	226	25.9%	11,093	32.7%	52,317	31.4%
Householder 35 to 64 years	371	42.5%	15,047	44.3%	79,262	47.6%
Householder 65 years and over	276	31.6%	7,819	23.0%	35,026	21.0%
Not living alone:	216	19.8%	10,146	23.0%	64,725	28.0%
Householder 15 to 34 years	116	53.7%	6,392	63.0%	40,370	62.4%
Householder 35 to 64 years	67	31.0%	2,990	29.5%	19,981	30.9%
Householder 65 years and over	33	15.3%	764	7.5%	4,374	6.8%
Female householder:	1,386	56.0%	39,687	47.4%	210,509	47.6%
Living alone:	1,187	85.6%	30,862	77.8%	157,311	74.7%
Householder 15 to 34 years	202	17.0%	8,118	26.3%	39,614	25.2%
Householder 35 to 64 years	353	29.7%	11,370	36.8%	61,621	39.2%
Householder 65 years and over	632	53.2%	11,374	36.9%	56,076	35.6%
Not living alone:	199	14.4%	8,825	22.2%	53,198	25.3%
Householder 15 to 34 years	114	57.3%	5,930	67.2%	35,247	66.3%
Householder 35 to 64 years	62	31.2%	2,303	26.1%	14,493	27.2%
Householder 65 years and over	23	11.6%	592	6.7%	3,458	6.5%

Source: 2020 Decennial Census



Non-Family Household by Sex & Age						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	6,482		166,684		933,929	
Male householder:	2,486	38.4%	80,875	48.5%	455,952	48.8%
Living alone:	2,002	80.5%	62,868	77.7%	338,098	74.2%
<i>Householder 15 to 64 years</i>	1,035	51.7%	41,333	65.7%	225,643	66.7%
<i>Householder 65 years and over</i>	967	48.3%	21,535	34.3%	112,455	33.3%
Not living alone:	484	19.5%	18,007	22.3%	117,854	25.8%
<i>Householder 15 to 64 years</i>	318	65.7%	14,830	82.4%	98,694	83.7%
<i>Householder 65 years and over</i>	166	34.3%	3,177	17.6%	19,160	16.3%
Female householder:	3,996	61.6%	85,809	51.5%	477,977	51.2%
Living alone:	3,492	87.4%	70,152	81.8%	381,457	79.8%
<i>Householder 15 to 64 years</i>	1,119	32.0%	33,291	47.5%	185,717	48.7%
<i>Householder 65 years and over</i>	2,373	68.0%	36,861	52.5%	195,740	51.3%
Not living alone:	504	12.6%	15,657	18.2%	96,520	20.2%
<i>Householder 15 to 64 years</i>	337	66.9%	12,556	80.2%	78,596	81.4%
<i>Householder 65 years and over</i>	167	33.1%	3,101	19.8%	17,924	18.6%

Source: 2020 Decennial Census

Household Type by Relationship (Over 65 Years)						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	16,593		228,063		1,339,172	
In households:	16,165	97.4%	221,884	97.3%	1,307,811	97.7%
Householder:	9,894	61.2%	142,290	64.1%	812,845	62.2%
Living alone:	3,368	34.0%	58,473	41.1%	308,249	37.9%
<i>Male</i>	987	29.3%	21,595	36.9%	112,518	36.5%
<i>Female</i>	2,381	70.7%	36,878	63.1%	195,731	63.5%
Not living alone:	6,526	66.0%	83,817	58.9%	504,596	62.1%
<i>Male</i>	4,412	67.6%	52,927	63.1%	321,261	63.7%
<i>Female</i>	2,114	32.4%	30,890	36.9%	183,335	36.3%
Spouse or partner	5,646	34.9%	62,313	28.1%	376,084	28.8%
Parent or parent-in-law	401	2.5%	10,359	4.7%	73,942	5.7%
Other relatives	57	0.4%	1,496	0.7%	10,568	0.8%
Other nonrelatives	79	0.5%	3,166	1.4%	20,362	1.6%
In group quarters:	428	2.6%	6,179	2.7%	31,361	2.3%
Institutionalized population	425	99.3%	4,599	74.4%	20,204	64.4%
Noninstitutionalized population	3	0.7%	1,580	25.6%	11,157	35.6%



Group Quarters Population						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	463		27,500		160,269	
Institutionalized population:	453	97.8%	14,257	51.8%	89,904	56.1%
Correctional facilities for adults	0	0.0%	8,945	62.7%	64,154	71.4%
Juvenile facilities	17	3.8%	274	1.9%	2,331	2.6%
Nursing facilities/Skilled-nursing facilities	407	89.8%	4,890	34.3%	21,938	24.4%
Other institutional facilities	29	6.4%	148	1.0%	1,481	1.6%
Noninstitutionalized population:	10	2.2%	13,243	48.2%	70,365	43.9%
College/University student housing	0	0.0%	9,062	68.4%	38,945	55.3%
Military quarters	0	0.0%	716	5.4%	4,284	6.1%
Other noninstitutional facilities	10	100.0%	3,465	26.2%	27,136	38.6%

Source: 2020 Decennial Census

Household Type						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	20,791		427,021		2,705,878	
Family households:	14,309	68.8%	260,337	61.0%	1,771,949	65.5%
Married couple family	12,249	85.6%	182,080	69.9%	1,257,542	71.0%
Other family:	2,060	14.4%	78,257	30.1%	514,407	29.0%
<i>Male householder, no spouse present</i>	631	30.6%	25,199	32.2%	171,254	33.3%
<i>Female householder, no spouse present</i>	1,429	69.4%	53,058	67.8%	343,153	66.7%
Nonfamily households:	6,482	31.2%	166,684	39.0%	933,929	34.5%
Householder living alone	5,494	84.8%	133,020	79.8%	719,555	77.0%
Householder not living alone	988	15.2%	33,664	20.2%	214,374	23.0%

Source: 2020 Decennial Census

Multigenerations Households						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Total:	20,791		427,021		2,705,878	
Household has three or more generations	419	2.0%	18,789	4.4%	140,127	5.2%
Household does not have three or more generations	20,372	98.0%	408,232	95.6%	2,565,751	94.8%

Source: 2020 Decennial Census



Appendix B: Additional Economic Statistics

Given its size and location, Oro Valley has a relatively robust economy that is built on health care, consumer services, retail, and high-tech manufacturing. The strengths and weaknesses of a local economy can be illustrated by a very simple metric known as the “Location Quotient” or LQ. LQ compares the percentage of jobs in each industry in a community to a larger economy, such as the state. An LQ over 1.0 indicates that a particular industry has a greater presence in the local economy compared to the state – hence a strength of the local area. An LQ less than 1.0 shows the potential weaknesses of an economy.

]

Location Quotient									
Industry Cluster	Oro Valley		Pima County		Arizona		Location Quotient		
	Employees	%	Employees	%	Employees	%	Oro Valley	Pima County	
Business Services	620	5.0%	31,040	8.8%	294,830	11.1%	0.45	0.79	
Construction	240	1.9%	19,920	5.6%	178,360	6.7%	0.29	0.84	
Consumer Goods Manufacturing	0	0.0%	2,220	0.6%	32,900	1.2%	-	0.51	
Consumer Services	1,680	13.5%	34,840	9.8%	291,190	10.9%	1.23	0.90	
Education	890	7.1%	39,960	11.3%	223,110	8.4%	0.85	1.35	
Finance, Insurance, & Real Estate (FIRE)	810	6.5%	15,450	4.4%	193,960	7.3%	0.89	0.60	
Govt, Social, & Advocacy Services	900	7.2%	48,720	13.7%	272,120	10.2%	0.71	1.34	
Health Care	2,190	17.6%	52,380	14.8%	326,370	12.3%	1.43	1.21	
High Tech Manufacturing	1,950	15.7%	22,140	6.2%	107,010	4.0%	3.90	1.55	
Hospitality, Tourism & Recreation	590	4.7%	12,780	3.6%	112,300	4.2%	1.12	0.85	
Media, Publishing & Entertainment	100	0.8%	2,950	0.8%	22,090	0.8%	0.97	1.00	
Metal Inputs/Transportation-Related Mfg	0	0.0%	2,830	0.8%	28,590	1.1%	-	0.74	
Non-Metallic Manufacturing	20	0.2%	2,170	0.6%	27,990	1.1%	0.15	0.58	
Resource-Dependent Activities	30	0.2%	4,950	1.4%	45,430	1.7%	0.14	0.82	
Retail	2,330	18.7%	41,410	11.7%	313,450	11.8%	1.59	0.99	
Telecommunications	20	0.2%	1,930	0.5%	27,260	1.0%	0.16	0.53	
Transportation & Distribution	80	0.6%	18,680	5.3%	164,350	6.2%	0.10	0.85	

Note: Included businesses with 5 or more employees

Source: MAG



Oro Valley - Major Employers		
Employer	Employees	Industry Cluster
Ventana Medical Systems	1,840	High Tech Manufacturing & Development
Oro Valley Hospital LLC	660	Health Care
Walmart	450	Retail
Amphitheater Unified School District	390	Education
Town of Oro Valley	250	Government, Social, & Advocacy Services
Frys Food Stores	240	Retail
Home Depot	180	Retail
Securaplane Technologies Inc	180	Business Services
Target	180	Retail
Casa De La Luz Foundation	170	Health Care
El Conquistador Golf and Tennis Resort	130	Hospitality, Tourism, & Recreation
Kohls Department Stores	110	Retail
Best Buy	100	Retail

Source: MAG, 2017 - 2021 Arizona COG/MPO Employer Database, employers with 5 or more employees.

Labor Force Participation						
	Oro Valley		Pima County		Arizona	
	Estimate	%	Estimate	%	Estimate	%
Population 16 years and over	39,259		843,701		5,650,624	
In labor force	19,024	48.5%	495,538	58.7%	3,424,193	60.6%
Employed	18,263	96.0%	457,733	92.4%	3,210,791	93.8%
Unemployed	677	3.6%	30,620	6.2%	191,115	5.6%
Armed Forces	84	0.2%	7,185	0.9%	22,287	0.4%
Not in labor force	20,235	51.5%	348,163	41.3%	2,226,431	39.4%
Labor Force Participation	48.5%		58.7%		60.6%	

Source: ACS 2021 5-year estimate



