

# AFFORDABLE HOUSING

DENSITY IN DEVELOPMENT

&

NEW PROGRAMS



# Today's Topics

## 1. Density and Development

- Existing Allowances for Affordable Housing
- Development
  - Types
  - Sites

## 2. Programs

- Deed Restrictions
- STR -> LTR Incentives

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# Allowances for Affordable Housing

Affordable units don't count toward density and small units count as partial units in multi-family zones

DIGAH incentives codified into the LDC?

ADU program – restricted to workforce or long-term rental?

Duplexes in RS zones?

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- Duplex
- Four-plex and Multi-plex
- Courtyard Building
- Cottage Court (tiny homes)
- Townhouse
- Live/Work



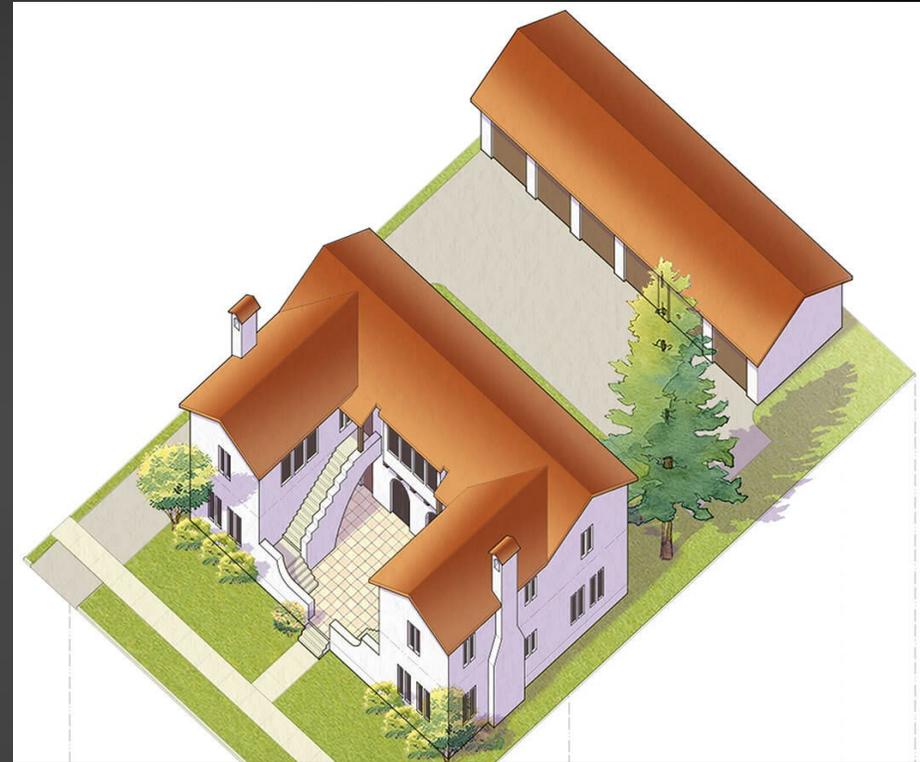
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- Limited Emergency Housing Vouchers



**Cultural Park**  
40.79 ac  
Zoned: PD  
Owner: Stewart Title

**3975 Navoti Dr**  
3.41 ac  
Zoned: PD  
Owner: Sedona United  
Medical Investors

**60 Bristlecone Pines**  
26.82 ac  
Zoned: PD  
Owner: Northern AZ  
Healthcare Corp

**3400 W SR 89A**  
9.92 ac  
Zoned: CO/CF  
Owner: State of AZ





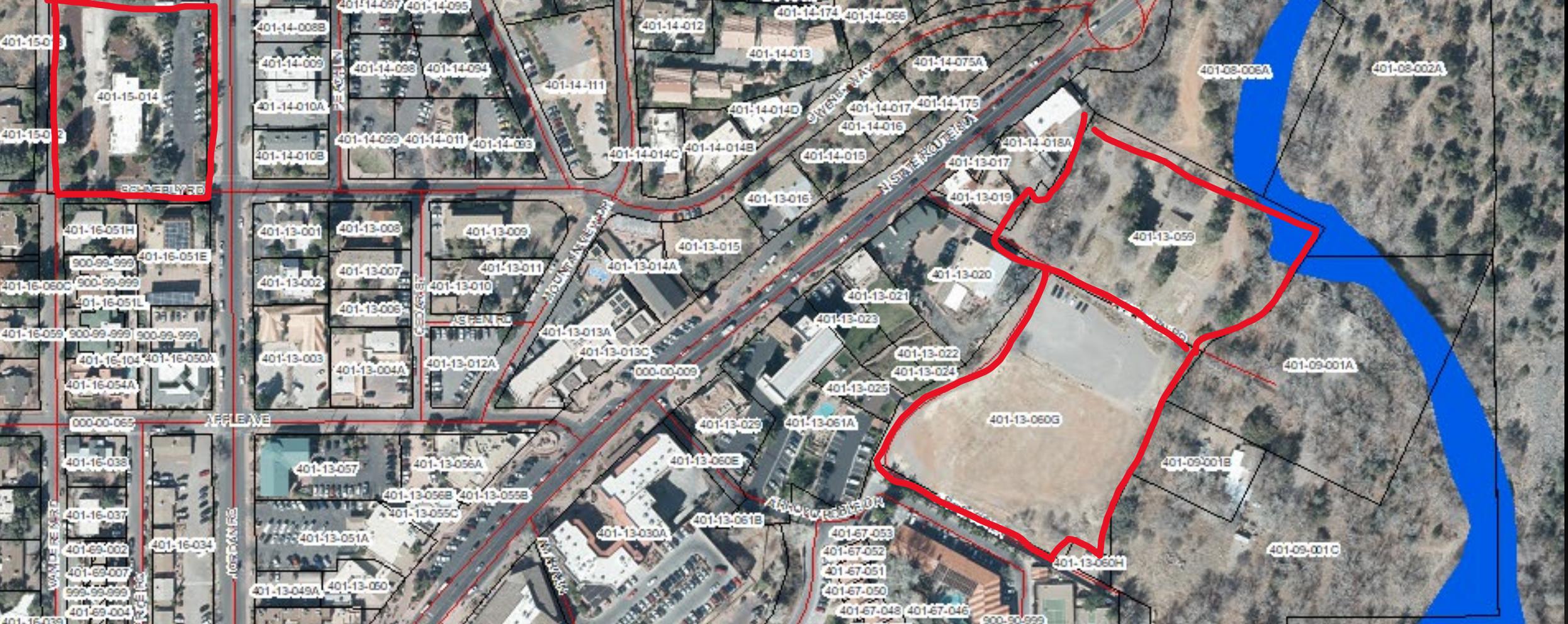


**2250 Shelby Dr**  
1.3 acres  
Zoned: Industrial  
Owner: resident

**2145, and 2165 Shelby**  
1.5 acres  
Zoned: Industrial  
Owner: Luxor Listings

**2035 Shelby**  
2 acres  
Zoned: RM3  
Owner: resident of Australia

**680 Sunset**  
4.15 acres  
Zoned: RS-35  
Owner: AZ Conf 7<sup>th</sup> Day Adventists



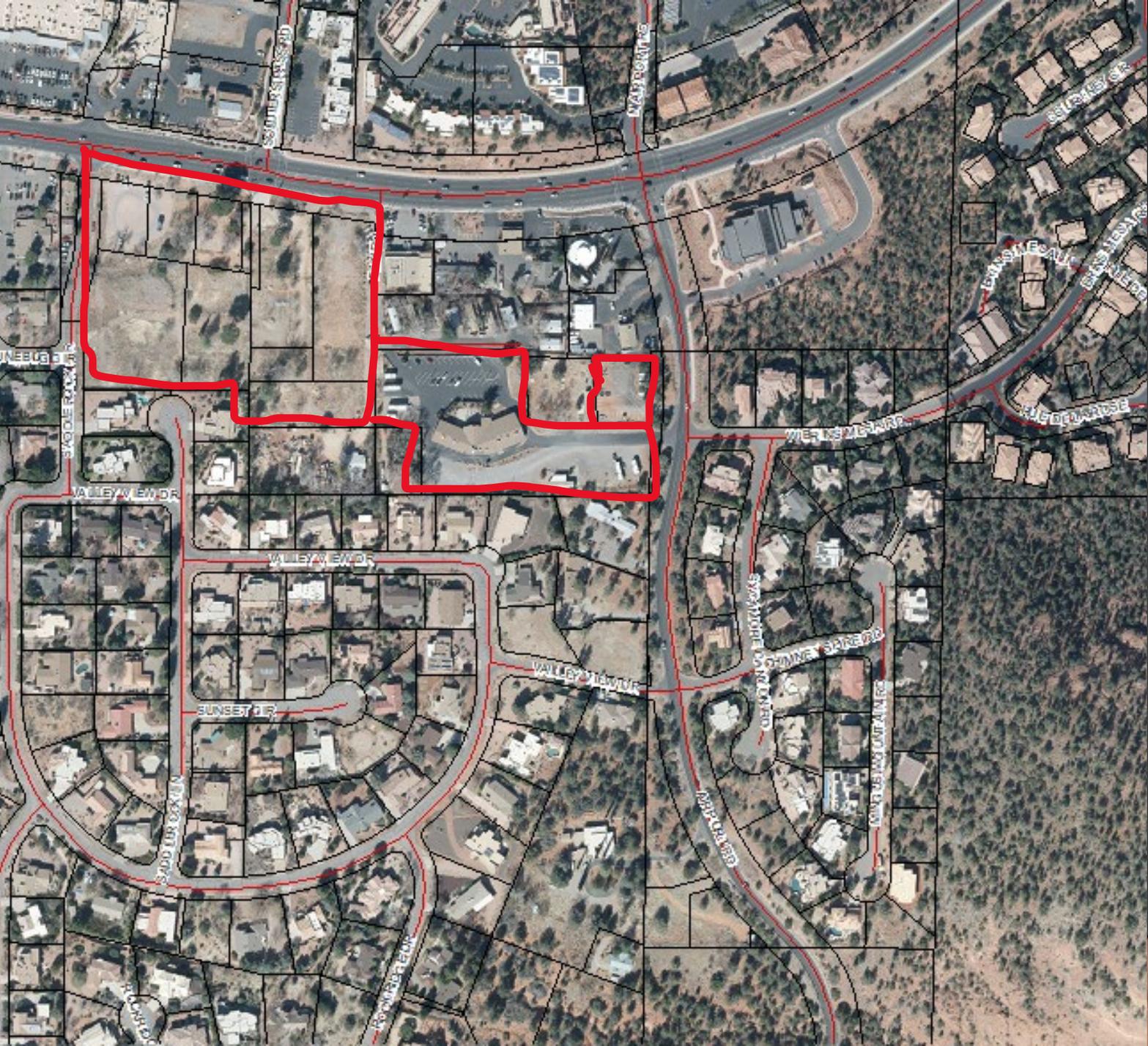
401 Jordan Rd  
 1.63 acres  
 Zoned: CO  
 Owner: City of Sedona

40 Art Barn Rd  
 2.33 acres  
 Zoned: PD  
 Owner: Axys Capital

45 Art Barn Rd  
 2.96 acres  
 Zoned: L  
 Owner: Kohan Sedona LLC

700 W SR 89A  
7.3 acres  
Zoned: CO  
Owner: Garrett LP





1259 W SR 89A  
~6.2 acres  
Zoned: CO/ RM2  
Owner: Baney Corp

105 Airport Rd  
.39 acres  
Zoned:RS-10  
Owner: Airport 89A LLC

70 Elk Rd/ 110 Airport Rd  
2.97 acres  
Zoned:RS-10  
Owner: BPOE of Sedona



180 St John Vianney Ln  
15 acres  
Zoned: RS-10  
Owner: Roman Catholic Diocese Phx

555 Soldiers Pass Rd  
9.97 acres  
Zoned: RS-18 / RS-10  
Owner: City of Sedona

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# DEED RESTRICTION PROGRAM

- Applicant agrees to a deed restriction placed on his/her **qualified property** in exchange for a sum of money to offset, but not necessarily equal, an anticipated drop in value
- Deed restriction requires that the home can only be sold or rented to a **qualified household**

# DEED RESTRICTION PROGRAM

## USERS OF THE PROGRAM

**Existing Homeowners** – These funds have often been used in other communities to remodel or make repairs to the home as a form of equity.

**Future Homeowners** – The Town of Vail specifically has seen success in using this program as a form of down payment assistance.

**Property Investors** – Because the deed restrictions allow long-term rentals, property investors could use this additional funding to make property investments pencil.

**Local Employers** – This program could help local employers buy employee housing. There is a growing trend of small businesses buying property and then renting to employees.

**Retirees- Seniors** could benefit from this program in a variety of ways. They could use the funding to make home improvements, protect their home and the community, or deed restrict the property and downsize.

# MODEL DEED RESTRICTION PROGRAM

## Vail's InDEED Program

Population	5396
Median Home Value	\$1.8 million
Average annual investment	\$2.26 million
Average restrictions per year	33
Average cost per restriction	\$67,635
5 year total restrictions	167 units/ 261 bedrooms
Funded to date	\$11,295,111

# DEED RESTRICTION PROGRAM

## PRIMARY DECISION POINTS

### Qualified Property

- In Sedona City Limit
- On a Permanent Foundation
- No Code Violations
- Valued under \$600,000
- Others?

### Qualified Household

- Employed 32+ hours in Sedona
- Over 65 & lived/worked in Sedona
- Owner-occupant or long-term lessee
- Others?

# DEED RESTRICTION PROGRAM

## OTHER DECISION POINTS

- Income or net worth limits for occupants
- Purchase price of the deed restriction
- Sale price/ appreciation cap upon resale
- Length of the deed restriction
- Others?

# DEED RESTRICTION PROGRAM

## PRELIMINARY STEPS

How does this  
affect  
value/appraisal?

Create a planning team with local  
lender, title company, appraiser,  
Realtor, Housing Manager

Procedural/  
Legal ?

- Adopt Resolutions, Findings
- Economic Impact Study?

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**STR → LTR**  
**INCENTIVES**

Applicant provides a long-term lease to a qualified resident or local employer in exchange for a lump sum incentive to offset, but not equal, decreased income compared to STR

# STR → LTR INCENTIVES

## PRIMARY DECISION POINTS

### Qualified Property

- Located in Sedona City limits
- Eligible units must be a minimum of 300 square feet
- Eligible dwelling units shall include a full kitchen and full bath
- Unit must have a private entrance
- Existing short-term rental units must be in good standing

### Qualified Household

- Employed 32+ hours in Sedona?
- Over 65 & lived/worked in Sedona?
- Income under 200% of AMI?
- Owner-occupant or long-term lessee?
- Others?

**THANK YOU!**





*Building strength, stability and self reliance through shelter*

## **HABITAT'S MODEL**

Verde Valley Habitat for Humanity is a locally run affiliate of Habitat for Humanity International, a nonprofit inter-denominational Christian housing organization. Verde Valley Habitat for Humanity (VVHFH) works in partnership with God and low income, working families in our community. Our partner families are required to make a minimal down payment, contribute 300- 450 hours of "sweat equity," and pay for their home through a low interest mortgage. They come from all walks of life and through VVHFH, they will become homeowners.

Habitat works hard on constructing homes that integrate into the community, through both the home and the process in which they are constructed. We provide an opportunity for a diversity of homeowners across a community, with the community physically helping to build the home.

## **HABITAT IN SEDONA**

While Verde Valley Habitat for Humanity services the entire Verde Valley, we have been able to work alongside the Sedona community over the years. We have created housing for four families in the city, closing on a home as recently as last month. We have worked with another eight homeowners through our Critical Home Repair Program over the past 5 years, helping to keep them in their homes.

All of our homeowners in Sedona work in Sedona. While we are working on completing our next home in Rimrock, we recognize all our potential homeowners and the jobs they hold in Sedona, and the importance of them living near their work.

Land in Sedona is the problem for everyone, including VVHFH. While Habitat does not have a solution for that, we complete construction through a discounted process. We receive donations of labor and materials, and utilize volunteers to reduce our costs.

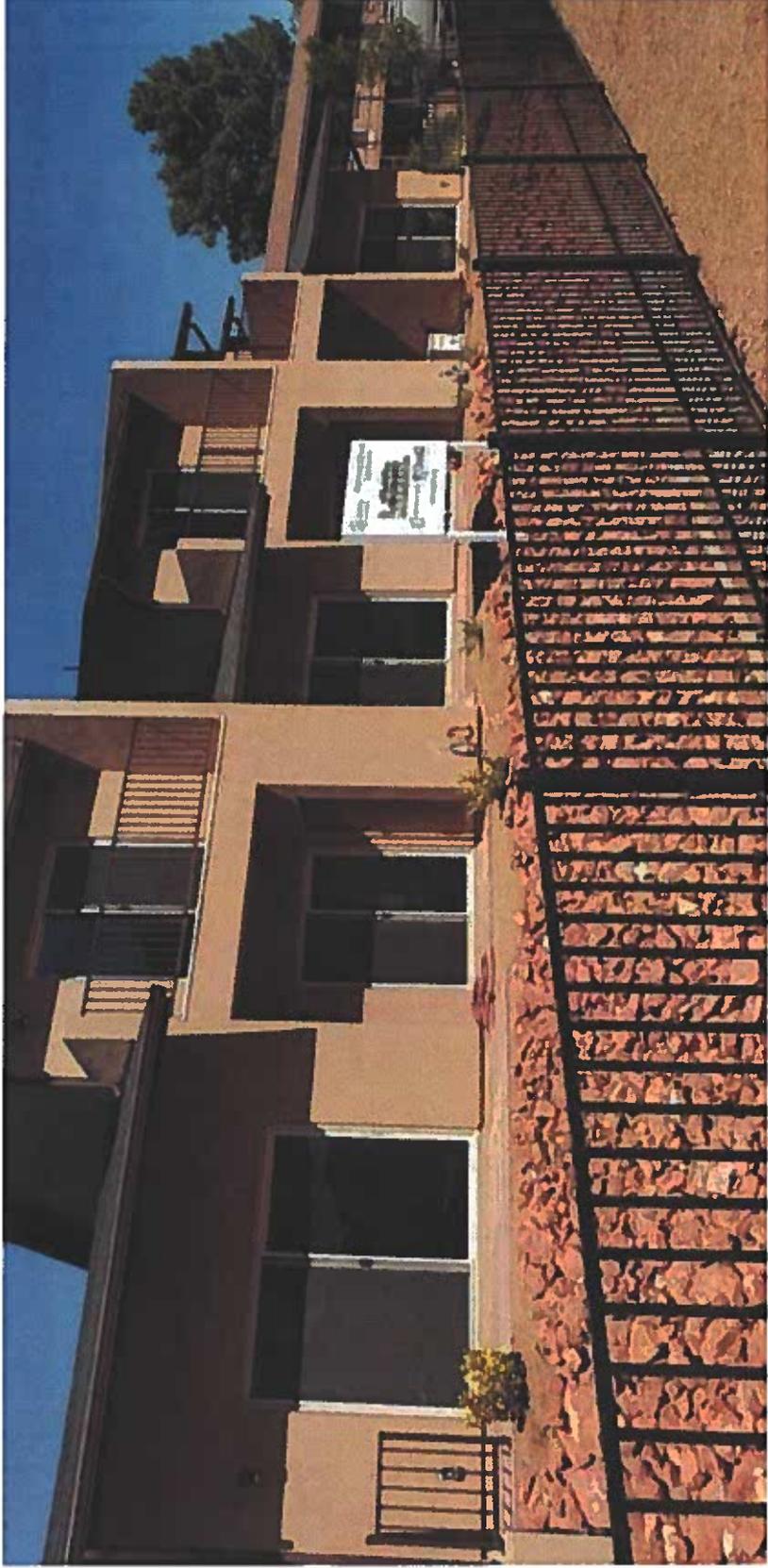
## **CONTACT US**

Please feel free to reach out to myself or our Executive Director, Tania Simms with any questions or comments.

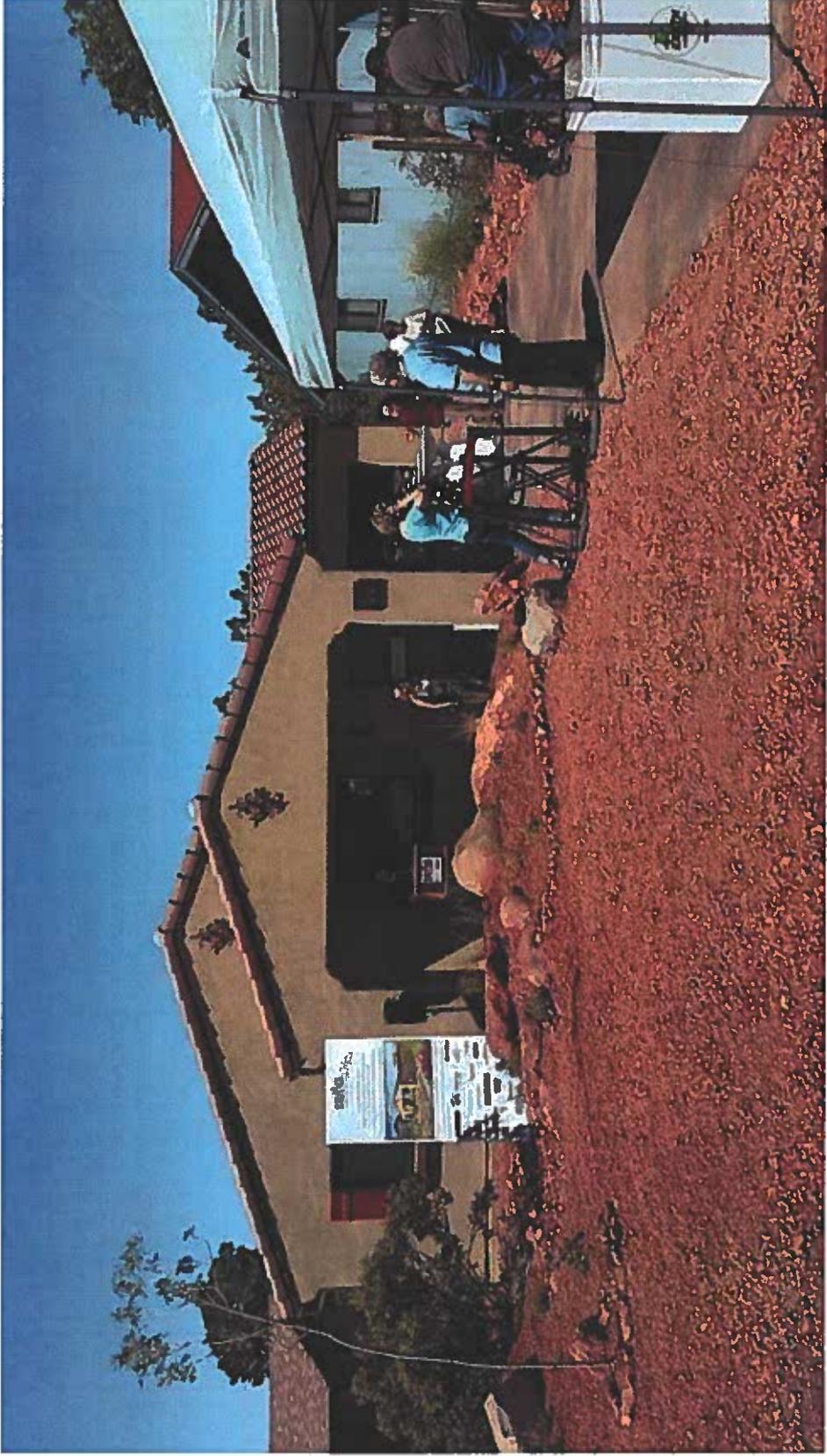
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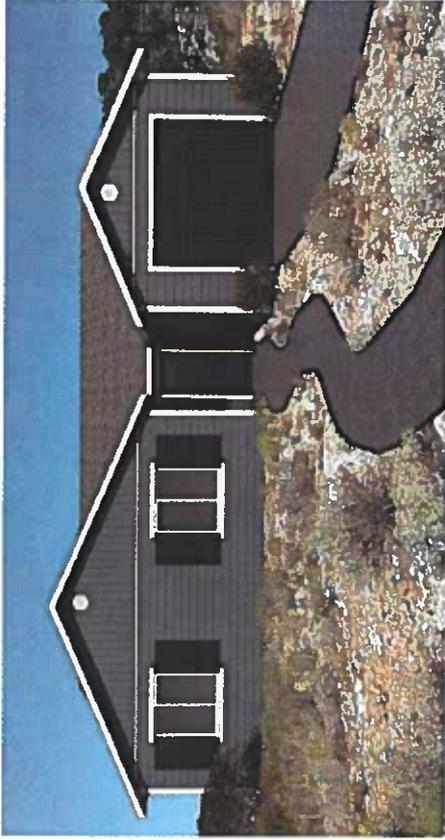
Feb 9, 2022



**460 Peach Lane is a triplex in Uptown Sedona. We just closed on the final unit in January and celebrated the dedication.**



55 Grounds Drive was a single-family Habitat home we completed in 2016.



Front Elevation Rendering



Vicinity Map

DRAFTING & EXPERTISING  
 EME PARTNERS  
 M.E. MARTIN  
 PHILIP HISS

Rendering & Vicinity Map

Revisions



HABITAT FOR HUMANITY

4900 E Stevens Way Rimrock, AZ 86335

A.1

We currently have a permit for our next home in Rimrock and are working on processing a homeowner for it.

Feb. 9, 22