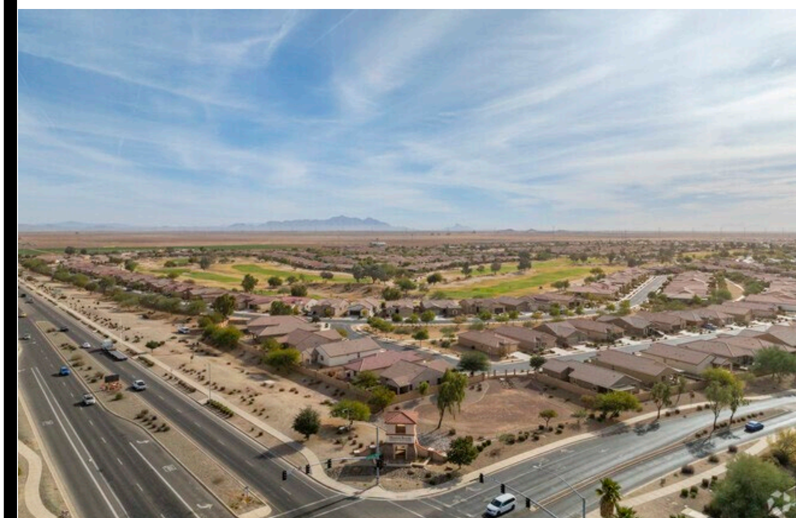
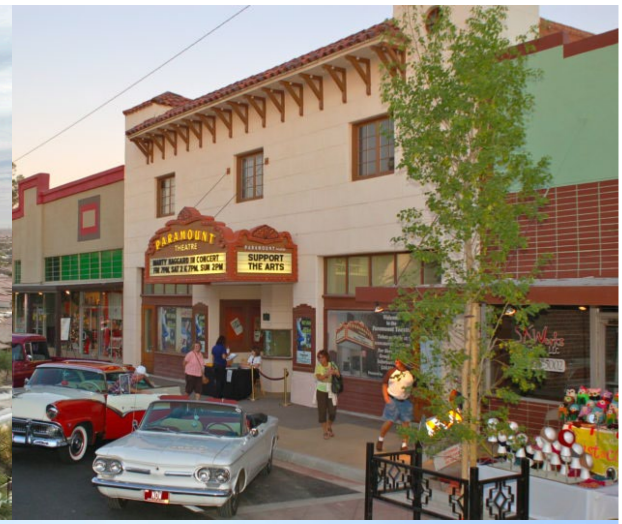
Affordable Housing Plan

City of Casa Grande, Arizona





Prepared for:
City of Casa Grande
September 2025

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Executive Summary

The City of Casa Grande commissioned the preparation of a comprehensive Affordable Housing Plan to address a shortage of affordable housing in the community. As part of the Plan, a Housing Needs Assessment is included in this report to determine the current status of the local housing market and how the city's housing market is responding to the needs of current and future residents. The Housing Assessment identifies the affordability gap for the community - the shortage of units that are needed to provide affordable housing for all segments of the population. Recommendations and strategies to address the housing gap are outlined in Section 8.0 of this report.

A. Casa Grande Population & Forecast

According to the Arizona Office of Economic Opportunity (OEO), Casa Grande had a population of 65,883 people as of July 2024. Casa Grande was the largest city in Pinal County until 2018 when the city of Maricopa overtook it and has since continued to grow at a faster rate.

The population forecast for Casa Grande suggests the city will grow to more than 76,000 people between 2024 and 2030 and to more than 90,000 people by 2040. This population forecast translates into a significant demand for housing over 16 years totaling 9,823 units or an average of 614 units per year. In the last few years, permitting has exceeded these levels, but the market is expected to moderate in the future.

Casa Grande Housing Demand
2025 - 2040

	2024	2025	2030	2035	2040	Total
Population Forecast	65,883	68,048	76,606	82,070	90,834	
Population Change		2,165	8,558	5,464	8,764	24,951
Housing Unit Demand		**852**	**3,369**	**2,151**	**3,450**	**9,823**
Units Per Year Average		852	674	430	690	655

Sources: AZ OEO, ACS 5-Year Estimates

B. Casa Grande Economy

Given its size, Casa Grande has a robust economy that is built on the industries of Metal Inputs & Transportation-Related Manufacturing, Consumer Goods Manufacturing, and Healthcare. The city's unemployment rate stood at 4.4% as of March 2025, slightly above the state-wide average of 4.0%. This level of unemployment is an indicator of full employment. Casa Grande is expected to continue to be the economic center of Pinal County for the foreseeable future although other cities will see employment growth over the long term.

C. Housing Market Dynamics

Residential building permit activity has been extremely strong since 2019 reaching a peak of 1,536 units in 2021 fueled by the COVID pandemic induced interest rate decline. Single family permit activity has cooled over the last three years due to the sharp rise in mortgage interest rates and new home price appreciation, finishing 2024 at 481 permits. However, multifamily and build-to-rent products have taken up the slack with 2,102 permitted units since 2022.

Apartment Inventory

The city's inventory of traditional market-rate garden apartment complexes of 2,568 units is largely comprised of medium sized (100 to 300 units) complexes. Another 925 units are classified as Built-To-Rent (BTR) complexes which have been built in the last few years bringing the total market-rate inventory to 3,493 units with a 19.0% vacancy rate. The normal stabilized rate for an apartment market is considered to be 7%.

In addition to the market-rate apartment inventory, there are seven affordable complexes totaling 832 units including 416 units that were completed in 2024. Four new LIHTC complexes were approved in 2024 and 2025 totaling 756 units with completion expected in 2025 through 2027. By 2027, the total inventory of affordable units will be 1,588.

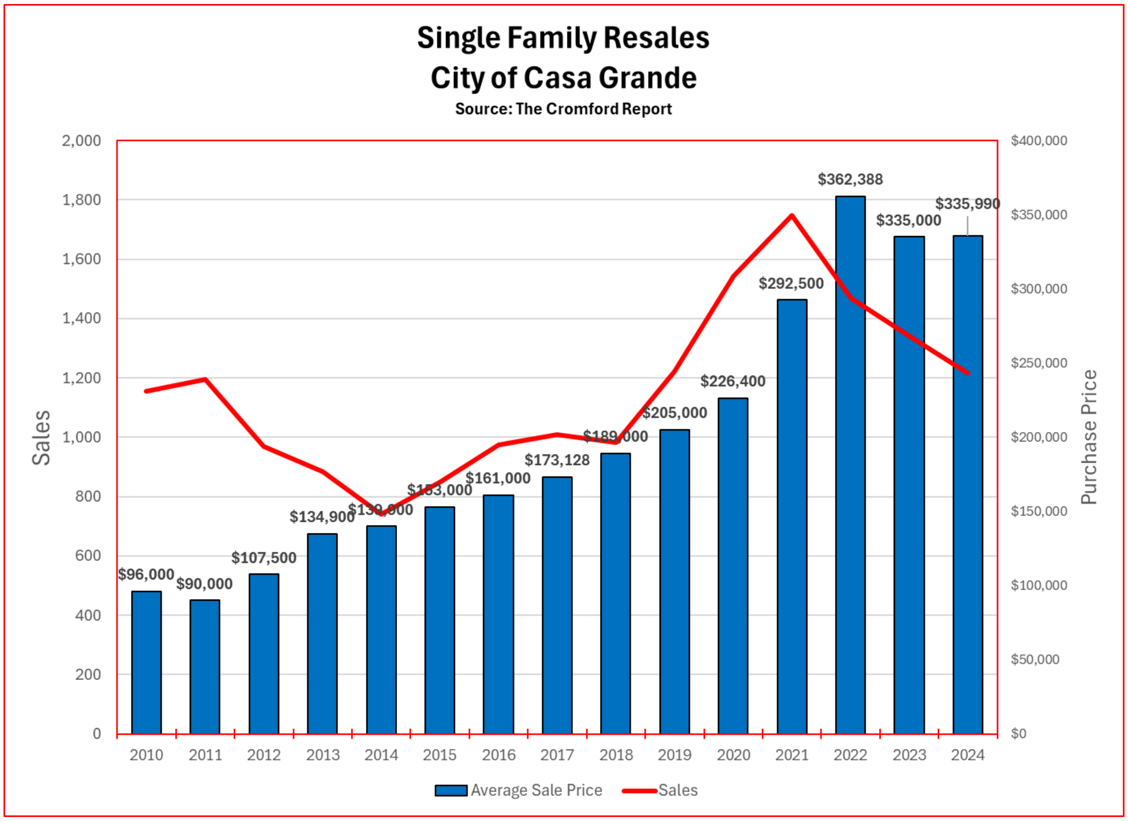
Average rents for apartments in Casa Grande grew to a peak of $1,455 by the third quarter of 2022 but have since moderated by about $100 to $1,350 in the first quarter of 2025 due to the influx of new complexes, rising vacancy rates, and rising concessions.

In total, the apartment market in Casa Grande consists of 4,325 existing units (including BTR) with another 1,474 units under construction and 642 units in the planning stage. The current overall apartment vacancy rate in Casa Grande is 26.5%, largely due to the construction of new complexes in the city.

Absorption of the existing excess vacant inventory plus apartments under construction will take about four years to reach a 93% occupancy level. The Casa Grande market probably is looking at six years to absorb all existing vacant, under construction, and planned apartment units.

Ownership Housing Market

The price of housing in Casa Grande has increased dramatically over the past five years. Single family resale prices have risen by 64% since 2019, an increase of $131,000 from $205,000 to $336,000. The number of sales peaked in 2021 at 1,749 but have since fallen to 1,217 in 2024, a 30.4% decline.



New home sale prices also increased since 2019, rising by almost $150,000 by 2022. Prices declined over the past two years from $385,000 to about $353,000 in 2024. The number of new home sales is down 37% from 2021 to 682 sales.

Based on the city's median income of approximately $66,513 and with a 10% down payment and a 6.6% loan, the maximum house value the typical Casa Grande household can afford is $238,000. The household income required to afford the median priced new home of $345,000 in Casa Grande at current interest rates is $96,400.

D. 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. The following table outlines the housing cost burden for renters in Casa Grande which totals approximately 2,900 households or 47.8% of all renters. An estimated 20.8% of renter households pay more than 50% of their incomes on housing or 1,260 households.

Housing Cost Burden Gross Rent as % of Household Income	Casa Grande		Pinal County		Arizona	
	Households	%	Households	%	Households	%
Total:	**6,069**		**30,615**		**923,559**	
Less than 10.0 percent	178	2.9%	1,186	3.9%	35,020	3.8%
10.0 to 14.9 percent	434	7.2%	2,339	7.6%	70,637	7.6%
15.0 to 19.9 percent	534	8.8%	2,958	9.7%	104,368	11.3%
20.0 to 24.9 percent	943	15.5%	4,521	14.8%	115,422	12.5%
25.0 to 29.9 percent	574	9.5%	3,333	10.9%	102,684	11.1%
30.0 to 34.9 percent	420	6.9%	2,241	7.3%	80,245	8.7%
35.0 to 39.9 percent	462	7.6%	1,774	5.8%	62,372	6.8%
40.0 to 49.9 percent	761	12.5%	2,990	9.8%	83,870	9.1%
50.0 percent or more	1,260	20.8%	5,257	17.2%	207,164	22.4%
Not computed	503	8.3%	4,016	13.1%	61,777	6.7%
Total Spending More Than 30%	**2,903**	**47.8%**	**12,262**	**40.1%**	**433,651**	**47.0%**
Total Spending More Than 50%	**1,260**	**20.8%**	**5,257**	**17.2%**	**207,164**	**22.4%**

Source: ACS 2023 5-year estimate

For owner occupants, the housing cost burden is higher than the statewide average. More than 3,400 owner households in Casa Grande or 23.1% fall into this category.

Housing Cost Burden Owner-Occupied Housing Units	Casa Grande		Pinal County		Arizona	
	Households	%	Households	%	Households	%
Housing Cost as % of Household Income	**14,747**		**126,578**		**1,873,923**	
Less than 20.0 percent	8,551	58.0%	73,540	58.1%	1,119,766	59.8%
20.0 to 24.9 percent	1,553	10.5%	15,185	12.0%	208,120	11.1%
25.0 to 29.9 percent	1,001	6.8%	9,334	7.4%	134,880	7.2%
30.0 to 34.9 percent	928	6.3%	6,662	5.3%	89,682	4.8%
35.0 percent or more	2,476	16.8%	20,486	16.2%	300,038	16.0%
Not computed	238		1371		21,437	
Total Spending More than 30%	**3,404**	**23.1%**	**27,148**	**21.4%**	**389,721**	**20.8%**

Source: ACS 2023 5-year estimate

The housing affordability gap for Casa Grande under this methodology is 6,307 households, or approximately 30.3% of total households. Renters are the most cost-burdened households in the city on a percentage basis.

At-Risk Households

There are two primary at-risk housing groups.

- Households that are separated or divorced or where a spouse has died have very low incomes. Households headed by a single female have a median income below $44,000 and when they live with their own children, the median income is less than $42,000.
- Senior residents of Casa Grande over the age of 65 exhibit a high level of housing cost burden. Overall, 29% of the Casa Grande senior population is considered burdened by housing costs. Any efforts to expand affordable housing in Casa Grande needs to consider the demand from senior residents.

Gap Analysis Methodology

The primary methodology for evaluating the affordable housing gap for Casa Grande involves comparing household incomes for owners and renters from the U.S. Census to current housing market data collected for this study. For the apartment market, rents range from less than $900 to more than $2,250. Assuming utilities on average cost $150 per month, the total monthly cost for a unit ranges from $1,050 to $2,400. For the ownership market, prices range from about $200,000 to more than $700,000. The required income to purchase a home in Casa Grande ranges from about $67,000 to $188,000.

The above market data was then compared to household incomes reported by the U.S. Census. The results are as follows:

- For the ownership market, there are no homes that are affordable for households earning less than $50,000 per year. That leaves the deficit or shortage of homes for those households of 4,447 units. Households with incomes from $50,000 to $75,000 have a larger supply of homes to purchase. The analysis shows a surplus of 687 homes in this income range. Beyond the $75,000 income range, there is an adequate supply of units on the market.

- For the rental market, there is a surplus of affordable units for households earning less than $35,000 through public housing, vouchers, or LIHTC units. For households earning between $35,000 and $50,000, there is a deficit or shortage of 787 units. Beyond $50,000, there is an adequate supply of rental units. Overall, the cumulative shortage or deficit of units for households earning less than $50,000 is 710 units, which includes LIHTC complexes that are currently under construction.

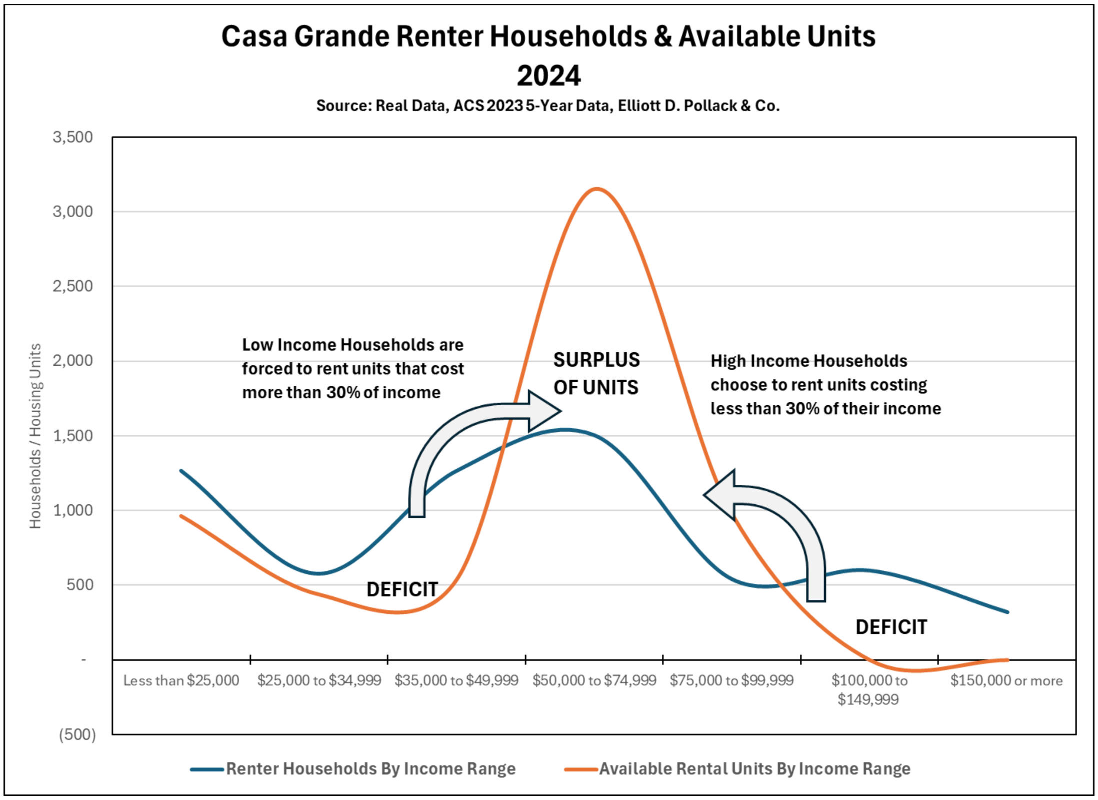
Affordable Housing Surplus/Deficit
City of Casa Grande

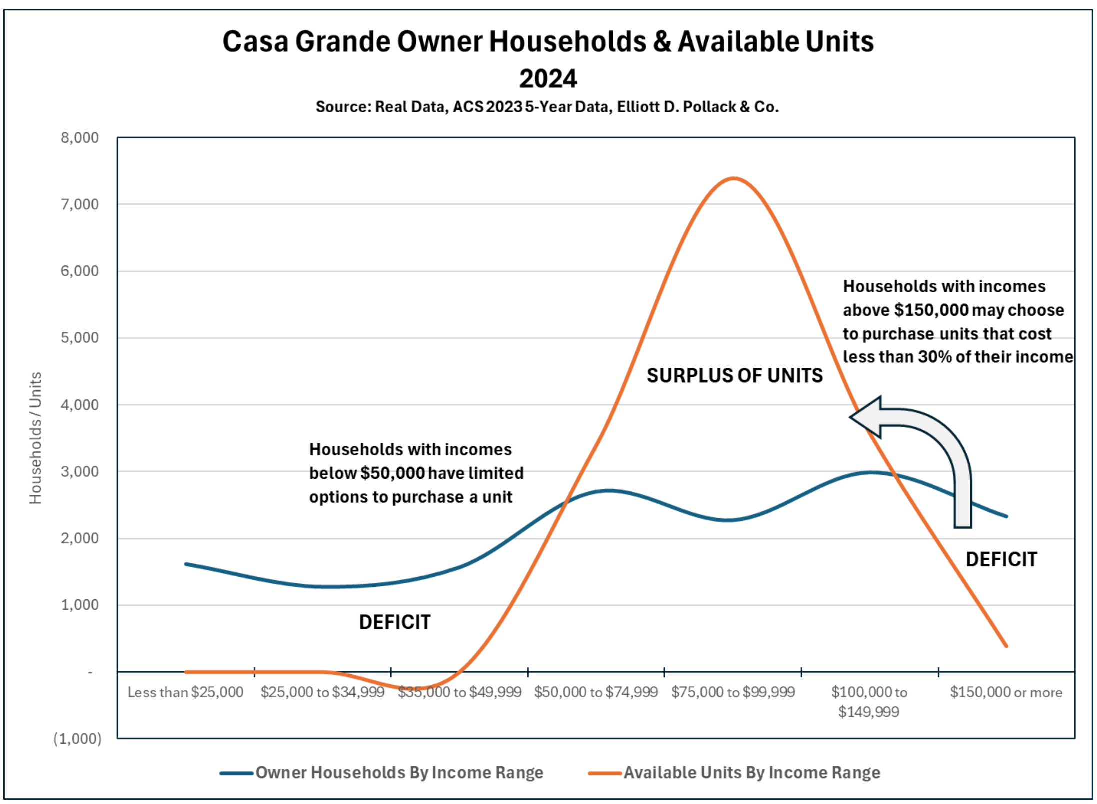
Income Range	Owners				Renters				
	Households	Units Available	Surplus (Deficit)	Cumulative Surplus (Deficit)	Households	Units Available	Surplus (Deficit)	Cumulative Surplus (Deficit)	Total Surplus (Deficit)
Less than $25,000	1,613	-	(1,613)	(1,613)	1,266	1,319	53	53	(1,560)
$25,000 to $34,999	1,270	-	(1,270)	(2,883)	577	601	24	77	(2,806)
$35,000 to $49,999	1,564	-	(1,564)	(4,447)	1,265	478	(787)	(710)	(5,157)
$50,000 to $74,999	2,704	3,391	687	(3,760)	1,504	2,803	1,299	589	(3,171)
$75,000 to $99,999	2,273	7,391	5,118	1,358	540	868	328	917	2,275
$100,000 to $149,999	2,993	3,577	584	1,943	598	-	(598)	319	2,262
$150,000 or more	2,330	387	(1,943)	-	319	-	(319)	-	(0)
Totals	**14,747**	**14,747**			**6,069**	**6,069**			

Source: RL Brown, ACS 2023 5-Year Data, Elliott D. Pollack & Co.

The interpretation of the above analysis is shown in the following charts. For renters, there is a housing shortage of units at the high- and low-income ranges. For the low-income households below $50,000, they are forced to rent units that are expensive relative to their incomes where there is a surplus of units. At the same time, the availability of units for households earning more than $100,000 is also limited, so they too are forced to rent units where there is a surplus of units. In the end, due to the shortage of units, renters are forced into a narrow range of available units which creates high demand relative to supply.

The same situation occurs with the homeownership market where there is a shortage of units at both the high- and low-income categories. The only difference is that there are few if any options for homeownership below $50,000 in income.


Casa Grande Renter Households & Available Units
2024
Source: Real Data, ACS 2023 5-Year Data, Elliott D. Pollack & Co.
Households / Housing Units
3,500
3,000
2,500
2,000
1,500
1,000
500
-
(500)
Low Income Households are forced to rent units that cost more than 30% of income
SURPLUS OF UNITS
High Income Households choose to rent units costing less than 30% of their income
DEFICIT
DEFICIT
Less than $25,000
$25,000 to $34,999
$35,000 to $49,999
$50,000 to $74,999
$75,000 to $99,999
$100,000 to $149,999
$150,000 or more
Renter Households By Income Range
Available Rental Units By Income Range


Casa Grande Owner Households & Available Units
2024
Source: Real Data, ACS 2023 5-Year Data, Elliott D. Pollack & Co.
Households / Units
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
-
(1,000)
Households with incomes above $150,000 may choose to purchase units that cost less than 30% of their income
SURPLUS OF UNITS
Households with incomes below $50,000 have limited options to purchase a unit
DEFICIT
DEFICIT
Less than $25,000
$25,000 to $34,999
$35,000 to $49,999
$50,000 to $74,999
$75,000 to $99,999
$100,000 to $149,999
$150,000 or more
Owner Households By Income Range
Available Units By Income Range

The chart below shows Pinal County median wages for a variety of occupations, some of which are considered critical service jobs such as firefighters, teachers, paramedics, and police officers. Beyond these critical service occupations, even waiters, construction laborers, and retail salespersons are important for a functioning economy. The monthly affordable housing cost for each occupation shows that nearly all of the occupations would not be able to afford to purchase or rent a home among the local housing stock outlined above as a single income household.

Housing Affordability By Occupation

Pinal County

Occupation	Pinal County 2023 Median Wage	Monthly Affordable Housing Cost (30% of Income)	Monthly Affordable Rent (Less Utilities)
Retail Salespersons	$33,687	$842	**$692**
Receptionists and Information Clerks	$36,149	$904	**$754**
Restaurant Cooks	$37,456	$936	**$786**
Waiters and Waitresses	$38,132	$953	**$803**
Nursing Assistants	$39,114	$978	**$828**
Paramedics	$42,878	$1,072	**$922**
Construction Laborers	$45,338	$1,133	**$983**
Pharmacy Technicians	$46,490	$1,162	**$1,012**
Elementary School Teachers	$50,521	$1,263	**$1,113**
Firefighters	$58,188	$1,455	**$1,305**
Middle School Teachers	$60,112	$1,503	**$1,353**
Secondary School Teachers	$61,501	$1,538	**$1,388**
Police and Sheriff's Patrol Officers	$74,687	$1,867	**$1,717**
Registered Nurses	$86,520	$2,163	**$2,013**

Prepared by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, April 2024

Future Housing Demand

Casa Grande is expected to grow by 24,951 persons between 2024 and 2040 creating demand for at least 9,800 housing units. Rental housing demand, much of which will be in the form of subsidized units, will be driven by households with less than $50,000 in income. Total demand is estimated at 2,900 units through 2040. Another 3,463 units of ownership housing will be needed for critical service employees that earn between $50,000 and $100,000.

Forecasted Housing Demand By Income			
Income Range	**Households**	**%**	**Housing Target**
Less than $25,000	1,132	11.5%	Rental Housing
$25,000 to $34,999	741	7.5%	Rental Housing
$35,000 to $49,999	1,026	10.4%	Rental Housing
Total	***2,899***	***29.5%***	
Average/Year	***181***		
$50,000 to $74,999	2,061	21.0%	Ownership Housing
$75,000 to $99,999	1,402	14.3%	Ownership Housing
Total	***3,463***	***35.3%***	
Average/Year	***216***		
$100,000 to $149,999	2,001	20.4%	
$150,000 to $199,999	875	8.9%	
$200,000 or more	585	6.0%	
Total	**3,461**	**35.2%**	
Total City Forecast	**9,823**	100.0%	

Source: AZ OEO, Elliott D. Pollack & Co.

Total Demand

For the rental market, the cumulative undersupply of rental units for households with incomes below $50,000, currently estimated at 710 units, is expected to continue to grow by another 2,899 units by 2040. **The total affordable renter demand is estimated at 3,609 units through 2040.**

For the ownership market, the estimated undersupply of housing units today is 3,760 units. The forecast suggests that another 3,463 households with incomes less than $100,000 will enter the market searching to purchase a new home. **The total gap for ownership housing is estimated at 7,223 units through 2040.**

E. Resident Housing Survey

The City of Casa Grande solicited responses from the public through an online survey regarding the housing market in the city A total of 501 responses were received over a period of six weeks with a wide representation of the community. The primary findings are:

- Approximately 39% of renters pay more than $1,500 per month on rent while 15% pay more than $2,000 per month. The estimated median rent among the respondents is $1,313 per month which requires an income of $56,500 (including rent and utilities) to qualify at 30% of income. Forty-nine percent (49%) of renter survey respondents earn less than $50,000 per year, indicating most would be burdened by the median rent for Casa Grande.

- The primary obstacles to purchasing a home are the lack of a down payment, the lack of affordable for-sale unit, lack of income, and concern about the economy and housing market.
- Eighty-four percent (84%) of owners are satisfied with their current housing situation compared to only 32% of renters. A majority of renters are either somewhat dissatisfied or very dissatisfied with their housing situation.
- Approximately 71% of owners rate the physical condition of their residence as excellent or above average while only 29% of renters scored their unit the same ranking.

In summary, a majority of renter households appear burdened by housing costs and are dissatisfied with their current housing situation. Despite this situation, the typical Casa Grande resident has lived in the city for seven years and 37% have lived in the city for more than ten years.

F. Housing Strategy

Over the last five years residents have experienced declining housing affordability conditions, similar to the Greater Phoenix region and country. A successful growth trend for a city is often associated with rising home prices and rents. While Casa Grande is still recognized as a moderate cost housing market, the price of housing and rents is out pacing growth in wages.

The 2030 Casa Grande General Plan outlines a number of visions and goals for housing which form the basis for the strategies outlined in this report. The primary visions include:

- VISION: A COMMUNITY OF SUFFICIENT AND APPROPRIATE HOUSING MIX TO MEET THE DIVERSE NEEDS OF RESIDENTS.
- VISION: A COMMUNITY THAT PROMOTES FAIR ACCESS TO QUALITY HOUSING FOR ALL RESIDENTS.
- VISION: A COMMUNITY THAT INVESTS IN NEIGHBORHOOD REVITALIZATION.

The city is now witnessing a significant shift in the development of new housing in the community. Single family permits in Casa Grande have declined from 1,536 units in 2021 to 481 in 2024. In 2023, multifamily permits hit a high of 1,526 units followed by 568 in 2024. Of note is the affordable multifamily market that has grown dramatically, and which will provide housing for low- and moderate-income households.

In addition, Goal H-1 of the General Plan established a target for multifamily housing of 15% of all new dwelling units. That goal was reached in 2024. Of the 9,196 housing units permitted by the city from 2013 through 2024, 23% or 2,113 units were for multifamily units.

Lastly, the State Legislature has promulgated a number of laws that are directed at removing barriers to affordable housing at the local level. However, they have not provided any funding that may benefit these efforts by cities and towns. The financial impact of these new laws is falling fully on municipalities to implement polices to address the housing issue.

The above General Plan visions, goals, and action steps provide the context for the strategies outlines in this section.

Housing Goal: Create or Preserve 2,000 Affordable and Workforce Housing Units Through 2030

Based on the analysis of the housing market, a housing goal for Casa Grande is to create or preserve 2,000 affordable and workforce housing units over the next five years. Casa Grande should address certain types of housing and household income ranges in order to effectively close the gaps in the market and reach that goal.

Housing Targets

- **Very Low and Extremely Low-Income Households:** These households have incomes below 50% of area median income (AMI) ($50,000 income for a family of three) and typically find shelter in public housing complexes, LIHTC complexes, or through the Housing Choice Voucher program. According to the gap analysis, there is a shortage of 710 affordable housing units for households earning less than $50,000 which is expected to grow by another 1,080 households over the next five years.

  At-Risk Households should be a focus of affordable housing development including the following.

  - Single person households that do not have a spouse or partner are an at-risk group for housing cost burden. In particular, single female households who often have primary care for their children have very low incomes according to the Census
  - Senior households in Casa Grande account for approximately one-quarter of all housing burdened households in the city. At least 25% of affordable units should be directed towards seniors over the age of 65.

- **Workforce Rental Housing:** The households who are affected by the lack of affordable housing in Casa Grande are those earning between 60% and 80% AMI. They cannot qualify for an LIHTC unit, but rents in many market rate complexes are beyond their reach. Casa Grande should promote the development of <u>market rate rental complexes</u> through various incentives that target the needs of workforce households earning less than $81,000.

- **Workforce Ownership Housing:** With the median price of a resale home in Casa Grande reaching new heights, workforce households earning between 80% and 100% of AMI are locked out of the market. The City of Casa Grande should promote the development of moderate density ownership housing opportunities (clustered units, townhomes, manufactured homes, etc.) through various incentives that target the needs of workforce households earning between $81,000 and $101,000 per year.

Objectives & Strategies

<u>Preface</u>

The strategies outlined in this report provide a roadmap for addressing affordable and workforce housing by using tools that have been shown to be effective.

Objective 1. Increase Resources to Support Production of Affordable and Workforce Housing

- Establish a Housing Trust Fund which could be used to support housing developers for a variety of purposes to reduce the cost of development.
- Work with non-profit partners to identify affordable housing programs that may benefit the community. Organizations such as Habitat for Humanity and Newcity CDC may be able to take advantage of the price of land and housing in Casa Grande.
- Promote the development of LIHTC complexes in Casa Grande by actively soliciting developers to visit the city and engage with City staff in identifying available sites.
- Identify excess city-owned land that may be suitable for affordable or workforce housing opportunities, utilizing incentives to reduce the cost of housing.
- Work with the school district to identify excess property which may provide opportunities for workforce housing.
- Consider establishing a down payment assistance program that provides matching funds for first-time homebuyers who will work and live in the city.
- Acquire or retain dedicated staff to assist with the implementation of affordable & workforce housing objectives.

Objective 2. Evaluate the City's Development Standards and Regulations to Support Affordable & Workforce Housing

Continue to review provisions of the City zoning code to provide a more efficient process for affordable housing entitlements. Continue to conduct the review of strategies outlined in the annual housing report to the Arizona Department of Housing related to SB 1162.

Objective 3. Use Available Development Tools to Support Production of Affordable Housing

- ***Consider Use of the Government Property Excise Lease Tax (GPLET)***
  The GPLET is a primary tool available to cities to incentivize development and redevelopment of areas of a community. The program can help reduce the financial gap for workforce and attainable housing, infill development, and redevelopment challenges by reducing a project's operating cost. In exchange for imposing the GPLET on a residential property, the city may want to require a minimum percentage of units to be reserved in the project for workforce households earning between 80% and 120% of AMI.

- ***Consider Establishing a Community Land Trust (CLT)***
  A CLT is a non-profit organization that holds title to land to preserve long term availability for affordable housing. Affordability of housing under the CLT is achieved through the separation of the ownership of the land and the improvements on the land. The CLT holds title to the land and leases the property to a homeowner or developer for 99 years at a nominal rate, reducing the cost of the entire land and improvements by 15% to 25%.

- ***Consider Adopting a Voluntary Inclusionary Affordable Housing Policy***
  An inclusionary policy requires new developments to incorporate affordable units into a market-rate project or provide a comparable in-lieu payment or land for the development of affordable housing. While inclusionary zoning is precluded by Arizona statute, a voluntary program with incentives is acceptable and has proven successful in several cities.

- ***Consider Adopting an Affordable or Workforce Housing Policy.***
  For organizations or developers that propose to develop affordable or workforce housing in the city, incentives would be provided to those projects that include permit and fee waivers and expedited plan review, to name a few.

- **Strategy 3.E: Consider Creating An Infill Incentive Program.** Arizona law allows cities to designate infill incentive districts where there are dilapidated buildings, vacant or underused parcels of property, and a lack of development and investment activity.

Central Casa Grande would be a prime candidate for an infill program with vacant lots that could be acquired and developed by non-profit housing organizations such as Habitat for Humanity. The area would also be well suited for implementation of a community land trust that could provide ownership opportunities for moderate income households.

Objective 4: Continue to Promote Variety in Ownership Housing Types and Expand Opportunities for Homeownership

Missing Middle Housing types such as small lot single family homes, duplexes, court homes, townhomes, and manufactured homes should be promoted for ownership by first-time buyers earning less than 120% of AMI.

Objective 5. Maintain the Existing Affordable Inventory

Promote programs that preserve the existing private housing inventory through (1) rehabilitation grants and loans using resources such as CDBG funding and (2) conducting code enforcement.

Objective 6. Continue to Support and Expand the CGHelps Homeless Resource Center

Casa Grande should continue to financially support the Center to provide services for homeless individuals and families through partnership with social service agencies. The City should also establish transitional housing opportunities for persons who are facing financial crises, who are fleeing or are attempting to flee domestic violence, sexual assault, stalking, or other dangerous or life-threatening situations

Objective 7. Establish an Education Campaign on the Benefits of Affordable & Workforce Housing.

Work with community groups and non-profits to prepare educational brochures/website on the need for and myths about affordable & workforce housing.

Objective 8. Monitor the City's Progress in Achieving the Housing Goal of Creating 2,000 Affordable Housing Units in the Next Five Years.

Monitor new housing production and units that have been rehabilitated through the City's use of CDBG and other funding sources.

G. Action Plan

The Action Plan addresses the timeline for implementation of the Objectives and Strategies outlined in this Affordable Housing Plan and city departments responsible for the objective or strategy.

Action Plan Casa Grande Affordable Housing Plan					
Objective & Strategy	**Department**	**Short Term Less than 1 year**	**Medium Term 1 - 2 Years**	**Long Term More than 2 Years**	**Ongoing**
Objective 1. Increase Resources to Support Production of Affordable and Workforce Housing					
Strategy 1.A: Establish a Housing Trust Fund	Finance			✓	
Strategy 1.B: Work With Non-Profit Partners	Community Development/Housing				✓
Strategy 1.C: Promote the Development of LIHTC Complexes	Community Development/Housing	✓			
Strategy 1.D: Identify Excess City-Owned Land for Housing	Planning & Development		✓		
Strategy 1.E: Identify Excess School District Owned Land for Housing	Community Development/Housing		✓		
Strategy 1.F: Consider Establishing A Down Payment Assistance Program	Community Development/Housing		✓		
Strategy 1.G: Increase Staff Resources	Community Development/Housing	✓			
Objective 2. Evaluate the City's Development Standards and Regulations to Support Affordable & Workforce Housing					
Strategy 2.A: Conduct a Comprehensive Review of the City's Zoning Code and Development Standards Relative to Affordable And Workforce Housing	Planning & Development	✓			
Objective 3. Use Available Development Tools to Support Production of Affordable Housing					
Strategy 3.A: Consider Use of the Government Property Excise Lease Tax (GPLET) for Affordable Housing Purposes	Finance/Community Development/Housing		✓		
Strategy 3.B: Consider Establishing a Community Land Trust (CLT)	Community Development/Housing		✓		
Strategy 3.C: Consider Adopting a Voluntary Inclusionary Affordable Housing Policy	Planning & Development		✓		
Strategy 3.D: Consider Adopting an Affordable or Workforce Housing Policy	Community Development/Housing		✓		
Strategy 3.E: Consider Creating an Infill Incentive Program	Planning & Development		✓		
Objective 4: Continue to Promote Variety in Ownership Housing Types and Expand Opportunities for Homeownership	Planning & Development				✓
Objective 5. Maintain the Existing Affordable Inventory					
Strategy 5.A: Continue to use federal resources such as CDBG funding for rehabilitation of individual homes and neighborhoods.	Community Development/Housing				✓
Strategy 5.B: Continue to conduct code enforcement to maintain stability in neighborhoods.	Code Enforcement				✓
Strategy 5.C: Monitor the impact of gentrification of older neighborhoods on existing residents.	Community Development/Housing	✓			
Objective 6. Continue to Support and Expand the CGHelps Homeless Resource Center					
Strategy 6.A: Continue to Financially Support the Center to Provide Services for Homeless Individuals and Families.	Community Development/Housing				✓
Strategy 6.B: Establish Transitional Housing Opportunities in the City.	Community Development/Housing		✓		
Objective 7. Establish an Education Campaign on the Benefits of Affordable & Workforce Housing.					
Strategy 7.A: Work with community groups and non-profits to prepare educational material on the need for and myths about affordable & workforce housing, including its relationship to the economic well-being of Chandler.	Community Development/Housing	✓			
Objective 8. Monitor the City's Progress in Achieving the Housing Goal of Creating 2,000 Affordable Housing Units in the Next Five Years.					
Strategy 8.A: Establish a program/process for identifying and quantifying housing projects that contribute to meeting the City affordable housing goal.	Community Development/Housing	✓			

1.0 Background and Methodology

The City of Casa Grande commissioned the preparation of a comprehensive Affordable Housing Plan to address a perceived shortage of affordable housing in the community. As part of the Plan, a Housing Needs Assessment is included in this report to determine the current status of the local housing market and how the city's housing market is responding to the needs of current and future residents. The Housing Assessment identifies the affordability gap for the community - the shortage of units that are needed to provide affordable housing for all segments of the population. Recommendations and strategies to address the housing gap are outlined in Section 8.0 of this report.

Several key steps were required to prepare this Assessment. Independent research within this report focused on historical and current housing trends, local demographics, and economic factors such as industry employment and commuting trends.

Affordability is determined by using the standard that no more than 30% of a household's income is devoted to housing costs[1]. 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 private data vendors which are subscribed by this firm.

Data from the U.S. Census for the City of Casa Grande is still somewhat limited due to its population of less than 65,000 people in 2023. The primary data source is the American Community Survey (ACS) 5-year estimates which are based on 60 months of collected data that describes the average characteristics of that five-year time period. By comparison, one-year estimates for 2023 are available for cities with a population of more than 65,000 people but are considered to have a larger margin of error than five-year estimates. The 2020 decennial census data is also readily available. This report relies on the 2023 ACS five-year estimates plus data that comes from private vendors such as Costar and RL Brown Reports.

[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," also referred to as Workforce 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.

2.0 Demographic Characteristics of Casa Grande Population

2.1 Population Attributes

According to the Arizona Office of Economic Opportunity (OEO), Casa Grande had a population of 65,883 people as of July 2024. By comparison, the ACS population for the city was estimated at 57,590 based on the 2023 5-Year estimates. The city of Casa Grande was the largest city in Pinal County until 2018 when the city of Maricopa overtook it and has since continued to grow at a faster rate.

Pinal County Population Change 2010-2024

Place	2010	2015	2020	2024	2010-2024 Change
Apache Junction*	35,343	36,355	38,198	41,240	5,897
Casa Grande	**48,373**	**50,198**	**53,930**	**65,883**	**17,510**
Coolidge	11,749	12,209	13,347	18,945	7,196
Eloy	16,679	17,046	15,657	18,994	2,315
Florence	26,752	26,561	26,931	24,175	-2,577
Kearny	1,927	1,814	1,741	1,755	-172
Mammoth	1,408	1,214	1,076	1,078	-330
Maricopa	43,396	47,580	58,622	73,300	29,904
Queen Creek*	444	424	9,559	13,669	13,225
Superior	2,801	2,562	2,409	2,470	-331
Unincorporated Balance of County	186,670	192,029	206,750	222,435	35,765
Pinal Total	**375,541**	**387,993**	**428,220**	**483,944**	**108,403**

Percent Change Pinal County Jurisdictions

Place	2010	2015	2020	2024	2010-2024 Avg. Annual Change
Apache Junction*	-0.6%	2.9%	5.1%	8.0%	1.1%
Casa Grande	**-2.2%**	**3.8%**	**7.4%**	**22.2%**	**2.2%**
Coolidge	-2.8%	3.9%	9.3%	41.9%	3.5%
Eloy	-1.9%	2.2%	-8.1%	21.3%	0.9%
Florence	11.5%	-0.7%	1.4%	-10.2%	-0.7%
Kearny	-2.8%	-5.9%	-4.0%	0.8%	-0.7%
Mammoth	-3.4%	-13.8%	-11.4%	0.2%	-1.9%
Maricopa	5.1%	9.6%	23.2%	25.0%	3.8%
Queen Creek*	-5.1%	-4.5%	2154.5%	43.0%	27.7%
Superior	-3.3%	-8.5%	-6.0%	2.5%	-0.9%
Unincorporated Balance of County	4.4%	2.9%	7.7%	7.6%	1.3%
Pinal Total	**2.9%**	**3.3%**	**10.4%**	**13.0%**	**1.8%**

Note: * Pinal County population only

Source: Arizona Office of Economic Opportunity

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 2023. According to the U.S. Census, Casa Grande has 1,862 seasonal housing units, likely increasing the population of the city by 3,700 persons for six to nine months of the year and pushing the total population to 69,600 persons in 2024. Seasonal residents provide important economic benefits to the city by increasing retail sales and paying property taxes for their residences.

Seasonal Housing Units & Seasonal Population

Year	Casa Grande	Pinal County	Arizona
Housing Units			
Seasonal Units	1,862	14,496	172,996
Total Units	24,282	179,861	3,142,443
% Seasonal Units	**7.7%**	**8.1%**	**5.5%**
Potential Seasonal Population			
2023	3,724	28,992	345,992

Source: ACS 2023 5-year estimate

The population of Casa Grande has a low median age at 37.8 years, but a smaller average household size compared to the Arizona and county averages.

Average Household Size

	Casa Grande	Pinal County	Arizona
Median Age	37.8	40.3	38.8
Average household size	2.54	2.74	2.75
Owner-occupied unit	2.60	2.70	2.77
Renter-occupied unit	2.41	2.92	2.71

Source: ACS 2023 5-year estimate

Casa Grande's relatively young population is influenced by a slightly larger percentage of the population under the age of 20 compared to county and state averages, especially children aged 10-19. The largest age cohort in Casa Grande are those between the ages of 20-65 or the prime workforce age representing 54.5% of the population which is in line with broader averages in this age category. The percentage of residents over 65 (20.3%) is larger than the statewide average. A large, young population is important for the employers looking for an available workforce. However, a young population often has certain housing needs, particularly for those households that are just forming families with limited incomes.

Population by Age						
	Casa Grande		Pinal County		Arizona	
	Persons	%	Persons	%	Persons	%
Total	**57,590**		**449,219**		**7,268,175**	
Under 5 years	3,304	5.7%	24,015	5.3%	399,499	5.5%
5 to 9 years	3,145	5.5%	26,489	5.9%	437,862	6.0%
10 to 14 years	4,816	8.4%	29,910	6.7%	469,948	6.5%
15 to 19 years	3,242	5.6%	26,748	6.0%	481,492	6.6%
20 to 24 years	4,590	8.0%	24,647	5.5%	488,741	6.7%
25 to 29 years	4,474	7.8%	28,882	6.4%	503,268	6.9%
30 to 34 years	3,660	6.4%	30,754	6.8%	495,399	6.8%
35 to 39 years	3,317	5.8%	31,563	7.0%	464,248	6.4%
40 to 44 years	3,182	5.5%	27,523	6.1%	448,633	6.2%
45 to 49 years	3,476	6.0%	26,160	5.8%	422,418	5.8%
50 to 54 years	3,065	5.3%	24,470	5.4%	427,012	5.9%
55 to 59 years	2,779	4.8%	25,026	5.6%	431,854	5.9%
60 to 64 years	2,847	4.9%	27,278	6.1%	447,867	6.2%
65 to 69 years	2,915	5.1%	28,124	6.3%	411,573	5.7%
70 to 74 years	2,946	5.1%	27,901	6.2%	367,428	5.1%
75 to 79 years	2,656	4.6%	21,542	4.8%	266,581	3.7%
80 to 84 years	1,784	3.1%	10,210	2.3%	163,500	2.2%
85 years and over	1,392	2.4%	7,977	1.8%	140,852	1.9%
Under 20 years	**14,507**	**25.2%**	**107,162**	**23.9%**	**1,788,801**	**24.6%**
65 years+	**11,693**	**20.3%**	**95,754**	**21.3%**	**1,349,934**	**18.6%**
Source: ACS 2023 5-year estimate						

The educational attainment of Casa Grande residents is slightly below the county average and well below the statewide average for bachelor’s degrees or higher (21.1% versus 22.2% for Pinal County and 32.6% for the state). The number of adults with at least a high school diploma is consistent with county and state averages as is those with associate’s degrees.

Educational Attainment						
	Casa Grande		Pinal County		Arizona	
	Persons	%	Persons	%	Persons	%
Population 25 years and over	**38,493**		**317,410**		**4,990,633**	
Less than 9th grade	1,646	4.3%	13,079	4.1%	232,566	4.7%
9th to 12th grade, no diploma	2,546	6.6%	21,436	6.8%	311,962	6.3%
High school graduate (includes equivalency)	13,240	34.4%	96,302	30.3%	1,171,693	23.5%
Some college, no degree	9,110	23.7%	84,351	26.6%	1,187,823	23.8%
Associate's degree	3,840	10.0%	31,935	10.1%	459,127	9.2%
Bachelor's degree	5,117	13.3%	47,556	15.0%	999,535	20.0%
Graduate or professional degree	2,994	7.8%	22,751	7.2%	627,927	12.6%
High school graduate or higher	**34,301**	**89.1%**	**282,895**	**89.1%**	**4,446,105**	**89.1%**
Bachelor's degree or higher	**8,111**	**21.1%**	**70,307**	**22.2%**	**1,627,462**	**32.6%**
Source: ACS 2023 5-year estimate						

Of the 20,816 households in Casa Grande, 70.0% are considered families and 30% considered non-family households. This latter category consists of single person households and unrelated individuals living together. Out of the 14,570 families in the city, 70.9% are married couples with an average family size of 3.12 members. Another 4,239 families are single person families where the spouse is not present, either through divorce, death of the spouse, or another reason. Single female households outnumber single male households by a factor of 2.37. Single person households and non-family households likely present the most demand for affordable housing since they depend largely on one income.

Households By Type

	Casa Grande		Pinal County		Arizona	
	Households	%	Households	%	Households	%
HOUSEHOLDS	20,816		157,193		2,796,790	
Average household size	2.75		2.74		2.54	
FAMILIES	14,570	70.0%	113,297	72.1%	1,805,491	64.6%
Average family size	3.20		3.18		3.12	
Married-couple family household	10,331	70.9%	86,706	76.5%	1,313,901	72.8%
Average family size	3.12		3.13		3.13	
Male householder, no spouse present	1,258	8.6%	9,156	8.1%	156,498	8.7%
Average family size	2.96		3.06		3.27	
Female householder, no spouse present	2,981	20.5%	17,435	15.4%	335,092	18.6%
Average family size	3.55		3.47		3.18	
NON-FAMILY HOUSEHOLDS	6,246	30.0%	43,896	27.9%	991,299	35.4%
Average household size	1.41		1.31		1.3	

Source: ACS 2023 5-year estimate

The median household income in Casa Grande at $66,354 in 2023 is approximately 16% below the county and state median incomes. Renter households in Casa Grande with a median income of $48,564 are well below both the county and state median incomes. Average incomes also lag the county and state averages. The incomes cited on the table below indicate demand for affordable rental housing at various income levels.

Households By Income						
	Casa Grande		Pinal County		Arizona	
	Households	%	Households	%	Households	%
Occupied Units	**20,816**		**157,193**		**2,796,790**	
Less than $10,000	1,332	6.4%	6,916	4.4%	137,043	4.9%
$10,000 to $14,999	520	2.5%	3,773	2.4%	81,107	2.9%
$15,000 to $24,999	1,041	5.0%	8,017	5.1%	170,604	6.1%
$25,000 to $34,999	1,853	8.9%	10,689	6.8%	192,979	6.9%
$35,000 to $49,999	2,831	13.6%	16,662	10.6%	304,850	10.9%
$50,000 to $74,999	4,205	20.2%	29,238	18.6%	475,454	17.0%
$75,000 to $99,999	2,810	13.5%	25,151	16.0%	380,363	13.6%
$100,000 to $149,999	3,601	17.3%	32,225	20.5%	506,219	18.1%
$150,000 to $199,999	1,624	7.8%	12,890	8.2%	251,711	9.0%
$200,000 or more	1,041	5.0%	11,789	7.5%	296,460	10.6%
Mean income (dollars)	**$93,019**		**$97,007**		**$104,138**	
Median income (dollars)	**$66,354**		**$77,588**		**$76,872**	
Homeowner Median	**$76,806**		**$83,633**		**$91,561**	
Renter Median	**$48,564**		**$55,895**		**$54,757**	
Source: ACS 2023 5-year estimate						

Despite household incomes that are lower than the state, income growth in Casa Grande matches that of the state since 2018. Median household income has increased by 35.2% from 2018 through 2023 versus 36.8% for the state. However, average incomes in Casa Grande grew much more quickly than the state at an increase of 51.0%. This likely indicates that Casa Grande is attracting higher income households which is boosting the average income numbers.

Household Income 2018 - 2023						
	Casa Grande		Pinal County		Arizona	
	Income	% Change	Income	% Change	Income	% Change
Median Income						
2018	$49,069		$55,550		$56,213	
2019	$52,841	7.7%	$58,174	4.7%	$58,945	4.9%
2020	$55,236	4.5%	$60,968	4.8%	$61,529	4.4%
2021	$59,175	7.1%	$65,488	7.4%	$65,913	7.1%
2022	$64,535	9.1%	$73,313	11.9%	$72,581	10.1%
2023	$66,354	2.8%	$77,588	5.8%	$76,872	5.9%
2018-2023 % Change		**35.2%**		**39.7%**		**36.8%**
Average Income						
2018	$61,585		$67,625		$77,221	
2019	$66,289	7.6%	$71,325	5.5%	$80,779	4.6%
2020	$86,358	30.3%	$78,127	9.5%	$84,380	4.5%
2021	$82,275	-4.7%	$82,413	5.5%	$89,693	6.3%
2022	$89,469	8.7%	$92,354	12.1%	$98,569	9.9%
2023	$93,019	4.0%	$97,007	5.0%	$104,138	5.6%
2018-2023 % Change		**51.0%**		**43.4%**		**34.9%**

Source: 2018-2023 ACS 5-year estimate

2.2 Population Forecast

Population estimates and projections have been gathered from the Maricopa Association of Governments (MAG), the Arizona Office of Economic Opportunity (AZ OEO), and from interviews with city staff. The MAG forecasts were adopted by the Arizona State Demographer's Office as official state forecasts. The latest forecasts were published by MAG in June 2023 utilizing official 2022 state estimates of municipal population as the base year. However, since 2022, Casa Grande increased more in population than anticipated by MAG. Therefore, the MAG forecast used for this analysis has benchmarked to the official 2024 population estimate prepared by AZ OEO.

The city of Casa Grande has grown at a compounded average annual rate of 2.2% since 2010 but has been growing more rapidly in recent years. Since 2020, the city has grown by 5.1% annually or an increase of nearly 3,000 people per year. At the current household size for the city, the demand for housing since 2020 is more than 1,200 units per year.

The adjusted population forecast for Casa Grande now suggests it will grow to more than 76,000 people by 2030 and to more than 90,000 people by 2040.

2024-2040 Population Forecast												
	Actual					*Forecast*						
Place	2020	2021	2022	2023	2024	*2025*	*2030*	*2035*	*2040*	*2024-2040 Change*	*% Change*	*% of County's Growth*
Apache Junction*	38,198	38,610	38,851	39,051	41,240	*43,172*	*50,608*	*57,659*	*64,419*	*23,179*	56.2%	8.0%
Casa Grande	**53,930**	**56,242**	**58,648**	**61,986**	**65,883**	***68,048***	***76,606***	***82,070***	***90,834***	***24,951***	***37.9%***	**8.6%**
Coolidge	13,347	14,291	15,984	17,662	18,945	*20,326*	*30,786*	*48,053*	*66,406*	*47,461*	*250.5%*	16.4%
Eloy	15,657	16,485	16,748	18,132	18,994	*19,205*	*21,843*	*30,918*	*46,324*	*27,330*	*143.9%*	9.4%
Florence	26,931	25,250	25,207	23,894	24,175	*25,979*	*34,549*	*42,847*	*50,786*	*26,611*	*110.1%*	9.2%
Kearny	1,741	1,741	1,743	1,743	1,755	*1,755*	*1,755*	*1,755*	*1,755*	*0*	*0.0%*	0.0%
Mammoth	1,076	1,079	1,079	1,079	1,078	*1,078*	*1,078*	*1,078*	*1,078*	*0*	*0.0%*	0.0%
Maricopa	58,622	61,109	64,742	69,175	73,300	*76,219*	*95,405*	*105,519*	*111,358*	*38,058*	*51.9%*	13.1%
Queen Creek*	9,559	9,954	10,618	12,267	13,669	*14,394*	*17,500*	*22,678*	*27,027*	*13,358*	*97.7%*	4.6%
Superior	2,409	2,415	2,426	2,429	2,470	*2,470*	*2,470*	*2,470*	*2,470*	*0*	*0.0%*	0.0%
Unincorporated Balance of County	206,750	211,952	217,878	220,041	222,435	*227,426*	*251,695*	*280,857*	*311,683*	*89,248*	*40.1%*	30.8%
Pinal Total	**428,220**	**439,128**	**453,924**	**467,459**	**483,944**	***500,073***	***584,295***	***675,905***	***774,140***	***290,196***	**60.0%**	
Source: Maricopa Association of Governments												

The above population forecast translates into a significant demand for housing over the next 16 years (2024 through 2040) totaling 9,823 units or an average of 614 units per year. In the last few years, permitting has exceeded these levels, but the market is expected to moderate in the future.

Casa Grande Housing Demand 2025 - 2040						
	2024	2025	2030	2035	2040	Total
Population Forecast	65,883	68,048	76,606	82,070	90,834	
Population Change		2,165	8,558	5,464	8,764	24,951
Housing Unit Demand		**852**	**3,369**	**2,151**	**3,450**	**9,823**
Units Per Year Average		852	674	430	690	614
Sources: AZ OEO, ACS 5-Year Estimates						

3.0 Casa Grande Economy

Given its size, Casa Grande has a robust economy that is built on Metal Inputs & Transportation-Related Manufacturing, Consumer Goods Manufacturing, and Healthcare.

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.

As shown on the following chart, Casa Grande's primary economic strength is in Metal Inputs & Transportation-Related Manufacturing with an LQ of 5.8 meaning that its employment base has nearly six times as many employees in that industry compared to the state. Consumer Goods Manufacturing is also a strength with an LQ of 1.7

Location Quotient
Casa Grande

	Casa Grande		Arizona		Location
Industry Cluster	**Employees**	**% of Total**	**Employees**	**% of Total**	**Quotient**
Business Services	610	3.1%	296,100	11.0%	0.3
Construction	810	4.1%	187,800	7.0%	0.6
Consumer Goods Manufacturing	**440**	**2.2%**	**34,910**	**1.3%**	**1.7**
Consumer Services	**2,590**	**13.0%**	**289,470**	**10.7%**	**1.2**
Education	1,510	7.6%	225,290	8.3%	0.9
Finance, Insurance, & Real Estate (FIRE)	800	4.0%	195,100	7.2%	0.6
Government, Social, & Advocacy Services	**2,380**	**12.0%**	**279,200**	**10.3%**	**1.2**
Health Care	**2,850**	**14.4%**	**334,610**	**12.4%**	**1.2**
High Tech Manufacturing & Development	720	3.6%	109,020	4.0%	0.9
Hospitality, Tourism, & Recreation	560	2.8%	111,900	4.1%	0.7
Media, Publishing, & Entertainment	120	0.6%	22,160	0.8%	0.7
Metal Inputs & Transportation-Related Manuf.	**1,370**	**6.9%**	**32,070**	**1.2%**	**5.8**
Non-Metallic Manufacturing	170	0.9%	27,820	1.0%	0.8
Resource-Dependent Activities	**400**	**2.0%**	**45,180**	**1.7%**	**1.2**
Retail	2,310	11.6%	309,730	11.5%	1.0
Telecommunications	200	1.0%	26,040	1.0%	1.0
Transportation & Distribution	1,220	6.1%	172,770	6.4%	1.0

Note: Includes businesses with 5 or more employees
Source: MAG

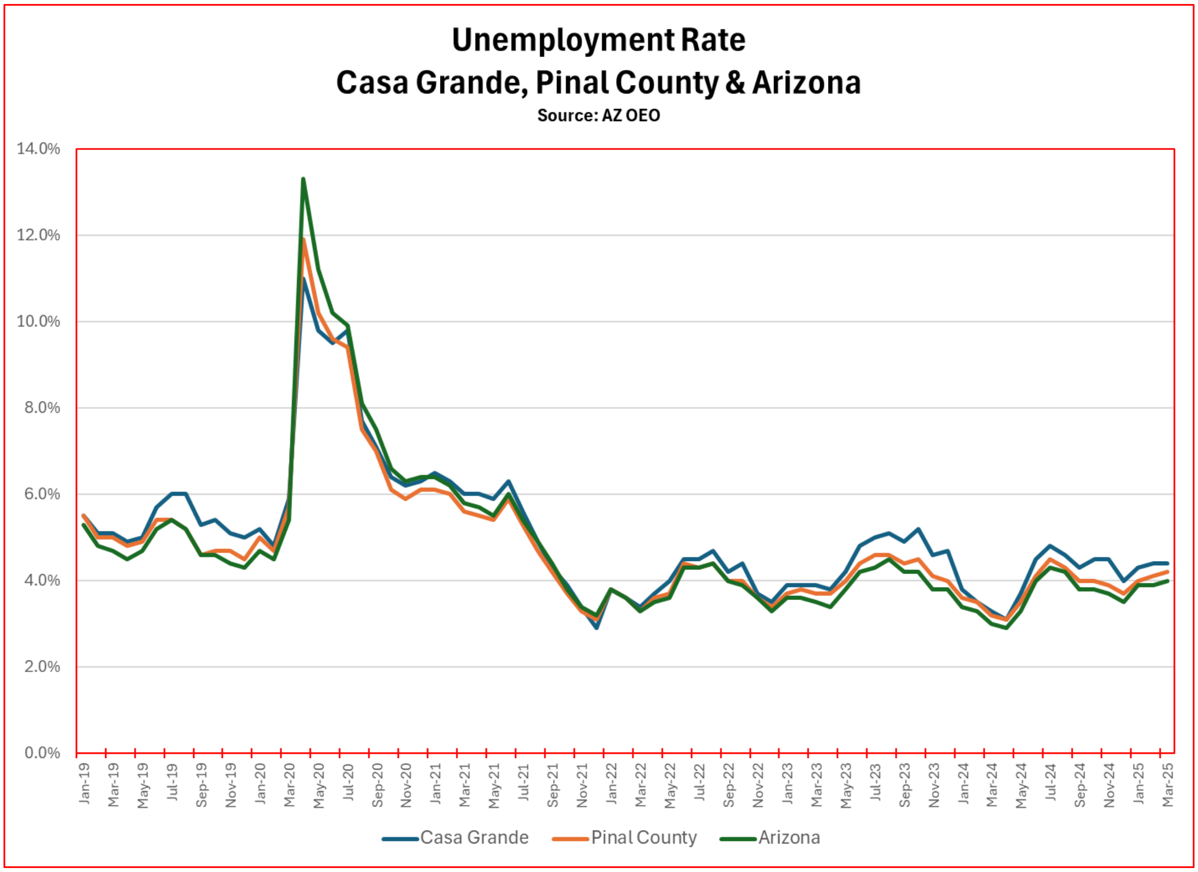
The list of major employers in the city shows that the local economy is heavily weighted toward manufacturing. Lucid Motors is the largest private employer along with Walmart (distribution), Abbott Nutrition and Banner Health. The two school districts are also among the largest employers. The employment levels on the following chart may vary from actual due to layoffs and hirings. The chart also does not include recent business relocations including a variety of chemical companies that support the semiconductor industry. Abbott Nutrition and Frito Lay were some of the first large private companies to locate in Casa Grande.

Major Employers

Employer	Employees	Industry
Lucid Motors	2,500	Metal Inputs & Transportation-Related Manuf.
Casa Grande Union High School District	1,070	Education
Casa Grande Elementary District	970	Education
Walmart	850	Retail,Transportation & Distribution
Abbott Nutrition	750	High Tech Manufacturing & Development
Banner Health	658	Health Care
Bureau of Customs and Border Protection	500	Government, Social, & Advocacy Services
Frito Lay	500	Consumer Goods Manufacturing
Hexcel Corporation	450	High Tech Manufacturing & Development
City of Casa Grande	440	Government, Social, & Advocacy Services
State of Arizona	299	Government, Social, & Advocacy Services
Kohler	270	Consumer Goods Manufacturing
Price Industries	270	Metal Inputs & Transportation-Related Manuf.
Veterans Health Administration	260	Health Care
Compassus Hospice	250	Health Care
Frys Food Stores	250	Retail
Home Depot	200	Retail
National Vitamin Co Inc	180	High Tech Manufacturing & Development
Casa Grande Dairy Products Llc	150	Resource-Dependent Activities
Lowes	150	Retail
Cardinal Glass Industries Inc	140	Retail
Food City	140	Retail
McDonalds	140	Consumer Services
Walgreen Co	130	Health Care
Horizon Health and Wellness	120	Health Care
Jc Penney Company	120	Retail
Kohls Department Stores	120	Retail
United States Department of Agriculture	120	Government, Social, & Advocacy Services
Daisy Brand Llc	110	Consumer Goods Manufacturing
Francisco Grande USA Inc	110	Hospitality, Tourism, & Recreation
Olive Garden	110	Consumer Services
Att Corp	100	Telecommunications
Goldberg and Osborne	100	Business Services
Graham Packaging	100	Consumer Goods Manufacturing
Price Industries Inc	100	Metal Inputs & Transportation-Related Manuf.

Source: MAG, City of Casa Grande

Casa Grandes's unemployment rate stood at 4.4% as of March 2025, slightly above the state-wide average of 4.0%. This level of unemployment is an indicator of full employment both locally and across the state. Unemployment in the city has been very stable since the end of 2021 and the recovery from the pandemic. Historically, the city's unemployment level tracks closely with state levels. The city's unemployment rate hit 11.0% in April 2020 but recovered to 6.0% by March 2021.



The labor force participation rate for Casa Grande of 56.5% shows a healthy economy although the rate is below the state average. Labor force participation is often correlated with educational attainment. For instance, communities with a highly educated population typically have a high labor force participation rate. The percentage of residents in Casa Grande over the age of 25 with a bachelor's degree and higher is 21.1% compared to the statewide average at 32.6%.

Age and retirement trends can also reduce the labor force participation rate. The percentage of the Casa Grande population over the age of 65 stands at 20.3% compared to 18.6% for the state which could affect the participation rate. Currently, the participation rate across the country is also declining as baby boomers retire. The U.S. rate hit 67.2% in 2000; today the participation rate stands at 62.5%.

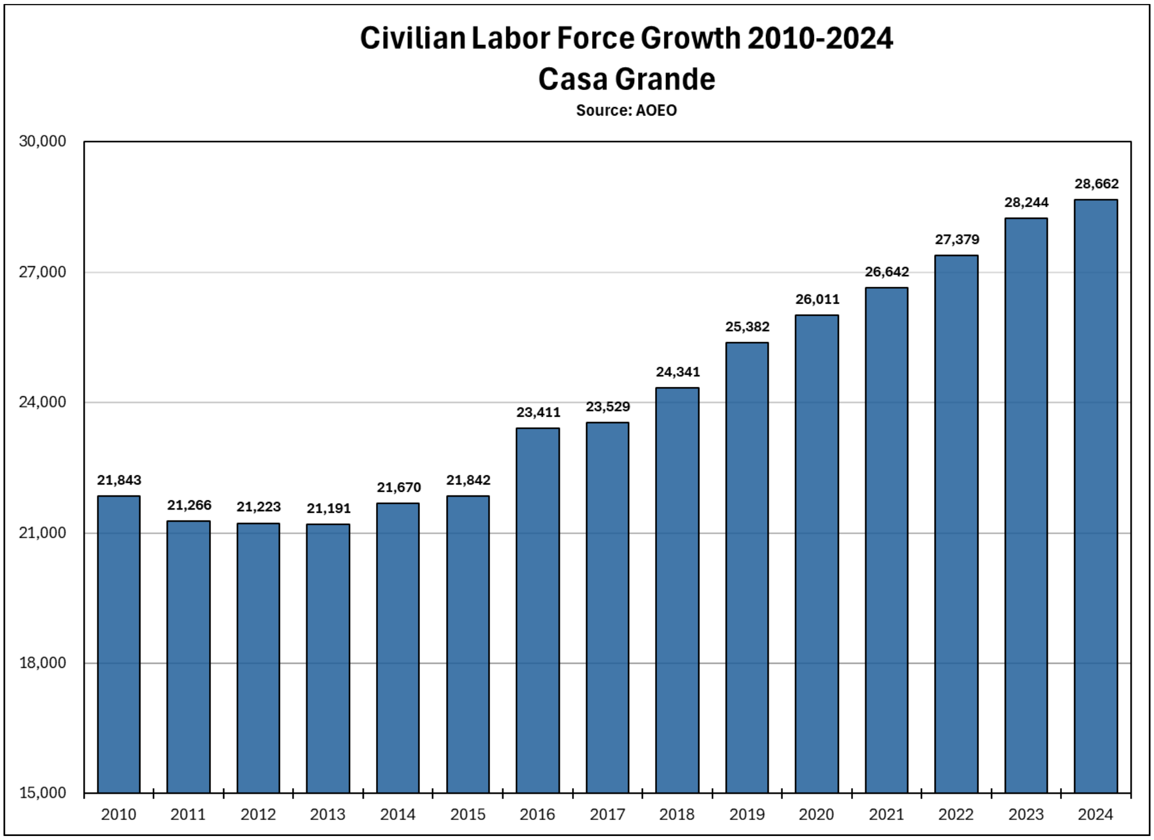
The labor force participation rate is a useful measurement for employers. The higher the rate is, the healthier the economy. This means more people are working and contributing to the economy with their wages which translates into more retail sale tax revenue for a city. Additionally, a higher labor force participation rate may mean there are more people actively seeking employment than in the past, and employers could have more hiring options for open positions.

Labor Force Participation 2023

	Casa Grande	Pinal County	Arizona
Population 16 year and over	45,448	362,655	5,862,117
Civilian Labor Force	25,683	192,635	3,522,511
Employment	24,050	181,389	3,340,327
Unemployment	1,633	11,246	182,184
Labor Force Participation Rate	**56.5%**	**53.1%**	**60.1%**

Source: ACS 2023 5-year estimate

The city's labor force has increased by 35% since 2013 according to the Arizona Office of Economic Opportunity and has kept pace with population growth. Even taking into account the impact of the Great Recession which ended in 2009, the labor force continued to grow, providing the workforce for Casa Grande's economic progress.



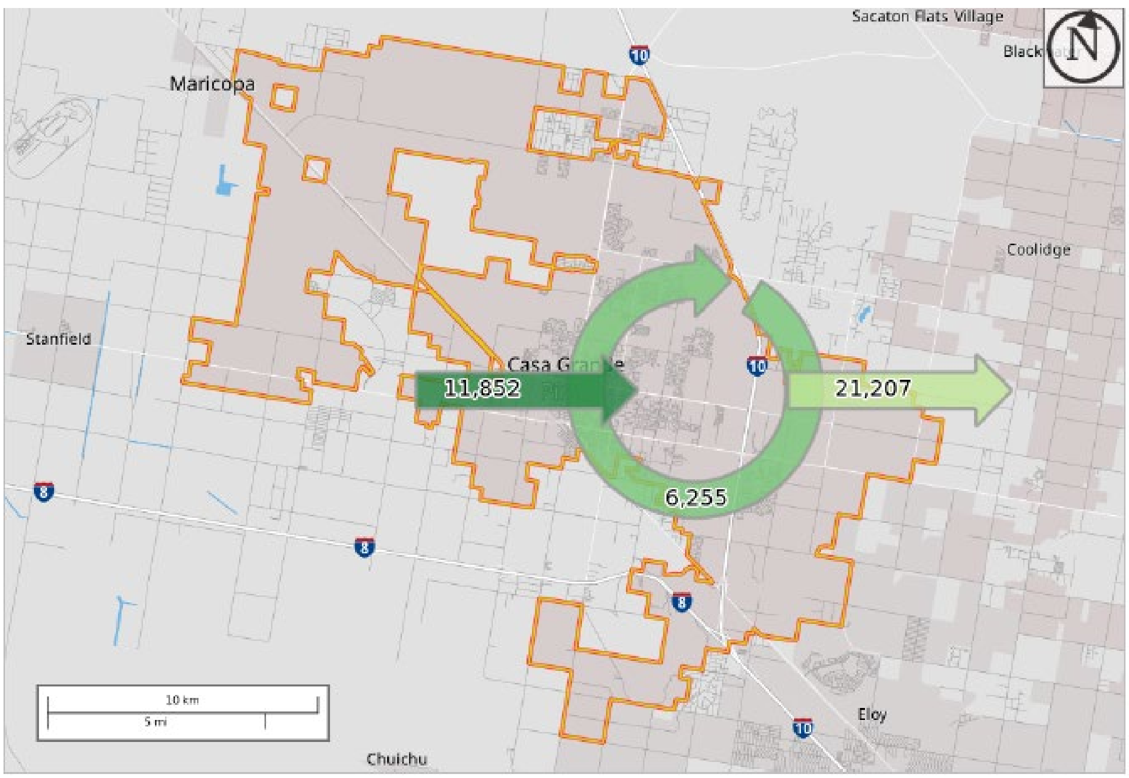
3.1 Commuting

In order for an economy to operate efficiently, it must have employees to provide for the daily needs of its residents as well as the employment needs of its businesses. The availability of affordable housing for those workers is essential without forcing those employees to commute long distances to work. Affordable housing is essentially an important economic development issue for Casa Grande's continued growth and financial wellbeing.

Despite Casa Grande's employment growth over the past decade, data from the U.S. Census indicates there is still substantial commuting by residents out of the city. For instance, data from 2022 suggests that 21,200 working residents of the city travel to other locations for work. In other words, 77% of the city's residents in the workforce leave the community each day for work. At the same time, 11,850 people travel to Casa Grande for employment. Another 6,255 people live and work in the city. The top locations for workers leaving Casa Grande include Phoenix, Tempe, Mesa, and Chandler, all mostly in the Southeast Valley of Maricopa County. The top cities for workers commuting into Casa Grande for employment include Phoenix, Eloy, Maricopa, and Tucson. A more balanced housing market in the could help to reduce commuting for some of these workers.

City of Casa Grande Commuting					
Where Residents of Casa Grande are Working			**Where Employees Working in Casa Grande Live**		
Community	**Jobs**	**Share**	**Community**	**Jobs**	**Share**
Casa Grande	6,255	22.8%	Casa Grande	6,255	36.4%
Phoenix	5,774	21.0%	Phoenix	1,391	12.7%
Tempe	1,722	6.3%	Eloy	665	4.3%
Chandler	1,494	5.4%	Maricopa	621	3.7%
Mesa	1,399	5.1%	Tucson	595	1.9%
Tucson	1,315	4.8%	Mesa	563	1.8%
Scottsdale	854	3.1%	Coolidge	454	1.7%
Gilbert	713	2.6%	Chandler	448	1.3%
Eloy	635	2.3%	Gilbert	399	1.0%
Sacaton	553	2.0%	Arizona City	365	0.9%
All Other Locations	6,748	24.6%	All Other Locations	6,351	34.5%
Total Working Residents	**27,462**	**100.0%**	**Total Casa Grande Jobs**	**18,107**	**100.0%**

Source: US Census On The Map



Source: U.S. Census OnTheMap 2022

3.2 Employment Forecast

An important indicator of the health of a local economy is the jobs-to-population ratio. According to MAG, the ratio for Maricopa County was 0.51, meaning there was one job for every two residents. As a newly developing county, Pinal County is expected to have a much lower jobs-to-population ratio since most development occurring in the area is residential in character. In 2025, the estimated jobs-to-population ratio is 0.18.

The ratio for Casa Grande in 2025, however, is estimated at 0.35 due to its excellent transportation assets. That trend is forecasted to continue the city's ratio growing to 0.41 by 2030. The city's job-to-population ratio is expected to continue at that level for the near term. What this means is that Casa Grande is expected to capture the largest share of employment growth in Pinal County among all other cities. Between 2025 and 2040, Casa Grande's employment base is forecasted to grow by another 13,700 jobs and increase its population by 22,800 people.

Casa Grande Employment Forecast 2025-2040

Casa Grande	2020	2025	2030	2035	2040
Total Population	64,565	68,048	76,606	82,070	90,834
Total Jobs	18,363	24,036	31,461	34,475	37,777
Job Change		5,673	7,425	3,014	3,302
Jobs to Population Ratio	0.28	0.35	0.41	0.42	0.42
Pinal County					
Total Population	482,200	500,073	584,295	675,905	774,140
Total Jobs	66,600	89,200	109,200	126,200	145,100
Job Change		22,600	20,000	17,000	18,900
Jobs to Population Ratio	0.14	0.18	0.19	0.19	0.19
% capture of County jobs by Casa Grande		**25.1%**	**37.1%**	**17.7%**	**17.5%**

Sources: MAG, AZ OEO

Based on the above forecasts, Casa Grande is expected to continue to be the economic center of Pinal County for the foreseeable future although other cities will see employment growth over the long term. The forecasts will continue to create demand for affordable and market-rate housing for new residents and workers moving to the city.

4.0 Housing Market Dynamics

Casa Grande's housing inventory is comprised of 24,282 units according to the 2023 American Community Survey 5-year estimates with 20,816 of those units (85.7%) occupied on a year-round basis by permanent residents.

Casa Grande has a high percentage of single-family detached units and a lower percentage of multifamily units compared to the state, which is typical for a suburban community. The Census reports only 12.5% of all housing units in Casa Grande are considered apartments or multifamily (buildings with three or more units in a building) compared to 4.4% across Pinal County and 19.6% statewide. Casa Grande and Pinal County also have a higher percentage of manufactured homes than the state.

Total Units in Structure

	Casa Grande		Pinal County		Arizona	
	Units	%	Units	%	Units	%
Total:	**24,282**		**179,861**		**3,142,443**	
1, detached	16,318	67.2%	136,257	75.8%	2,015,127	64.1%
1, attached	615	2.5%	3,387	1.9%	160,484	5.1%
Duplex	256	1.1%	1,183	0.7%	42,026	1.3%
Multifamily	**3,024**	**12.5%**	**7,943**	**4.4%**	**615,751**	**19.6%**
3 or 4	384	1.6%	2,272	1.3%	104,684	3.3%
5 to 9	789	3.2%	1,783	1.0%	114,410	3.6%
10 to 19	393	1.6%	1,431	0.8%	121,050	3.9%
20 to 49	462	1.9%	990	0.6%	79,589	2.5%
50 or more	996	4.1%	1,467	0.8%	196,018	6.2%
Manufactured home	3,855	15.9%	29,633	16.5%	297,155	9.5%
Boat, RV, van, etc.	214	0.9%	1,458	0.8%	11,900	0.4%

Source: ACS 2023 5-year estimate

Recent multifamily development is not reflected in the U.S. Census data yet. The City of Casa Grande reports that approximately 1,512 apartment units have been completed since 2023, and another 2,243 units are either under construction or planned. These figures will be further outlined in this section.

An estimated 3,466 units in Casa Grande are considered vacant or 14.3% of the total inventory, higher than the state and Pinal 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. Seasonal housing comprises 53.7% of all vacant units or 7.7% the total housing inventory in the city, a higher ratio than found in the state. As noted earlier in this report, assuming two people per seasonal unit, this could add another 3,700 people to the population of the city 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.

Housing Vacancy Status

	Casa Grande		Pinal County		Arizona	
	Units	%	Units	%	Units	%
Total Housing Units	**24,282**		**179,861**		**3,142,443**	
Total Occupied Units	20,816	85.7%	157,193	87.4%	2,796,790	89.0%
Total Vacant Units	3,466	14.3%	22,668	12.6%	345,653	11.0%
For rent	831	24.0%	2,066	9.1%	52,788	15.3%
Rented, not occupied	72	2.1%	454	2.0%	12,150	3.5%
For sale only	207	6.0%	1,322	5.8%	19,787	5.7%
Sold, not occupied	70	2.0%	857	3.8%	13,138	3.8%
For seasonal, recreational, or occasional use	1,862	53.7%	14,496	63.9%	172,996	50.0%
For migrant workers	0	0.0%	13	0.1%	899	0.3%
Other vacant	424	12.2%	3,460	15.3%	73,895	21.4%

Source: ACS 2023 5-year estimate

Casa Grande has a high percentage of owner-occupied units and a lower percentage of renter-occupied units (including 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 as well as Pinal County.

Tenure

	Casa Grande		Pinal County		Arizona	
	Units	%	Units	%	Units	%
Total:	**20,816**		**157,193**		**2,796,790**	
Owner occupied	14,747	70.8%	126,578	80.5%	1,873,231	67.0%
Renter occupied	6,069	29.2%	30,615	19.5%	923,559	33.0%

Source: ACS 2023 5-year estimate

Homeownership has been robust in the city, growing markedly since 2000. This trend tracks logically with the huge influx of single-family home development that started in 2004. Homeownership now stands at 71%, above the Arizona average.

The inventory of occupied single-family housing in the city totals 14,747 units according to the 2023 U.S. Census. Approximately 17.8% of those homes or 2,630 single family homes are rented. The Census also reports that over 43% of rentals are single family homes versus an average of 32% for the state. Only 33 units are categorized as condominiums in the city.

Homeownership

	Casa Grande	Pinal County	Arizona
2000	64.0%	77.4%	68.0%
2010	65.9%	77.7%	67.4%
2020	64.4%	77.4%	65.3%
2023	70.8%	80.5%	67.0%

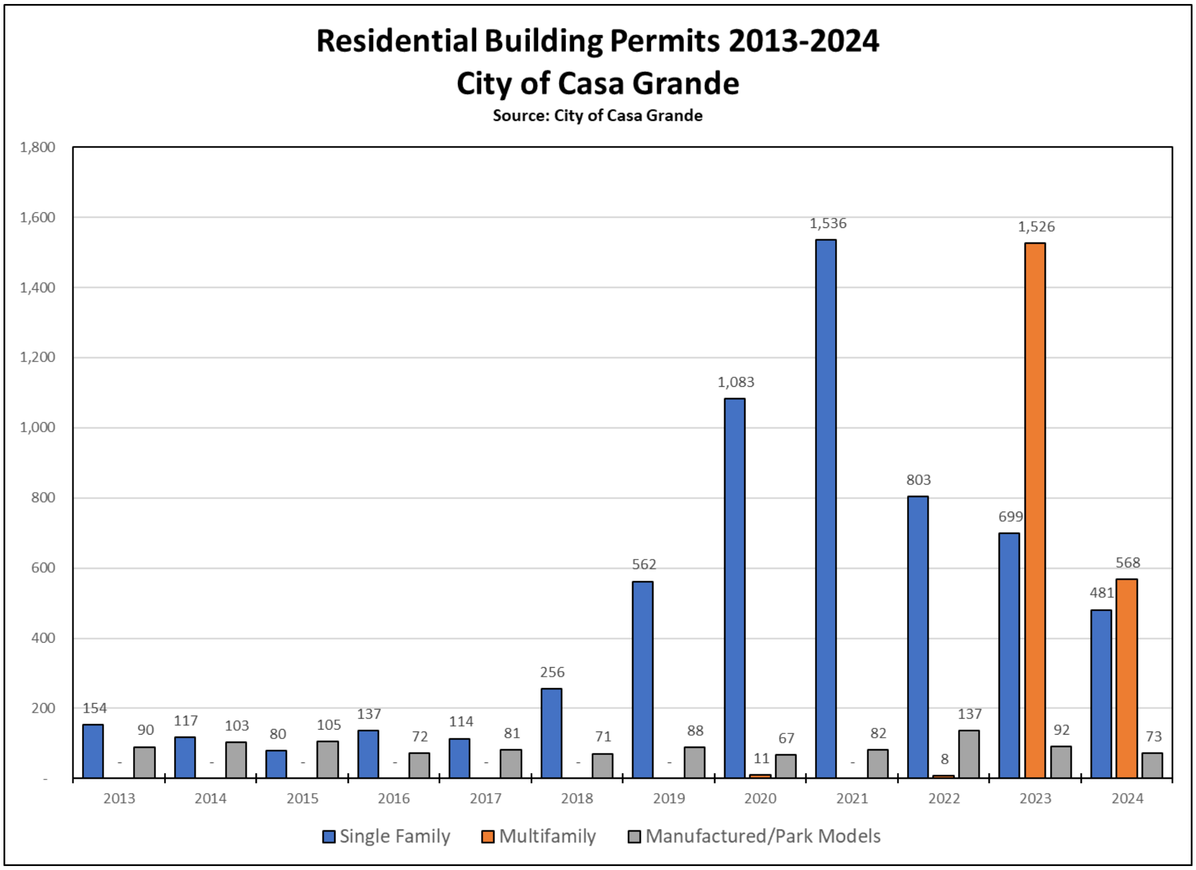
Source: Decennial Census 2000; ACS 5-year estimate

Tenure by Occupied Units in Structure

	Casa Grande		Pinal County		Arizona	
	Units	%	Units	%	Units	%
Total	**20,816**		**157,193**		**2,796,790**	
Owner-occupied housing units:	14,747	70.8%	126,578	80.5%	1,873,231	67.0%
1, detached	12,106	82.1%	104,891	82.9%	1,540,834	82.3%
1, attached	375	2.5%	2,145	1.7%	95,592	5.1%
2	0	0.0%	15	0.0%	3,554	0.2%
3 or 4	9	0.1%	172	0.1%	12,973	0.7%
5 to 9	0	0.0%	101	0.1%	12,431	0.7%
10 to 19	0	0.0%	295	0.2%	6,315	0.3%
20 to 49	0	0.0%	42	0.0%	5,760	0.3%
50 or more	24	0.2%	44	0.0%	11,827	0.6%
Mobile home	2,081	14.1%	17,649	13.9%	175,325	9.4%
Boat, RV, van, etc.	152	1.0%	1,224	1.0%	8,620	0.5%
Renter-occupied housing units:	6,069	29.2%	30,615	19.5%	923,559	33.0%
1, detached	2,630	43.3%	18,324	59.9%	297,696	32.2%
1, attached	195	3.2%	709	2.3%	47,677	5.2%
2	256	4.2%	1,066	3.5%	33,175	3.6%
3 or 4	333	5.5%	1,864	6.1%	80,528	8.7%
5 to 9	637	10.5%	1,328	4.3%	88,830	9.6%
10 to 19	357	5.9%	949	3.1%	97,475	10.6%
20 to 49	415	6.8%	805	2.6%	61,851	6.7%
50 or more	900	14.8%	1,351	4.4%	162,554	17.6%
Mobile home	284	4.7%	3,985	13.0%	50,493	5.5%
Boat, RV, van, etc.	62	1.0%	234	0.8%	3,280	0.4%

Source: ACS 2023 5-year estimate

Residential building permit activity has been extremely strong since 2019 reaching a peak of 1,536 units in 2021 fueled by the COVID pandemic induced interest rate decline. Single family permit activity has cooled over the last three years due to the sharp rise in mortgage interest rates and new home price appreciation, finishing 2024 at 481 permits. However, multifamily and build-to-rent products have taken up the slack with 2,102 permitted units since 2022. Permits for manufactured housing and park models have been consistent over the past eleven years. Based on this construction activity, population growth in Casa Grande is on pace to meet or exceed MAG's projected growth over the next five years and likely beyond.



Residential Building Permits
City of Casa Grande

Year	Single Family	Multi Family	Manufactured	Park Models	Build to Rent	Total
2013	154	-	71	19	-	**244**
2014	117	-	81	22	-	**220**
2015	80	-	87	18	-	**185**
2016	137	-	64	8	-	**209**
2017	114	-	64	17	-	**195**
2018	256	-	68	3	-	**327**
2019	562	-	71	17	-	**650**
2020	1,083	11	61	6	-	**1,161**
2021	1,536	-	78	4	-	**1,618**
2022	803	8	137	-	-	**948**
2023	699	976	89	3	550	**2,317**
2024	481	282	73	-	286	**1,122**

Source: City of Casa Grande

4.1 Apartment Inventory

An inventory of traditional apartment complexes was conducted for this study. The inventory was prepared for complexes with 40 or more units from CoStar. The inventory outlined in the following table may not include all apartment units in smaller apartment developments but is the best information available.

The city's inventory of traditional market-rate apartment complexes of 2,568 units is largely comprised of medium sized (100 to 300 units) complexes, the largest being 323 units in size. Another 925 units are classified as Built-To-Rent (BTR) complexes which have been built in the last few years. BTRs are typically single or duplex units, mostly single story, and built at a density of about 11–12 units per acre. Comparatively, traditional two to four-story apartment complexes are built at densities greater than 20 units per acre. The total existing inventory of market rate apartments stands at 3,493 units. BTR units typically have a rent premium of 20% over traditional apartment complexes because of the lower density and higher land cost per unit.

The vacancy rate for traditional apartment units at the end of 2024 is estimated at 11.9% which is above the normal stabilized rate for the market of about 7%. This is likely due to the construction of new units, including BTR units, still in lease up. The BTR vacancy rate is 61.0% since those units were only recently completed. This pushes the overall market-rate apartment inventory to a 19.0% vacancy rate.

In addition to the market-rate apartment inventory, there are seven affordable complexes totaling 832 units including 416 units that were completed in 2024. Most of these units were built under the Low Income Housing Tax Credit (LIHTC) program. Los Arboles and Somerset Manor also received assistance from the USDA Rural Development Multifamily Housing Program. The four older affordable complexes all completed their affordable commitments under the LIHTC program but still provide affordable units to the community. Two additional properties were built under the LIHTC program but appear to have been converted to market-rate properties. Those complexes are The Sonoran, formerly known as Silver Mesa Village, and Cypress Point Retirement Community.

Four new LIHTC complexes were approved in 2024 and 2025. Emberwood Apartments, Cottonwood Ranch, and Alma Apartments were approved under the 4% LIHTC bond program. Casa Grande Phase One was approved through the competitive 9% LIHTC program. This latter complex is being developed by Gorman & Company, a national developer of affordable complexes. These properties will likely be completed between 2025 and 2027. Due to the two new LIHTC complexes that opened in 2024, the affordable market has a vacancy rate of 31.6%.

Casa Grande Market-Rate Apartment Inventory								
Property	**Property Address**	**Units**	**Yr Built**	**Segment**	**Vacant %**	**Avg Rent**	**Avg SF**	**Rent/SF**
Traditional Apartments								
Arrowhead Apartments	779 E Brenda Dr	40	1962	All	6.4%	$601	750	$0.80
Villa Granada Apartments	600 E Cottonwood Ln	48	1971	All	17.9%	$1,203	739	$1.63
Palm View Apartments	851 E Palm Parke Blvd	60	1973	All	11.2%	$963	678	$1.42
Aspen Court	1641 N Kadota Ave	109	1974	All	7.4%	$1,119	788	$1.42
The Avenida	1926 N Avenida De Palmas	60	1984	All	0.4%	$1,326	1,065	$1.24
Center Park	1550 N Casa Grande Ave	160	1985	All	14.9%	$1,152	619	$1.86
Courtyard Apartments	2060 N Trekell Rd	244	1985	All	11.9%	$1,001	600	$1.67
Las Brisas Apartments	1000 N Arizola Rd	132	1986	All	11.4%	$1,321	686	$1.93
Quail Gardens	1650 N Kadota Ave	196	1986	All	12.2%	$1,236	631	$1.96
Bella Vista Apartment Homes	1564 N Morrison Ave	140	1995	All	10.7%	$1,273	887	$1.43
The Garnet of Casa Grande	510 E 8th St	96	1999	Senior	2.4%	n/a	n/a	n/a
The Sonoran (Silver Mesa Village)	344 N Pottebaum Rd	96	1999	All	16.8%	$1,432	1,195	$1.20
Cypress Point Retirement Comm.	1771 E Mcmurray Blvd	104	1999	Senior	0.0%	$1,365	750	$1.82
The Colony Apartments	351 N Peart Rd	240	2004	All	19.2%	$1,338	1,070	$1.25
Tierra Pointe	700 E Rodeo Rd	236	2007	All	6.4%	$1,369	913	$1.50
Desert Sands	720 W O'Neil Dr	323	2008	All	18.6%	$1,318	980	$1.34
Solace Casa Grande Crossings	255 N Camino Mercado	284	2025	All	n/a	$1,566	918	$1.70
Totals/Averages		**2,568**			**11.9%**	**$1,230**	**811**	**$1.50**
Build-To-Rent								
Solana Place at Carlton Commons	18 S Boniface Ln	113	2023	All	17.5%	$2,055	1,403	$1.46
Bungalows on Cottonwood	1620 N Trekell Rd	174	2024	All	81.6%	$1,857	979	$1.90
Canopy at Cottonwood	1450 E Cottonwood Ln	331	2024	All	65.1%	$1,720	887	$1.94
Bungalows on Florence	1821 E Florence Blvd	307	2025	All	n/a	$1,728	836	$2.06
Totals/Averages		**925**			**61.0%**	**$1,789**	**950**	**$1.91**
Total Market Rate Inventory		**3,493**			**19.0%**	**$1,323**	**842**	**$1.57**
Source: Costar								

Casa Grande Affordable Apartment Inventory								
Property	**Property Address**	**Units**	**Yr Built**	**Segment**	**Vacant %**	**Avg Rent**	**Avg SF**	**Rent/SF**
Los Arboles	803 E Palm Parke Blvd.	24	1982	Family	n/a	n/a	n/a	n/a
Somerset Manor	802 E. O'Neil Ave	36	1995	Family	n/a	n/a	n/a	n/a
Cottonwood Crossing Apartments	1565 N Wildflower Dr	128	1999	Family	7.8%	$1,027	1,001	$1.03
Villas by Mary T-Casa Grande	1576 E Cottonwood Ln	132	1999	Senior	0.0%	$417	950	$0.44
Kachina Apartments	316 N Avenue A	96	2012	Senior	1.5%	$590	581	$1.02
Mesa Vista	75 S Trekell Rd (4% LIHTC)	200	2024	Family	83.8%	$1,463	999	$1.46
Agave House	1936 N Trekkell Rd (4% LIHTC)	216	2024	Family	38.8%	$1,488	1,103	$1.35
Totals/Averages		**832**			**31.6%**	**$1,030**	**898**	**$1.05**
Newly Approved LIHTC Complexes								
Cottonwood Ranch	1161 E. O'Neil Dr (4% LIHTC)	300	2025	Family	Under Construction			
Emberwood Apartments	1449 E O'Neill Dr (4% LIHTC)	176	2026	Senior	Under Construction			
Alma Apartments	1715 N Peart Rd (4% LIHTC)	216	2026	Family	Under Construction			
Casa Grande - Phase One Apts.	115 Main Ave.	64	2027	Family				
Total		**756**						
Source: Costar, City of Casa Grande, AZ DOH								

The affordable multifamily housing market has expanded significantly over the past three years with six new complexes and 1,172 new units either completed or under construction. All of the new projects, except for Casa Grande Phase One, have been financed through what is known as the 4% LIHTC program rather than the 9% program. The 9% LIHTC program is competitive and only a limited number of projects are awarded credits each year. In Arizona, on average only ten projects are awarded each year based on evaluation criteria. These credits can cover roughly 70% of a project's eligible costs over 10 years. Typically, projects using the 9% program are small in size. The nine 2025 awarded projects only average 66 units in size. By comparison, the 4% LIHTC is non-competitive but subject to a volume cap which, in Arizona, is often not reached. 4% projects are financed with tax-exempt private activity bonds which can be issued by the state, counties, or cities. The credits can cover about 30% of eligible costs over 10 years. The 4% credits are automatically designated when 25% of the total project costs are financed with private activity bonds. The 4% LIHTC complexes are much larger in size and are often comprised of mixed income households. In Casa Grande, the typical 4% complex has 222 units.

In addition to the affordable apartment complexes in Casa Grande, another 718 market-rate units in four properties are under construction. Another 642 units are planned, but given the current economic and capital markets environment, the timing of when these properties may come to market is uncertain.

Under Construction

Property	Property Address	Units	Yr Built	Rent Type	Style
Bungalows on Henness	Florence Blvd & Henness Road	201	2025	Market	BTR
Cottonwood Ranch	1161 E. O'Neil Dr	300	2025	Affordable-Family	Garden
Flatz 387	2840 N Palomina Pkwy	204	2025	Market	Garden
Lofts at G Diamond Ranch	1904 N Colorado St	120	2026	Market	Garden
Emberwood	1514 O'Neil Drive	176	2026	Affordable-Senior	Garden
O'Neil Apartments	151 W. O'Neil Dr	193	2026	Market	Garden
Alma Apartments	1715 N Peart Rd	216	2026	Affordable-Family	Garden
Total		**1,410**			
Affordable Total		**692**			
Market-Rate Total		**718**			

Source: Costar, City of Casa Grande

Planned Complexes

Property	Property Address	Units	Yr Built	Rent Type
N/A	Rodeo Rd & N Kadota Ave	156	2027	Market
Promenade Village	Mission Pkwy N of Promenade	208	2027	Market
Arrevol Village	SWC Peart & Earley Rds	278	2027	Market
Total		**642**		

Source: Costar, City of Casa Grande

The are few public housing opportunities in Casa Grande. According to the Pinal County Housing Authority, there are 268 households with Housing Choice Vouchers in the city along with 12 VASH vouchers for veterans. The waiting list for vouchers is 4,368 applicants. There are also 52 public housing units in Casa Grande operated by the Authority. In total, 332 households are receiving public housing benefits in the city.

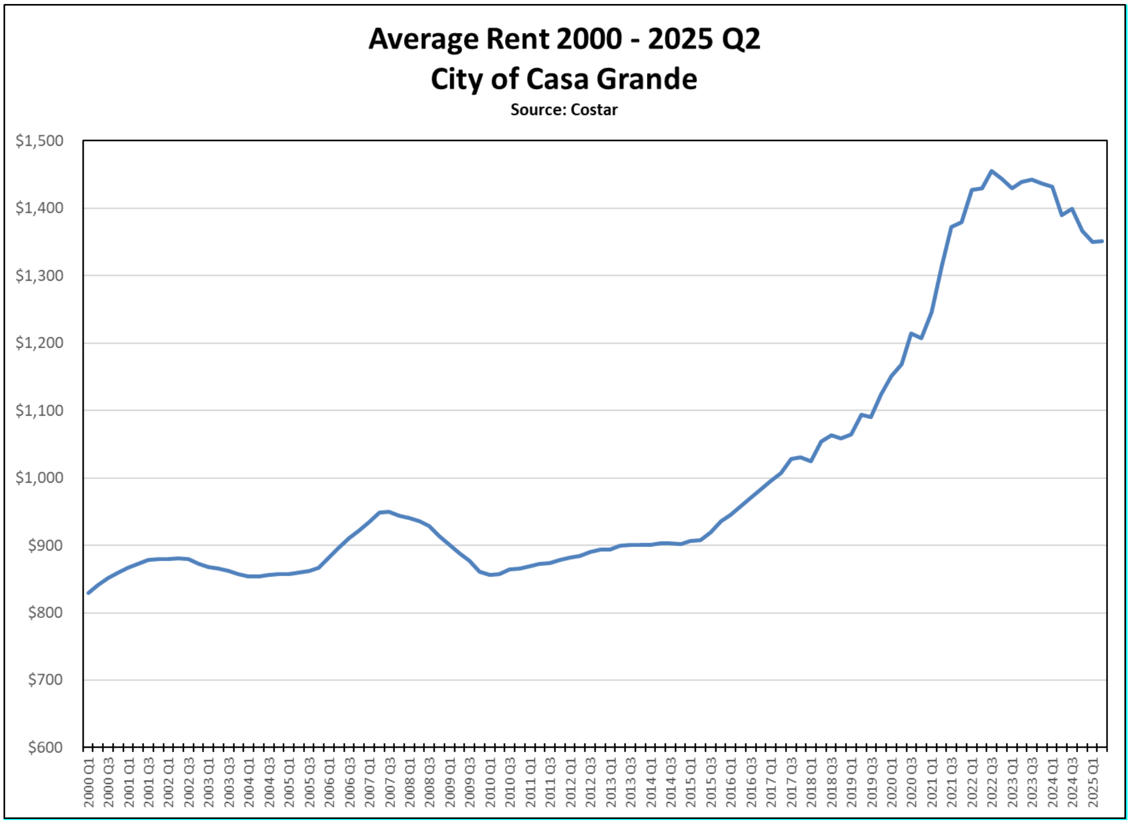
The apartment market in Casa Grande has expanded tremendously in the past few years driven by both affordable and market rate complexes. The total inventory of affordable and market rate complexes stands at 4,325 units. Another 1,474 units are under construction including Casa Grande Phase One , bringing the total inventory to more than 5,799 units or an increase of 34% in just the last two years.

The affordable market has grown even more with 416 units completed in 2024 and early 2025 (Mesa Vista and Agave House) plus another 692 units currently under construction. By 2027 another 64 units will be completed through the tax credit programs, bringing the affordable inventory to 1,588 units. That's an increase of 282% in the affordable inventory from its inventory of 416 units in 2023.

Change in Casa Grande Apartment Market

	Units
Total Market Rate & Affordable Units	4,325
Under Construction	1,474
Total	**5,799**
% Change	**34%**
Affordable Units 2023	416
Affordable Units built in 2024	416
Affordable Units Under Construction	692
Newly Approved LIHTC complex (Casa Grande Ph. 1)	64
Total	**1,588**
% Change in Affordable Units Since 2023	**282%**
Source: Costar, City of Casa Grande, AZ DOH	

Average rents for apartments in Casa Grande grew to a peak of $1,455 by the third quarter of 2022. They have since moderated by about $100 to $1,350 in the first quarter of 2025 due to the influx of new complexes, rising vacancy rates, and rising concessions.



The following table depicts the inventory of apartments in Casa Grande by floor plan and required income for each unit size. Two-bedroom units make up the majority of the units in the city (51%) followed by one-bedroom units (25%). An estimated 21% of the apartment inventory is three-bedroom units. There are very few studios in the market (approximately 2%) and 1% of the market is comprised of 4-bedroom units.

Apartment Unit Characteristics
Casa Grande Apartment Market

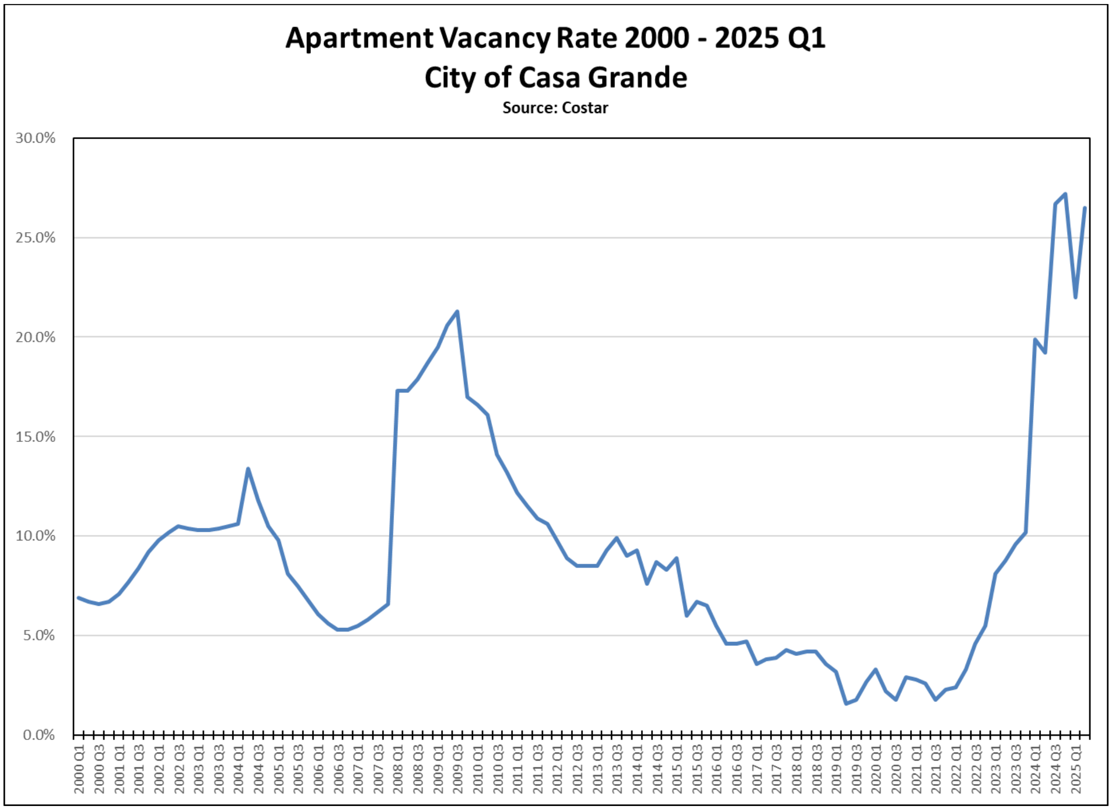
Unit Type	Units	%	Avg. Rent	Avg. SF	Avg. Rent/SF	Required Income
Studio	80	2.0%	$1,061	479	$2.25	$46,453
1 BR	1,039	25.3%	$1,220	659	$1.87	$52,798
2 BR	2,078	50.7%	$1,299	902	$1.45	$55,962
3 BR	864	21.1%	$1,766	1,213	$1.45	$74,627
4 BR	39	1.0%	$2,054	1,479	$1.39	$86,160
Total	**4,100**	**100.0%**	**$1,410**	**910**	**$1.61**	**$60,417**

Source: Costar

In total, the apartment market in Casa Grande consists of 4,325 existing units (including BTR) with another 1,410 units under construction and 642 units in the planning stage. Apartment vacancies typically average a 7% rate which indicates a stabilized market. Vacancy rates below 7% often suggest a shortage of rental units which could cause rents to rise due to strong demand, further increasing the cost of housing for households that cannot afford to purchase a home. The current apartment market in Casa Grande is far from this scenario with an abundance of available apartment units that will likely take some time to fully absorb.

According to Costar, the current overall apartment vacancy rate in Casa Grande is 26.5%, largely due to the construction of new complexes in the city. As of 2021, the vacancy rate was as low as 1.8%, indicating a significant undersupply of units. Since then, the vacancy rate has been on the increase. A similar situation occurred during the Great Recession in 2009 when vacancies rose above 20%.

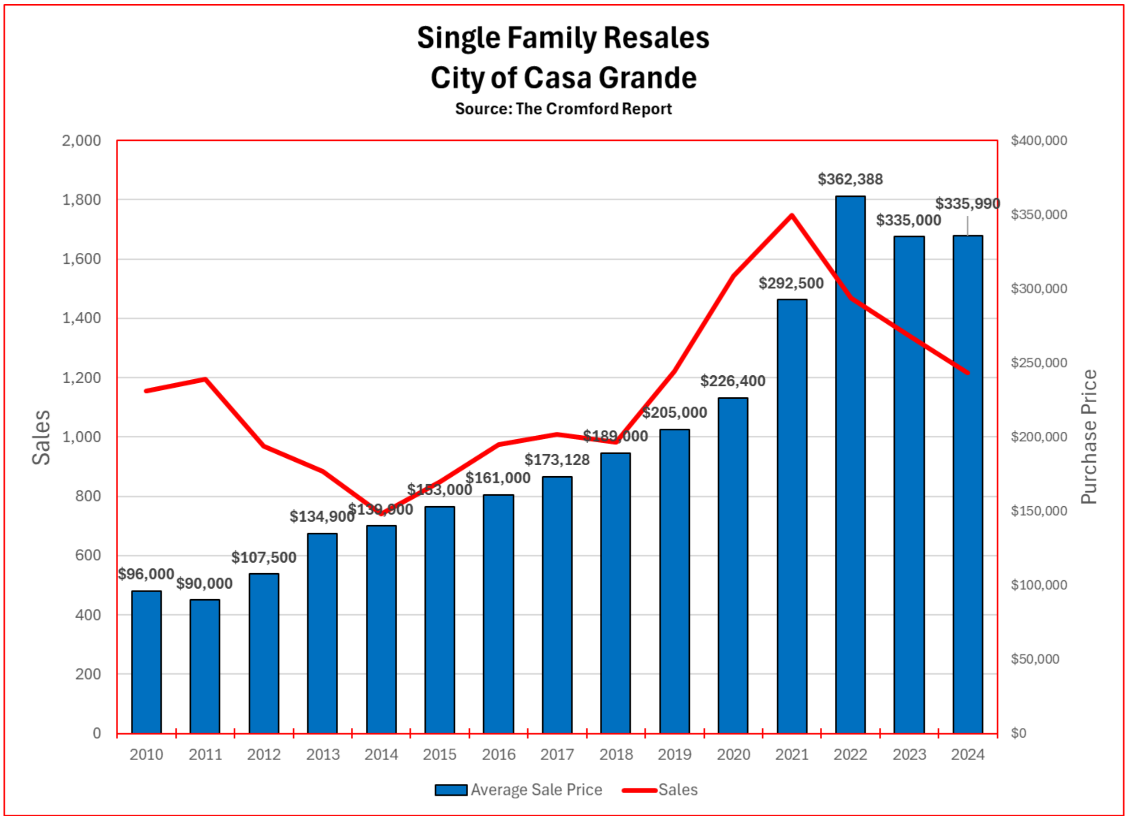
The apartment market is subject to significant fluctuations in vacancy as markets reach a shortage of units, often followed by overbuilding. The units currently under construction will increase the inventory by about 34%. Planned units will increase the inventory by another 11%. However, the growth prospects for Casa Grande indicate the units currently under construction and planned will be absorbed over time.

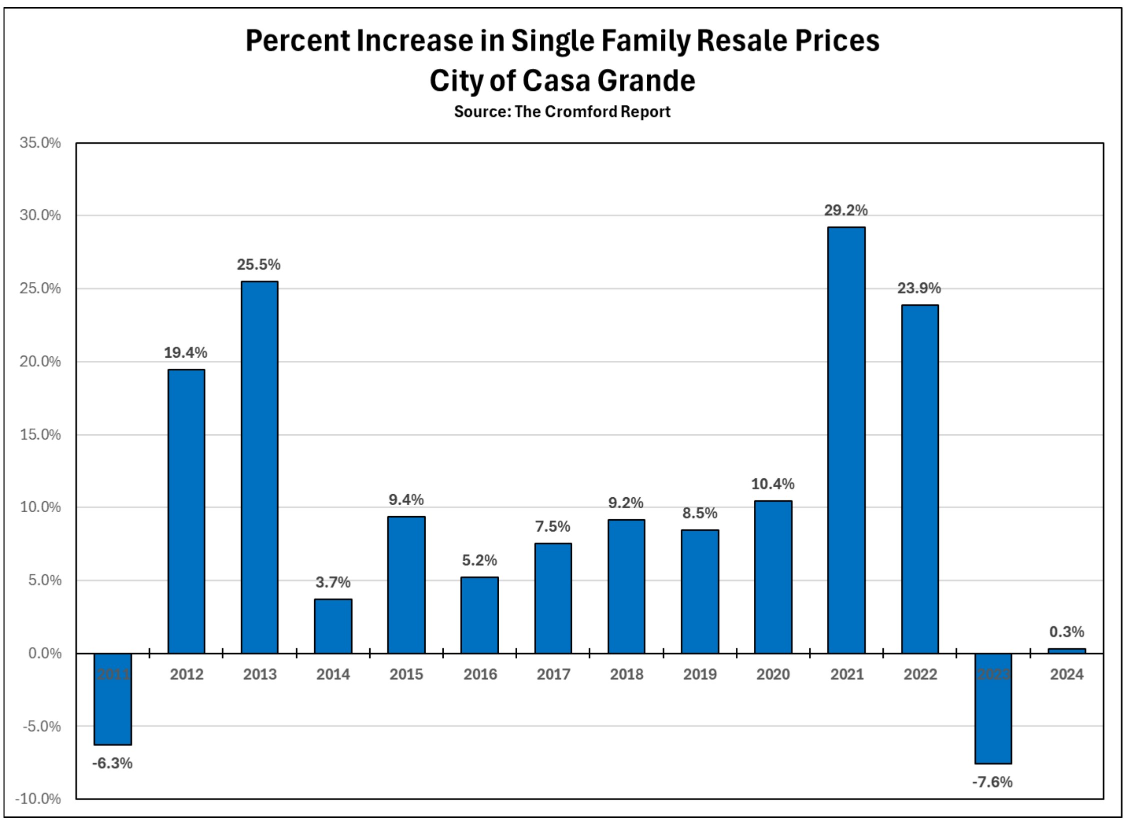


CoStar reports that approximately 500 apartments were absorbed in the Casa Grande market over the last 12 months. **If this rate of absorption is maintained, absorption of the existing excess vacant inventory and apartments under construction would take more than four years to reach a 93% occupancy level. Taking into consideration the planned units, Casa Grande probably is looking at six years to absorb all existing vacant, under construction, and planned apartment units.** The presence of new affordable units in the market and planned for the city could result in faster absorption considering the demand for such units.

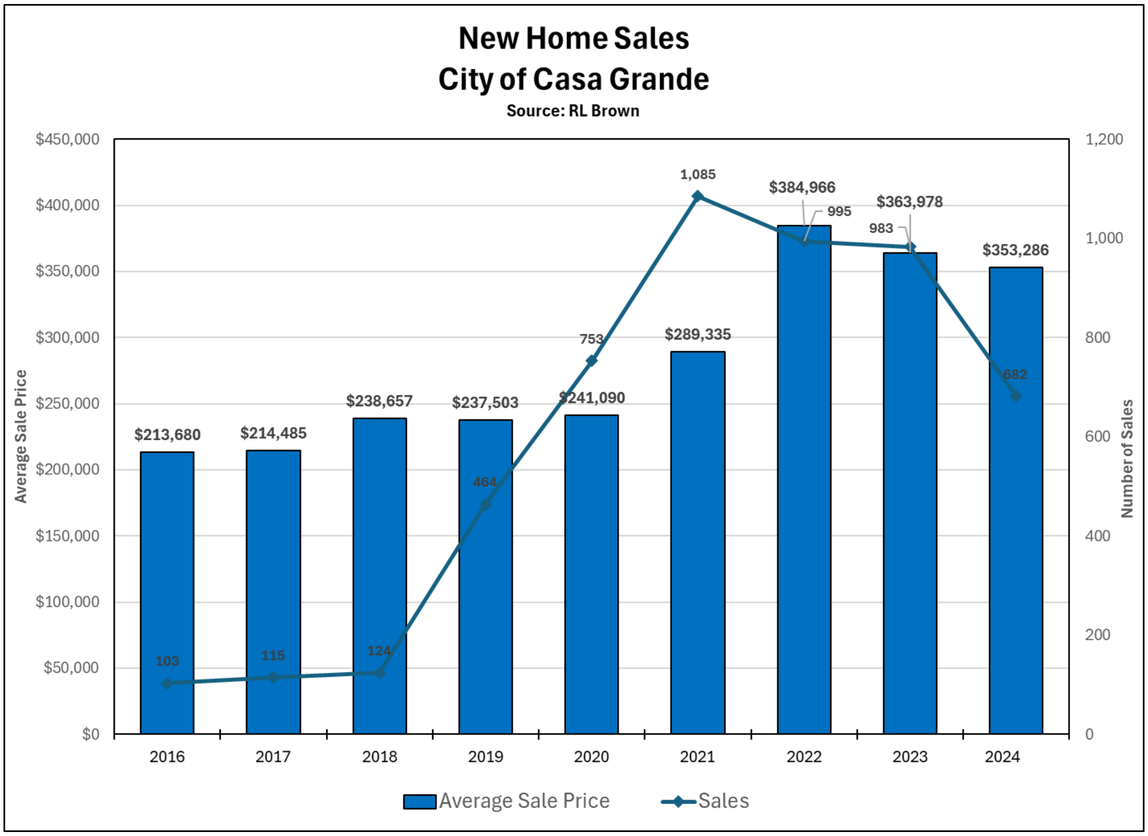
4.2 Ownership Housing Market

The price of housing in Casa Grande has increased dramatically over the past five years. Single family resale prices have risen by 64% since 2019. That's an increase of $131,000 from $205,000 to $336,000. The number of sales peaked in 2021 at 1,749 but have since fallen to 1,217 in 2024, a 30.4% decline largely due to high mortgage interest rates and rising construction costs.


Single Family Resales
City of Casa Grande
Source: The Cromford Report
Sales
Purchase Price
$96,000
$90,000
$107,500
$134,900
$139,000
$153,000
$161,000
$173,128
$189,000
$205,000
$226,400
$292,500
$362,388
$335,000
$335,990
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
Average Sale Price
Sales


Percent Increase in Single Family Resale Prices
City of Casa Grande
Source: The Cromford Report
-6.3%
19.4%
25.5%
3.7%
9.4%
5.2%
7.5%
9.2%
8.5%
10.4%
29.2%
23.9%
-7.6%
0.3%
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2024

New home sale prices also increased since 2019, rising by almost $150,000 through 2022. Prices declined over the past two years from $385,000 to about $353,000 in 2024. The number of new home sales is down 37% from 2021 to 682 sales.



The affordable housing value for Casa Grande is shown in the adjacent table based on the city median income of approximately $66,513. With a 10% down payment and a 6.65% loan, the maximum house value that the typical Casa Grande household can afford is $238,000. **In 2024, out of 1,590 single family home sales (new and resale), only 194 resale homes (12.2%) were sold for less than $238,000. No new homes were sold**

Affordable Housing Payment Estimator
City of Casa Grande

	Calculation
House value	$238,000
Down payment	10%
Down payment	$23,800
Mortgage amount	$214,200
Interest rate	6.65%
Loan term in years	30
% of income devoted to mortgage payment	30.0%
Monthly loan payment (P & I)	$1,375
Monthly property tax, insurance, PMI	$288
Total monthly payment	$1,663
Yearly income required	**$66,513**

Sources: EDPCo, Freddie Mac

for less than $250,000. However, out of those 194 resale homes, 92 were sold for less than $200,000. Most of these homes were manufactured homes on individual lots.

2024 Resale Home Prices by Price Range City of Casa Grande		
Price Range	**Sales**	**%**
Less than $250,000	194	21.4%
$250,000-$300,000	208	22.9%
$300,000-$350,000	221	24.3%
$350,000-$400,000	150	16.5%
$400,000-$450,000	62	6.8%
$450,000-$500,000	23	2.5%
$500,000-$550,000	10	1.1%
$550,000-$600,000	10	1.1%
$600,00-$700,000	12	1.3%
$700,000+	18	2.0%
Total	**908**	**100.0%**
Median Price	$310,000	
Average Price	$321,849	
Minimum Price	$45,000	
Maximum Price	$1,400,000	
Source: RL Brown		

2024 New Home Prices by Price Range City of Casa Grande		
Price Range	**Sales**	**%**
Less Than $250,000	-	0.0%
$250,000-$300,000	85	12.5%
$300,000-$350,000	297	43.5%
$350,000-$400,000	202	29.6%
$400,000-$450,000	58	8.5%
$450,000-$500,000	32	4.7%
$500,000-$550,000	4	0.6%
$550,000-$600,000	3	0.4%
$600,00-$700,000	-	0.0%
$700,000+	1	0.1%
Total	**682**	**100.0%**
Median Price	$344,998	
Average Price	$353,286	
Minimum Price	$260,000	
Maximum Price	$820,000	
Source: RL Brown		

The household income required to afford the median priced new home of $345,000 in Casa Grande at current interest rates is $96,400. For a resale home at a median price of $310,000, the required income is slightly lower at $86,600. At a reduced interest rate of 5%, the required household incomes decline to $74,900 for a resale home and $83,400 for a new home. The current interest rate environment makes it difficult for first time buyers to afford a home.

The resale market in Casa Grande offers some opportunities for first time home buyers to enter the market. However, the size of the market for homes under $250,000 or $300,000 is limited relative to the expected growth of the city. The quality of that housing may also be suspect and require major improvements.

5.0 Affordable Housing Demand & Forecast

The City of Casa Grande is forecasted to grow by approximately 25,000 people over the next 15 years based on forecasts from the Arizona Office of Economic Opportunity. At the current average household size of 2.54 persons per unit, the demand for housing through 2040 totals 9,800 units or an average of 655 units per year. For perspective, residential building permits have averaged approximately 770 units per year since 2013. However, since 2020, permitting has increased to 1,430 units per year, largely driven by an increase in apartment and BTR permits. Given the recent increase in apartment demand and high vacancies, permitting activity should moderate in the next few years.

The City of Casa Grande Planning and Development Department reports there is more than adequate land area to accommodate residential growth in the city. Single family zoned land totals more than 30,300 acres. Multifamily zoned land totals nearly 2,900 acres which at a modest density of 15 units per acre would hold 43,000 multifamily units. From a land availability perspective, future housing development can easily be accommodated over the next 15 years assuming utility services are available as well as water.

5.1 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 five 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 not kept pace. **Housing affordability affects low- and moderate-income households the most, including many essential occupations such as teachers, police, firefighters, nurses, and service workers.**

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 people 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 29% of all households are considered cost burdened and about 13.4% are severely burdened.

There are two methods to evaluate the affordability gap for Casa Grande. The first uses data directly from the U.S. Census that shows the number of households spending more than 30% of income on housing. The second method can be used when detailed housing data is available for the market area. That is the case for Casa Grande which will be outlined in this section.

Gap Analysis Methodology 1

The following table outlines the housing cost burden for renters in Casa Grande which totals approximately 2,900 households or 47.8% of all renters. **An estimated 20.8% of renter households pay more than 50% of their incomes on housing or 1,260 households. These households are considered severely rent burdened.**

Housing Cost Burden
Gross Rent as % of Household Income

	Casa Grande		Pinal County		Arizona	
	Households	%	Households	%	Households	%
Total:	**6,069**		**30,615**		**923,559**	
Less than 10.0 percent	178	2.9%	1,186	3.9%	35,020	3.8%
10.0 to 14.9 percent	434	7.2%	2,339	7.6%	70,637	7.6%
15.0 to 19.9 percent	534	8.8%	2,958	9.7%	104,368	11.3%
20.0 to 24.9 percent	943	15.5%	4,521	14.8%	115,422	12.5%
25.0 to 29.9 percent	574	9.5%	3,333	10.9%	102,684	11.1%
30.0 to 34.9 percent	420	6.9%	2,241	7.3%	80,245	8.7%
35.0 to 39.9 percent	462	7.6%	1,774	5.8%	62,372	6.8%
40.0 to 49.9 percent	761	12.5%	2,990	9.8%	83,870	9.1%
50.0 percent or more	1,260	20.8%	5,257	17.2%	207,164	22.4%
Not computed	503	8.3%	4,016	13.1%	61,777	6.7%
Total Spending More Than 30%	**2,903**	**47.8%**	**12,262**	**40.1%**	**433,651**	**47.0%**
Total Spending More Than 50%	**1,260**	**20.8%**	**5,257**	**17.2%**	**207,164**	**22.4%**

Source: ACS 2023 5-year estimate

For owner occupants, the housing cost burden is higher than the statewide average. More than 3,400 households in Casa Grande or 23.1% 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.

Housing Cost Burden
Owner-Occupied Housing Units

	Casa Grande		Pinal County		Arizona	
	Households	%	Households	%	Households	%
Monthly Costs	**14,747**		**126,578**		**1,873,231**	
Less than $500	3,630	44.2%	34,188	43.9%	463,623	39.7%
$500 to $999	3,868	47.1%	20,676	26.5%	309,897	26.6%
$1,000 to $1,499	3,370	41.1%	26,783	34.4%	360,822	30.9%
$1,500 to $1,999	1,948	23.7%	23,801	30.6%	307,622	26.4%
$2,000 to $2,499	1,360	16.6%	12,340	15.8%	197,267	16.9%
$2,500 to $2,999	349	4.3%	4,803	6.2%	104,255	8.9%
$3,000 or more	222	2.7%	3,987	5.1%	129,745	11.1%
Housing Cost as % of Household Income	**14,747**		**126,578**		**1,873,923**	
Less than 20.0 percent	8,551	58.0%	73,540	58.1%	1,119,766	59.8%
20.0 to 24.9 percent	1,553	10.5%	15,185	12.0%	208,120	11.1%
25.0 to 29.9 percent	1,001	6.8%	9,334	7.4%	134,880	7.2%
30.0 to 34.9 percent	928	6.3%	6,662	5.3%	89,682	4.8%
35.0 percent or more	2,476	16.8%	20,486	16.2%	300,038	16.0%
Not computed	238		1371		21,437	
Total Spending More than 30%	**3,404**	**23.1%**	**27,148**	**21.4%**	**389,721**	**20.8%**

Source: ACS 2023 5-year estimate

The housing affordability gap for Casa Grande under this methodology is 6,307 households, or approximately 30.3% of total households. Renters are the most cost-burdened households in the city on a percentage basis. The housing burden at different incomes is outlined below.

- Housing cost burden falls on the lowest income households. There are 720 renter households earning less than $20,000 who are burdened by rent and 943 owner households similarly burdened. 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 1,926 renter households in the city earning between $20,000 and $50,000 per year and 88% of them, or 1,695 households, are burdened by housing costs. This group could be served by Low Income Housing Tax Credit projects or other government subsidized housing programs targeting 30%-60% AMI households. Casa Grande has several apartment communities offering subsidized rent to this target population totaling 772 units and an additional 300-unit complex is currently under construction. Two of the complexes were recently opened in 2024. Excluding population growth, there is still a need for more than 600 subsidized units.

- The third group of households, representing 1,348 households, earn between $50,000 and $75,000. About one-quarter of these households are burdened by housing costs. Most of these households would likely qualify for workforce housing units targeting 60%-80% AMI. Additionally, a portion of these households at the higher end of the range could be candidates for homeownership assistance programs. Alternatively, the market rate apartments recently delivered and under construction are positioned to offer rents affordable to households between $50,000 and $75,000. With interest rate relief, a portion of these households could affordably purchase homes in the low $300,000 range.

- The final group of 1,433 households earn $75,000 or more with about 10% burdened by housing costs. The new market rate apartments will be affordable to this group of households. There are also many options among new and resale homes that would be affordable, especially if mortgage interest rates decline.

Renter-Occupied Households Paying More Than 30% of Income Towards Housing Costs by Income Range

	Casa Grande		Pinal County		Arizona	
Income	**Households**	**%**	**Households**	**%**	**Households**	**%**
Less than $20,000:	849		3,877		122,567	
Paying more than 30% on housing	720	84.8%	3,513	90.6%	113,927	93.0%
$20,000 to $34,999:	697		3,025		123,065	
Paying more than 30% on housing	656	94.1%	2,481	82.0%	109,901	89.3%
$35,000 to $49,999:	1,229		3,608		130,533	
Paying more than 30% on housing	1,039	84.5%	2,433	67.4%	97,037	74.3%
$50,000 to $74,999:	1,348		6,035		177,433	
Paying more than 30% on housing	345	25.6%	2,941	48.7%	82,140	46.3%
$75,000 or more:	1,443		10,054		308,184	
Paying more than 30% on housing	143	9.9%	894	8.9%	30,646	9.9%
No cash rent	503		4,016		61,777	
Total Renter Households	**6,069**		**30,615**		**923,559**	
Total Paying More Than 30% of Income	**2,903**	**47.8%**	**12,262**	**40.1%**	**433,651**	**47.0%**

Source: ACS 2023 5-year estimate

Owner-Occupied Households Paying More Than 30% of Income Towards Housing Costs by Income Range						
	Casa Grande		Pinal County		Arizona	
Income	Households	%	Households	%	Households	%
Less than $20,000:	1,021		8,322		124,661	
Paying more than 30% on housing	943	92.4%	6,463	77.7%	98,942	79.4%
$20,000 to $34,999:	1,624		10,804		153,271	
Paying more than 30% on housing	821	50.6%	5,286	48.9%	78,585	51.3%
$35,000 to $49,999:	1,564		12,461		169,997	
Paying more than 30% on housing	694	44.4%	5,083	40.8%	67,957	40.0%
$50,000 to $74,999:	2,704		22,509		291,613	
Paying more than 30% on housing	637	23.6%	6,539	29.1%	80,082	27.5%
$75,000 or more:	7,596		71,111		1,112,252	
Paying more than 30% on housing	309	4.1%	3,806	5.4%	63,840	5.7%
No cash rent	6,307		31,986		944,996	
Total Owner Households	**14,747**		**126,578**		**1,873,231**	
Total Paying More Than 30% of Income	**3,404**	**23.1%**	**27,177**	**21.5%**	**389,406**	**20.8%**
Source: ACS 2023 5-year estimate						

Overcrowding

Overcrowding is a housing issue defined by HUD as more than one person per room living in a housing unit. Overcrowding is usually a symptom of the lack of affordable housing when people 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 statewide have a higher rate of overcrowding than owner-occupied units.

In Casa Grande, an estimated 857 (4.1%) of all housing units are considered overcrowded. As illustrated below, the city's percentage of overcrowded units is below the statewide average and about equal to the countywide average. Overall, overcrowding does not appear to be the community's most significant housing issue. However, the 857 overcrowded units is another indicator of the need for additional affordable housing supply.

Tenure By Occupants in Room						
	Casa Grande		Pinal County		Arizona	
	Households	%	Households	%	Households	%
Total Households	**20,816**		**157,193**		**2,796,790**	
Owner occupied:	**14,747**		**126,578**		**1,873,231**	
0.50 or less occupants per room	10,229	69.4%	91,817	72.5%	1,392,768	74.4%
0.51 to 1.00 occupants per room	4,088	27.7%	30,996	24.5%	428,194	22.9%
1.01 to 1.50 occupants per room	283	1.9%	2,846	2.2%	37,589	2.0%
1.51 to 2.00 occupants per room	144	1.0%	809	0.6%	10,738	0.6%
2.01 or more occupants per room	3	0.0%	110	0.1%	3,942	0.2%
Total owner overcrowded households	**430**	**2.9%**	**3,765**	**3.0%**	**52,269**	**2.8%**
Renter occupied:	**6,069**		**30,615**		**923,559**	
0.50 or less occupants per room	2,783	18.9%	16,545	13.1%	520,439	27.8%
0.51 to 1.00 occupants per room	2,859	19.4%	11,586	9.2%	332,595	17.8%
1.01 to 1.50 occupants per room	196	1.3%	1,821	1.4%	42,952	2.3%
1.51 to 2.00 occupants per room	198	1.3%	529	0.4%	20,931	1.1%
2.01 or more occupants per room	33	0.2%	134	0.1%	6,642	0.4%
Total renter overcrowded households	**427**	**2.9%**	**2,484**	**2.0%**	**70,525**	**3.8%**
Total renter and owner overcrowded units	**857**	**4.1%**	**6,249**	**4.0%**	**122,794**	**4.4%**
Source: ACS 5-Year Estimates						

At Risk Households

A number of different cohorts within the local population are particularly at risk of being burdened by housing costs. One group is households that are separated or divorced or where a spouse has died. Those households have much lower incomes relative to married couple families. In particular, households headed by a single female have a median income below $44,000 and when they live with their own children, the median income is less than $42,000.

Household Type By Median Income City of Casa Grande			
	Households	%	Median Income
Total households	**20,816**		**$66,354**
Married-couple household	**10,331**	**49.6%**	**$89,361**
With own children under 18 years	3,655	17.6%	$93,988
No own children under 18 years	6,676	32.1%	$87,623
Cohabiting couple household	**2,033**	**9.8%**	n/a
With own children under 18 years	935	4.5%	n/a
No own children under 18 years	1,098	5.3%	n/a
Male householder, no spouse/partner present	**3,295**	**15.8%**	**$59,853**
With own children under 18 years	236	1.1%	$55,044
With no own children under 18 years	834	4.0%	$72,721
Householder living alone	2,225	10.7%	n/a
65 years and over	863	4.1%	n/a
Female householder, no spouse/partner present	**5,157**	**24.8%**	**$43,762**
With own children under 18 years	1,252	6.0%	$41,847
With no own children under 18 years	1,337	6.4%	$49,871
Householder living alone	2,568	12.3%	n/a
65 years and over	1,757	8.4%	n/a

Source: ACS 2023 5-year estimate

A second group of at-risk households is senior residents of Casa Grande over the age of 65 who exhibit a high level of housing cost burden. About 56% of all renter householders over the age of 65, many of whom would be on fixed incomes, spend more than 30% of their income on housing. Comparatively, 48% of all renters in the city are cost burdened by housing. Similarly, 37% of senior owner households pay more than 30% of income on housing compared to 23% for the general ownership population of the city. Overall, 29% of the Casa Grande senior population is considered burdened by housing costs. By comparison, they only represent 20% of the total city population, so they are disproportionately burdened by housing costs. Any efforts to expand affordable housing in Casa Grande needs to consider the demand from senior residents.

Casa Grande Householders Over the Age of 65 Years Percentage of Income Spent on Housing						
	Renters		Owner		Total	
Spending Percentage	**Households**	**%**	**Households**	**%**	**Households**	**%**
Householders 65 years and over:	**1,253**		**5,607**		**6,860**	
Less than 20.0%	220	17.6%	3,325	59.3%	3,545	51.7%
20.0 to 24.9%	95	7.6%	586	10.5%	681	9.9%
25.0 to 29.9%	113	9.0%	342	6.1%	455	6.6%
30.0 to 34.9%	15	1.2%	233	4.2%	248	3.6%
35.0% or more	684	54.6%	1,034	18.4%	1,718	25.0%
Not computed	126		87		213	
Senior households ending more than 30%	**699**	**55.8%**	**1,267**	**22.6%**	**1,966**	**28.7%**
Total city households spending 30%+	**2,903**	**47.8%**	**3,404**	**23.1%**	**6,307**	**30.3%**
% of senior burdened households to total households	**24.1%**		**37.2%**		**31.2%**	
Source: ACS 2023 1-year estimate						

Summary

In summary, an estimated 6,312 households in Casa Grande are burdened by housing costs, spending more than 30% of their income on housing. This number includes 2,903 renters and 3,404 owners. As noted previously, owners have more options to resolve their housing cost issue by selling their home and moving to a lower cost unit or renting. While these can be difficult decisions, owners can alleviate their cost burden; renters have fewer options.

Casa Grande has an inventory of affordable units that include the following:

- Housing Choice vouchers: 268
- VASH vouchers (veterans): 12
- Public housing units (Pinal County Housing Authority): 52
- LIHTC units: 832
- LIHTC units under construction: 756

Total affordable units existing or under construction: 1,920.

The availability of the 1,920 affordable units in the community still leaves 4,387 households with a high-cost burden. However, the city's renter burden of 2,903 households means that some of those renters could move to more affordable units as they are completed. This leaves less than 1,000 renter households that would be burdened by housing costs.

Gap Analysis Methodology 2

The second methodology for evaluating the affordable housing gap for Casa Grande involves comparing household incomes for owners and renters from the U.S. Census to current housing market data collected for this study. Home prices and rents for 2024 are provided in earlier sections of this report. The primary assumption of this methodology is that the collected market data is representative of the entire ownership and rental housing market in Casa Grande for 2024.

Following are charts of apartment rents and housing prices along with the income required to afford a unit within each rent or price range. For the apartment market, rents range from less than $900 to more than $2,250. Assuming utilities on average cost $150 per month, the total monthly cost for a unit ranges from $1,050 to $2,400. The minimum income to rent a market-rate unit ranges from $42,000 to $96,000. The analysis also accounts for non-market rate units such as public housing units available in the city, vouchers, and LIHTC units available in the city and assumes those units would be occupied by the lowest income households.

For the ownership market, a similar analysis was conducted for both resale and new homes. Prices range from about $200,000 to more than $700,000. A mortgage payment is estimated based on a 10% down payment and a 6.6% interest rate. An additional factor was added to the monthly required payment estimate for private mortgage insurance, property taxes, and home insurance. The required income for a home in Casa Grande ranges from about $67,000 to $188,000.

Casa Grande 2024 Market Rents & Required Income

			Rent Range		Rent + Utilities		Required Income	
Rent Range	**Units**	**%**	**Min**	**Max**	**Min**	**Max**	**Min**	**Max**
Less than $900	214	5.2%		$900		$1,050		$42,000
$900-$1,000	182	4.4%	$900	$1,000	$1,050	$1,150	$42,000	$46,000
$1,000-$1,100	76	1.9%	$1,000	$1,100	$1,150	$1,250	$46,000	$50,000
$1,100-$1,200	589	14.4%	$1,100	$1,200	$1,250	$1,350	$50,000	$54,000
$1,200-$1,300	556	13.6%	$1,200	$1,300	$1,350	$1,450	$54,000	$58,000
$1,300-$1,400	479	11.7%	$1,300	$1,400	$1,450	$1,550	$58,000	$62,000
$1,400-$1,500	586	14.3%	$1,400	$1,500	$1,550	$1,650	$62,000	$66,000
$1,500-$1,600	242	5.9%	$1,500	$1,600	$1,650	$1,750	$66,000	$70,000
$1,600-$1,700	318	7.8%	$1,600	$1,700	$1,750	$1,850	$70,000	$74,000
$1,700-$1,800	316	7.7%	$1,700	$1,800	$1,850	$1,950	$74,000	$78,000
$1,800-$1,900	148	3.6%	$1,800	$1,900	$1,950	$2,050	$78,000	$82,000
$1,900-$2,000	-	0.0%	$1,900	$2,000	$2,050	$2,150	$82,000	$86,000
$2,000-$2,250	354	8.6%	$2,000	$2,250	$2,150	$2,400	$86,000	$96,000
$2,250+	40	1.0%	$2,250		$2,400		$96,000	
Total	**4,100**	**100.0%**						

Source: Costar

Casas Grande 2024 Housing Sales & Required Income								
			Loan Pmt		Total Pmt		Required Income	
Combined Sales	Sales	%	Min	Max	Min	Max	Min	Max
Less Than $250,000	194	12.2%	$0	$1,437	$0	$1,678		$67,136
$250,000-$300,000	293	18.4%	$1,437	$1,724	$1,678	$2,014	$67,136	$80,563
$300,000-$350,000	518	32.6%	$1,724	$2,012	$2,014	$2,350	$80,563	$93,990
$350,000-$400,000	352	22.1%	$2,012	$2,299	$2,350	$2,685	$93,990	$107,417
$400,000-$450,000	120	7.5%	$2,299	$2,587	$2,685	$3,021	$107,417	$120,844
$450,000-$500,000	55	3.5%	$2,587	$2,874	$3,021	$3,357	$120,844	$134,272
$500,000-$550,000	14	0.9%	$2,874	$3,161	$3,357	$3,692	$134,272	$147,699
$550,000-$600,000	13	0.8%	$3,161	$3,449	$3,692	$4,028	$147,699	$161,126
$600,00-$700,000	12	0.8%	$3,449	$4,024	$4,028	$4,700	$161,126	$187,980
$700,000+	19	1.2%	$4,024	$0	$4,700	$0	$187,980	$0
Total	**1,590**	**100.0%**						
Source: RL Brown								

The above market data was then compared to household incomes reported by the U.S. Census. The results are as follows:

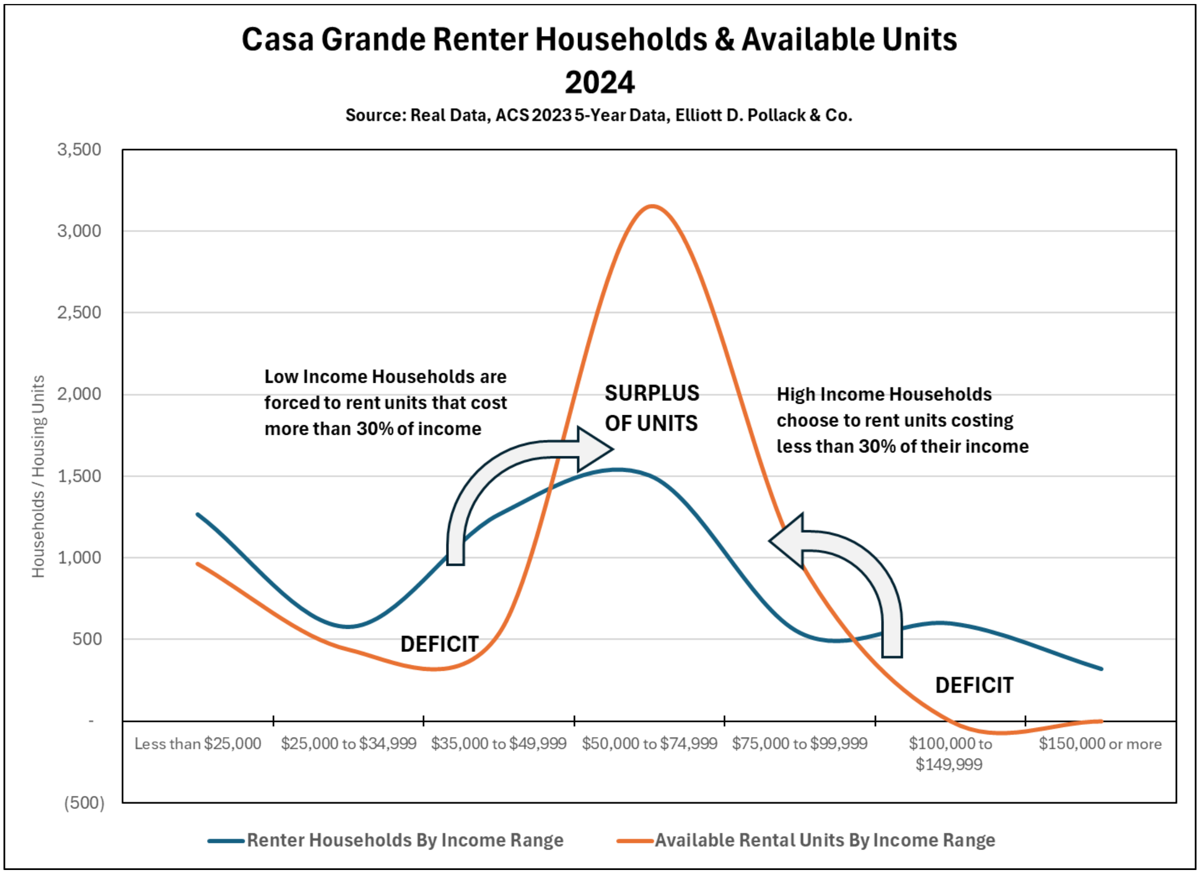
- For the ownership market, there are few homes that are affordable for households earning less than $50,000 per year. At current interest rates, a $50,000 income could only support a home value of around $180,000. If interest rates declined to 5%, the affordable housing value would increase above $200,000. Out of the 194 sales in 2024 below $250,000 in price, 92 sold for less than $200,000. A sample of those sales showed a variety of housing types including manufactured homes, older single-family homes, and townhomes. Some were in a state of disrepair while others from outside appearance were in good condition. The names of the buyers of the homes indicated investors were purchasing some of the units as rentals or for resale. Overall, however, the ability of a household with an income less than $50,000 to purchase a home is considered unlikely. That leaves the deficit or shortage of 4,447 homes for those households with incomes below $50,000.
- Households with incomes from $50,000 to $75,000 have a more available supply of homes to purchase. The analysis shows a small surplus of 687 homes in this income range. At today's interest rate, a household with a $75,000 income could purchase a resale home for up to $280,000. Very few new homes can be found at this price range. Beyond the $75,000 income range, there is an adequate supply of units on the market.

Affordable Housing Surplus/Deficit City of Casa Grande									
	Owners				Renters				
Income Range	Households	Units Available	Surplus (Deficit)	Cumulative Surplus (Deficit)	Households	Units Available	Surplus (Deficit)	Cumulative Surplus (Deficit)	Total Surplus (Deficit)
Less than $25,000	1,613	-	(1,613)	(1,613)	1,266	1,319	53	53	(1,560)
$25,000 to $34,999	1,270	-	(1,270)	(2,883)	577	601	24	77	(2,806)
$35,000 to $49,999	1,564	-	(1,564)	(4,447)	1,265	478	(787)	(710)	(5,157)
$50,000 to $74,999	2,704	3,391	687	(3,760)	1,504	2,803	1,299	589	(3,171)
$75,000 to $99,999	2,273	7,391	5,118	1,358	540	868	328	917	2,275
$100,000 to $149,999	2,993	3,577	584	1,943	598	-	(598)	319	2,262
$150,000 or more	2,330	387	(1,943)	-	319	-	(319)	-	(0)
Totals	**14,747**	**14,747**			**6,069**	**6,069**			

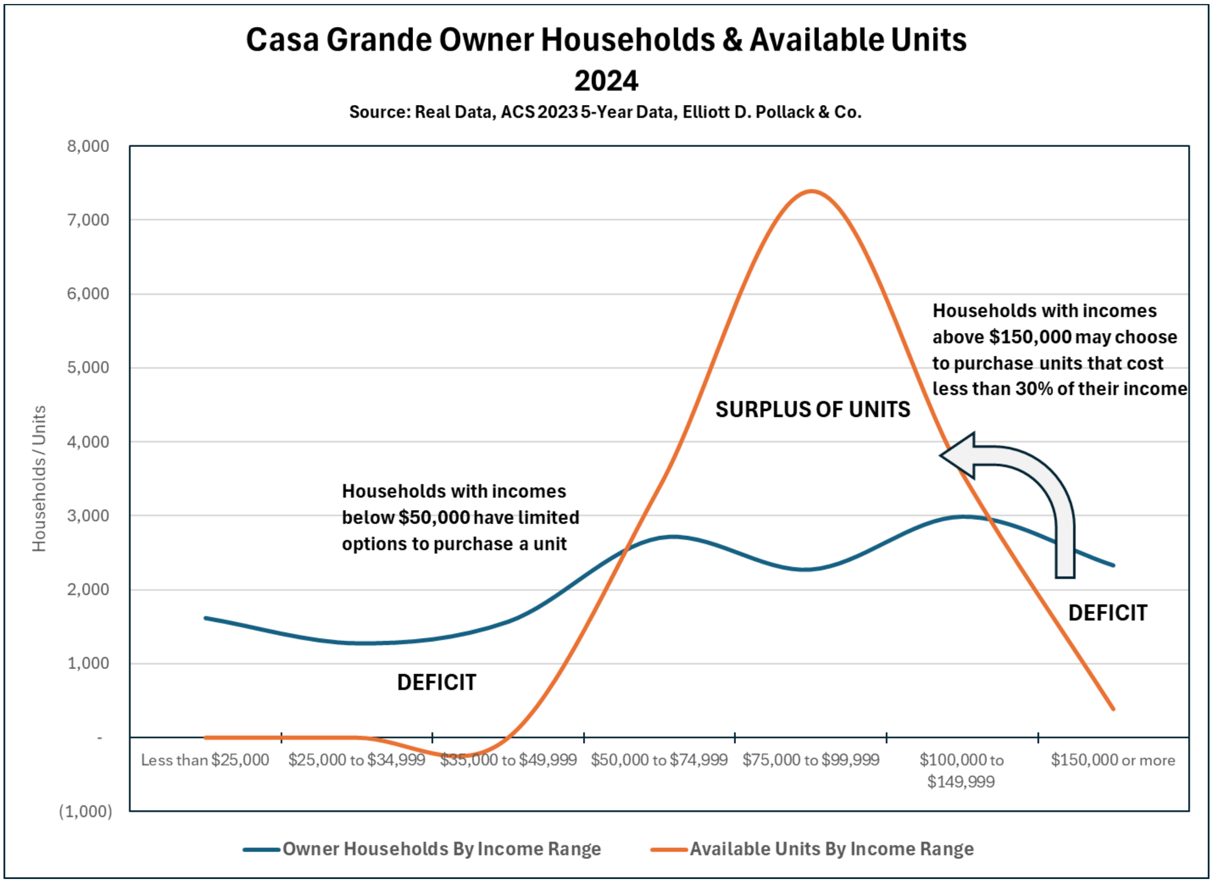
Source: RL Brown, ACS 2023 5-Year Data, Elliott D. Pollack & Co.

- For the rental market, non-market rate units (public housing, vouchers, or LIHTC units) are allocated to households earning less than $35,000. Beyond those income ranges, units are assigned to income ranges based on affordability. About 11% of all market-rate rental units are available to households earning between $35,000 and $50,000. However, there is still a deficit or shortage of 787 units for this income category. Beyond $50,000, there is an adequate supply of rental units. Overall, the shortage or deficit of units for households earning less than $50,000 is 710 units, which includes LIHTC complexes that are currently under construction. There is also a shortage of units at high income categories above $100,000. This just indicates that high priced apartment units are not present in the city. As a result, the higher income households are able rent units at rates well below 30% of their income.

The interpretation of the above analysis is shown in the following charts. For renters, there is a housing shortage of units at the high- and low-income ranges. For the low-income households below $50,000, they are forced to rent units that are expensive relative to their incomes where there is a surplus of units. That surplus begins at $50,000 in household income. At the same time, the availability of units for households earning more than $100,000 is also limited, so they too are forced to rent units where there is a surplus of units. Rents in this category range from $1,100 to $1,700 per month. In the end, due to the shortage of units, renters are forced into a narrow range of available units which creates high demand relative to supply.



The same situation occurs with the homeownership market where there is a shortage of units at both the high- and low-income categories. The only difference is that there are few if any options for homeownership below $50,000 in income.



6.2 Housing Gap Summary

Gap Analysis Methodology 1 tells us there is the demand for 2,760 rental units for households earning less than $75,000. It also indicates there are 3,095 owner households with income below $75,000 who are paying more than 30% of their income on housing. While there is little opportunity for owners earning less than $35,000, a target for homeownership could be the 1,384 households earning between $35,000 and $75,000.

Gap Analysis Methodology 2 is more specific and indicates there is a deficit of 710 rental units for households with less than $50,000 in income. For ownership units, there may be the opportunity to target households toward the $45,000 to $50,000 income range as well as the $50,000 to $75,000 income category where there is only a slim surplus of 687 units. These latter households could afford housing units above $300,000 if interest rates decline from their current highs.

Affordability Guidelines

Pinal County and Casa Grande benefit from the fact they are considered part of the Greater Phoenix metropolitan area and therefore qualify for higher HUD income limits for tax subsidy complexes. HUD income limits are based on area median family income (AMFI) for Greater Phoenix which is calculated for 2025 at $109,600. This means a family of four qualifies for an LIHTC complex at an income of $67,320 (60% of AMFI). Therefore, about 9,700 households out of 20,816 households in the city or 46% (subject to household size) would qualify for a tax subsidy complex. This helps to make LIHTC complexes more financially feasible in Casa Grande than in many cities in Maricopa County.

FY 2025 HUD Multifamily Tax Subsidy Project Income Limits
Phoenix-Mesa-Chandler, AZ MSA

Area Median Family Income $109,600

% of Median Income	Persons in Family							
	1	2	3	4	5	6	7	8
80%	$62,880	$71,760	$80,800	$89,760	$96,960	$104,160	$111,360	$118,560
70%	$55,020	$62,790	$70,700	$78,540	$84,840	$91,140	$97,440	$103,740
60%	$47,160	$53,820	$60,600	$67,320	$72,720	$87,120	$83,520	$88,920
50%	$39,300	$44,850	$50,500	$56,100	$60,600	$65,100	$69,600	$74,100
40%	$31,440	$35,880	$40,400	$44,880	$48,480	$52,080	$55,680	$59,280
30%	$23,580	$26,910	$30,300	$33,660	$36,360	$39,060	$41,760	$44,460
20%	$15,720	$17,940	$20,200	$22,440	$24,240	$26,040	$27,840	$29,640

Source: Department of Housing & Urban Development

Besides the important manufacturing jobs in Casa Grande, the analysis of the local economy shows that it is also heavily weighted toward retail, education, consumer services, health care, and government. The Casa Grande Union High School District, Walmart, City of Casa Grande, Banner Health, and CBP are some of the city's largest employers. The lack of affordable housing primarily falls upon those in service jobs that have moderate wages.

The chart below shows Pinal County median wages for a variety of occupations, some of which are considered critical service jobs such as firefighters, teachers, paramedics, and police officers. Beyond these critical service occupations, even waiters, construction laborers, and retail salespersons are important for a functioning economy. The monthly affordable housing cost for each occupation shows that nearly all of the occupations would not be able to afford to purchase a home among the local housing stock outlined above as a single income household. Additionally, the average Casa Grande apartment rents ranging between $1,400 and $1,700 are also out of reach for most occupations as a single earner household.

Housing Affordability By Occupation

Pinal County

Occupation	Pinal County 2023 Median Wage	Monthly Affordable Housing Cost (30% of Income)	Monthly Affordable Rent (Less Utilities)
Retail Salespersons	$33,687	$842	**$692**
Receptionists and Information Clerks	$36,149	$904	**$754**
Restaurant Cooks	$37,456	$936	**$786**
Waiters and Waitresses	$38,132	$953	**$803**
Nursing Assistants	$39,114	$978	**$828**
Paramedics	$42,878	$1,072	**$922**
Construction Laborers	$45,338	$1,133	**$983**
Pharmacy Technicians	$46,490	$1,162	**$1,012**
Elementary School Teachers	$50,521	$1,263	**$1,113**
Firefighters	$58,188	$1,455	**$1,305**
Middle School Teachers	$60,112	$1,503	**$1,353**
Secondary School Teachers	$61,501	$1,538	**$1,388**
Police and Sheriff's Patrol Officers	$74,687	$1,867	**$1,717**
Registered Nurses	$86,520	$2,163	**$2,013**

Prepared by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, April 2024

The wage data does not consider that a household may have two wage earners. However, for single person households, particularly headed by a female head of household or families where only one person works, the availability of affordable housing is a critical need. Census data shows that about one-third of all households have only one working member while 25% of households have two working members. Another 34% have no working members of the household, mostly reflecting retired households. Affordable housing is critical for those households with one working member and for single person households. There are nearly 4,800 one-person households in Casa Grande and 1,488 households consisting of a single parent with children, 84% of which are headed by women.

6.3 Future Housing Demand

As noted previously in this report, Casa Grande is expected to grow by 24,951 persons between 2024 and 2040. This will create demand for at least 9,800 housing units. Holding the impact of wage growth and inflation steady into the future, the mix of incomes will likely change modestly as new residents with higher incomes enter the community.

Following from the gap analysis, the following table outlines the future demand for housing by today's income range. Rental housing demand, much of which will be in the form of subsidized units, will be driven by households with less than $50,000 in income. Total demand is estimated at 2,900 units through 2040. Another 3,460 units of ownership housing will be needed for critical service employees that earn between $50,000 and $100,000. This population may need support to acquire housing that is within their reach. At today's interest rate, the households in this income category could afford a home ranging from $200,000 to $360,000.

Forecasted Housing Demand By Income

Income Range	Households	%	Housing Target
Less than $25,000	1,132	11.5%	Rental Housing
$25,000 to $34,999	741	7.5%	Rental Housing
$35,000 to $49,999	1,026	10.4%	Rental Housing
Total	***2,899***	***29.5%***	
Average/Year	***181***		
$50,000 to $74,999	2,061	21.0%	Ownership Housing
$75,000 to $99,999	1,402	14.3%	Ownership Housing
Total	***3,463***	***35.3%***	
Average/Year	***216***		
$100,000 to $149,999	2,001	20.4%	
$150,000 to $199,999	875	8.9%	
$200,000 or more	585	6.0%	
Total	**3,461**	**35.2%**	
Total City Forecast	**9,823**	100.0%	

Source: AZ OEO, Elliott D. Pollack & Co.

Total Demand

The above estimates of future demand are in addition to the existing affordable housing demand in Casa Grande. In fact, the forecasted housing demand by income range will substantially increase the demand for affordable housing. For the rental market, the cumulative undersupply of rental units for households with incomes below $50,000, currently estimated at 710 units, is expected to continue to grow by another 2,899 units by 2040. **The total affordable renter demand is estimated at 3,609 units through 2040.**

For the ownership market, the estimated undersupply of housing units today is 3,760 units. The forecast suggests that another 3,463 households with incomes less than $100,000 will enter the market searching to purchase a new home. **The total gap for ownership housing is estimated at 7,223 units through 2040.**

6. Resident Housing Survey

The City of Casa Grande solicited responses from the public through an online survey regarding the housing market in the city as part of its study of affordable housing needs. The survey was available to all residents of the community to better understand individual housing situations and the demand for affordable housing. A total of 501 responses were received over a period of six weeks with a wide representation of the community. All responses were kept strictly confidential and individual responses were not revealed.

The survey was divided into three sections:

- **Your Work Environmen**t: Questions related to whether the respondent worked, if so where they worked, how far they commuted, how long they had been in the job, and other situations.
- **Your Housing Situation:** Questions related to the type of residence the respondent lived in, how long they lived there, their monthly housing cost, and satisfaction with their current housing situation.
- **About You:** Questions about the respondent's household, income, age, race, and education.

Following is a summary of the results of the survey. Answers to the individual questions are provided in the Appendix to this report.

Your Work Environment

Approximately 96% of the respondents list their residence as Casa Grande with most of the remaining respondents living in nearby cities. Approximately 75% of respondents say they work with the rest indicating they are retired or disabled. Of those working, 73% work in Casa Grande with another 10% working in Phoenix and Chandler. The remaining workers are employed across Pinal County with a few working in Tempe, Tucson, Gilbert, and Mesa. Five workers indicate they work from home. Commuting does not appear to be a major issue as about 71% of all workers commute less than 20 minutes. About 69% of all workers have full-time jobs and 18% are self-employed. The median length of time in the job is seven years but 36% of workers have been in the same job for more than ten years. Respondents are employed in a variety of businesses and occupations with the highest number in the medical field, professional occupations (engineers, accountants, lawyers), education, and government.

Your Housing Situation

Approximately 84% of respondents live in a single-family home while the remaining residents live in apartments, duplexes, condos, and manufactured homes. One resident indicated they were homeless while 14 share a residence with a roommate. The median number of years living in their current residence is seven years while 37% have lived in their residence more than ten years. Only 86 respondents rent their residence while 82% (402) own their home.

Approximately 39% of renters pay more than $1,500 per month on rent while 15% pay more than $2,000 per month. A renter household would need to make $64,000 per year to afford a rent of $1,500 and $84,000 per year for a $2,000 per month rent. The estimated median rent among the respondents is $1,313 per month which requires an income of $56,500 (including rent and utilities) to qualify at 30% of income. Forty-nine percent (49%) of renter survey respondents earn less than $50,000 per year, indicating most would be burdened by the median rent for Casa Grande.

Of 84 renter households, only 27 or 32% indicate they plan on purchasing a home in the next two years. The primary obstacles to purchasing a home are the lack of a down payment, the lack of affordable for-sale unit, lack of income, and concern about the economy and housing market.

The estimated median housing cost for an owner is $1,157 per month. Eighty-four percent (84%) of owners are satisfied with their current housing situation compared to only 32% of renters. A majority of renters are either somewhat dissatisfied or very dissatisfied with their housing situation. Ninety-seven percent (97%) of all respondents prefer homeownership over renting. Approximately 71% of owners rate the physical condition of their residence as excellent or above average while only 29% of renters scored their unit the same ranking.

In summary, a majority of renter households appear burdened by housing costs and are dissatisfied with their current housing situation. Despite this situation, the typical Casa Grande resident has lived in the city for seven years and 37% have lived in the city for more than ten years.

About You

Sixty-four percent of respondents to survey are female and the median age of all respondents is estimated at 60. The median age of renters is estimated at 47 years while homeowners are at 63 years. The majority of households are comprised of no more than two persons. The median income of all respondents is estimated at nearly $80,000 although renter incomes are estimated $52,100. Homeowner incomes are estimated at $88,700. These incomes are higher than the most recent U.S. Census data which shows homeowner incomes at $76,800 and renter incomes at $48,600. Overall, survey respondents represent an older demographic with above average incomes. About one-third of respondents are retired.

About 45% of households indicate they are a single-income household. However, 63% of renter households are single income households which makes it difficult for single persons, divorced parents, and young families with small children to either rent or purchase a housing unit.

7.0 Housing Impediments

As part of the Housing Needs Assessment, an analysis was conducted of the City's impediments or barriers to affordable housing development. Casa Grande's land use controls were reviewed to identify if there were any development standards that could be improved to provide a more efficient and less costly entitlement and plan review process.

From a land use perspective, the City's Annual Housing Report to the Arizona Department of Housing indicates that there are nearly 2,900 acres of multifamily land that is undeveloped along with 30,324 acres of undeveloped single-family land. For the year ending June 30, 2024, the city received 6,607 new units for review including 2,386 multifamily units of which 1,609 were approved. The estimated yield of undeveloped residential property is 136,458 single family units and 69,432 multifamily units. Casa Grande has the potential to accommodate significant residential development subject to water availability. Today, water is a primary barrier to development in Pinal County. While municipalities in the county are making some headway in dealing with the water supply, it will be a constraint on development.

The City's zoning ordinance is a traditional document that separates land uses. However, its residential districts of R-1 through R-4 provide for a mix of residential housing types within most of the districts. For instance, the R-2 district permits single-family dwellings, two, three, and four-family dwellings, and townhome clusters all at varying densities. The R-3 Zone also permits both multifamily and townhomes in the district. The zoning ordinance appears to provide significant flexibility for potential affordable housing developments.

In 2021, the City also adopted the Residential Design Standards for Planned Area Developments (PADs). The PAD under the zoning ordinance offers flexibility and creativity compared to the conventional zoning categories. The design guidelines were prepared to facilitate innovation and diversity of design as opposed to merely increasing density and reducing lot sizes. The PAD standards have two categories for single-family and multifamily developments.

Overall, Casa Grande's regulatory framework appears to provide for flexibility in residential land uses and densities either through the PAD or traditional zoning districts. It has an abundance of residential land that will can be developed into single family or multifamily uses subject to water availability.

An analysis of impact fees for residential housing for Casa Grande and neighboring communities was conducted for this study as a potential barrier to development. For comparison, Apache

Junction has been included in the analysis as a Pinal County community that is growing rapidly. A water resource fee has been added for the Arizona Water Company that charges $14,000 per acre foot of water, assuming 3 units per acre foot (for Casa Grande and Coolidge).

The analysis shows that Casa Grande's fees are higher than most nearby communities. On a per unit basis, Casa Grande's single family impact fee is 31% higher than Coolidge's fee and 29% higher than Eloy's fee. Compared to the city of Maricopa, the Casa Grande fee is higher than both Maricopa impact fees. Apache Junction has the highest fees among the comparative group. This places additional costs of development on affordable housing developers considering a site in Casa Grande relative to its neighbors.

While impact fees are higher in Casa Grande, the community is the economic center of Pinal County and has many more services available to residents than other cities including a significant employment base. The availability of these services may offset the cost of impact fees in the eyes of homebuilders and homebuyers. However, for affordable housing, the city may want to consider a partial or full reimbursement of impact fees for certain affordable housing projects.

Residential Development Impact Fee Comprison

City	Fire	Library	General Gov't	Parks & Rec	Police	Streets	Sewer	Water	Water Resource	Total
Casa Grande[1]										
Single Family	$777	-	$620	$624	$588	$4,178	$4,400	-	$4,667	$15,854
Multifamily	$521	-	$416	$418	$395	$2,903	$2,952	-	$4,667	$12,272
Maricopa - North										
Single Family	$946	$248	-	$791	$613	$5,942	-	-	-	$8,540
Multifamily	$1,247	$201	-	$643	$553	$4,247	-	-	-	$6,891
Maricopa - South										
Single Family	$2,650	$248	-	$791	$613	$5,942	-	-	-	$10,244
Multifamily	$3,493	$201	-	$643	$553	$4,247	-	-	-	$9,137
Apache Junction										
Single Family	-	$550	-	$1,707	$1,229	$3,250	$4,950	$7,900	$3,840	$23,426
Multifamily	-	$432	-	$1,340	$965	$1,779	$3,345	$6,620	$3,010	$17,491
Coolidge[1]										
Single Family	$426	-	-	$1,058	-	$3,235	$2,183	-	$4,667	$11,569
Multifamily	$361	-	-	$896	-	$2,070	Footnote 2	-	$4,667	$7,994
Eloy										
Single Family	Footnote 3	-	-	$1,852	$526	$1,671	-	-	$2,416	$6,465
Multifamily	Footnote 3	-	-	$1,444	$410	$816	-	-	Footnote 2	$2,670

[1]Coolidge and Casa Grande water is supplied by the privately-owned Arizona Water Company.

[2]Impact Fee depends upon size of water meter.

[3]Eloy fire protection provided by Eloy Fire District which levies a property tax.

The annual report that must be submitted to the Arizona Department of Housing by each city in the state outlines a number of strategies that may be employed for affordable housing purposes and the status of adopting those strategies if they are applicable to the community. The following chart outlines Casa Grande's status as of the end of 2024.

The strategies adopted by the city include:

- Offering regulatory incentives for adaptive reuse. The adaptive reuse provisions are included in the Historic Preservation section of the City Code. The provisions allow for flexibility in setbacks, parking, and height allowances and exceed state requirements.
- The at-risk grading program and concurrent regulatory processes are also in use at the city.
- An accessory dwelling unit policy has been adopted by the city as well.

Status of Affordable Housing Strategies
City of Casa Grande

Strategy	Status
Offering Financial Incentives for Affordable Housing	Under Review
Offering Regulatory Incentives for Affordable Housing	Not In Use
Offering Financial Incentives for Workforce Housing	Under Review
Offering Regulatory Incentives for Workforce Housing	Not In Use
Using GPLET to aid the construction of Housing (General)	Not In Use
Using GPLET to aid the construction of Housing (Workforce)	Not In Use
Using GPLET to aid the construction of Housing (Affordable)	Not In Use
Offering Financial Incentives for Adaptive Reuse	Under Review
Offering Regulatory Incentives for Adaptive Reuse	In Use
Waiving or Reducing Permit Fees (General)	Not In Use
Waiving or Reducing Permit Fees (Affordable)	Under Review
Waiving or Reducing Permit Fees (Workforce)	Under Review
Self Certification	Under Review
Administrative Approval of Plats and Amended Plats	Under Review
Administrative Approval of Site Plans	Under Review
At-Risk Grading Program	In Use
Concurrent Regulatory Processes	In Use
Expedited Approval Timeframes (General)	Not Applicable
Expedited Approval Timeframes (Affordable)	Under Review
Expedited Approval Timeframes (Workforce)	Under Review
Adopting an Accessory Dwelling Unit policy beyond state requirements	In Use
Adopting an Adaptive Reuse policy beyond state requirements	In Use
Adopting middle housing policies beyond state requirements	Under Review
Offering Incentive to Convert Short-Term Rentals to Long-Term	Not In Use

Source: City of Casa Grande

Beyond the above strategies in use by the city, no others have been incorporated into the City Code or policies although most are under review. Many strategies such as waiving or reducing permit fees and adopting expedited approval timeframes would provide some relief for affordable housing projects. Administrative approval of subdivision plats and site plans would expedite the entitlement process as well. Without those strategies, affordable housing developers will perceive impediments or barriers to approval of new projects.

Over the last two years, the Arizona State Legislature adopted new laws that are intended to address housing affordability at the municipal level. Many cities across the state are modifying their zoning codes to conform to the requirements of various legislative bills although several only affect large municipalities. Following is a summary of the individual bills that have been passed. They may provide some insight into changes that could be enacted by Casa Grande.

- HB 2720 applies to cities with a population of more than 75,000 people and established new rules for Accessory Dwelling Units (ADUs). Subject to certain standards, ADUs are now permitted on any lot or parcel where a single-family dwelling is the principal use. If the lot is more than one acre in size, a second ADU is permitted, but it must be restricted to a tenant earning no more than 80% of the area median income. The ADU policy has been adopted by the city.
- HB 2721 requires cities with a population of 75,000 or larger to allow townhomes, duplexes, triplexes, and fourplexes as a permitted use on (1) any single family lot within one mile of a central business district or (2) at least 20% of any new development of more than 10 acres in size. Cities cannot pass any rules or provisions that discourage middle housing.
- SB 1162 affects cities with a population of 150,000 or more and establishes a requirement for determining if a zoning application is administratively complete within 30 days with additional timelines for denial and resubmittal. It also requires the completion of a housing need assessment every five years and submittal of an annual housing report to the state.
- HB 2447 applies to all municipalities and requires cities/towns to review and approve site plans, development plans, preliminary and final plats without a public hearing. These types of approvals are now considered administrative once zoning is in place. It also requires the review and approval of design review plans based on objective standards without a public hearing. The purpose of this provision is to remove subjective design standard interpretations based on the taste of the city employee that may cause continued redesign of a project.
- HB 2297 requires a city to allow adaptive reuse of a commercial building into mixed-use or residential uses without application for rezoning if at least 50% of the building is

converted to residential or mixed-use. The bill established standards for density and building heights and where 20% of the units are set aside for low and moderate-income housing.

Casa Grande should consider modifications to its zoning and subdivision regulations as follows.

- Financial and regulatory incentives should be adopted for affordable and workforce housing. These could take the form of financial assistance for infrastructure improvements and regulatory incentives providing increased density for affordable units.
- The GPLET is one tool that Arizona cities possess to incentivize affordable housing. The city should consider its use to reduce operating costs for multifamily housing.
- Waiving or reducing building permit and engineering fees for affordable and workforce housing should be adopted.
- Administrative approval of preliminary and final plats and site plans would reduce the time and cost obtaining approvals from the city.
- Expedited approval of affordable and workforce housing proposals would also reduce the time and cost of obtaining approvals from the city.
- Adopting middle housing policies such as those outlined in HB 2721 would help to increase workforce housing opportunities in the city.

8.0 Housing Strategy

Casa Grande has traditionally been considered a moderate cost housing market. People were drawn to the city for its employment opportunities and also its lower cost of housing. In fact, an estimated 77% of employed people in Casa Grande leave each day to work elsewhere. The destinations of those workers are Phoenix and much of the Southeast Valley.

Over the last five years, however, residents of Casa Grande have experienced declining housing affordability conditions, similar to the Greater Phoenix region and country. A successful growth trend for a city is often associated with rising home prices and rents. While Casa Grande is still recognized as a moderate cost housing market, the price of housing and rents is out pacing growth in wages.

There is an abundance of available residential land to be developed to accommodate future growth. However, addressing the housing affordability issue will not be successful unless higher density housing options are introduced to the community to offset the cost of land and construction. Those housing products need to include both rental and ownership options such as:

- Higher density ownership products such as small lot single family, townhome, and courtyard complexes.
- Manufactured or modular homes developed on permanent foundations with enhanced design features that can offer ownership for first time buyers.
- Rental housing products such as single-family rentals (BTRs), townhomes, duplexes or traditional apartments placed in strategic areas along major roadways or near service.
- Subsidized housing programs targeting low-income and workforce households (40%-80% AMI) for multi-family housing to support police, fire, teachers, nurses, and other critical service providers who are currently overburdened by housing costs.

The City's 2030 General Plan was adopted in June 2021 in the middle of the Covid-19 pandemic. The impact of the pandemic on the housing market was not reflected in prices and rents until later that year when new home prices rose by 60% between 2020 and 2022 and resales home prices rose by 29% in 2021 followed by another increase of 24% in 2022.

The 2030 Casa Grande General Plan outlines a number of visions and goals for housing which form the basis for the strategies outlined in this report. The primary vision and vision statement is outlined below.

VISION: A COMMUNITY OF SUFFICIENT AND APPROPRIATE HOUSING MIX TO MEET THE DIVERSE NEEDS OF RESIDENTS.

As the Casa Grande community grows and becomes increasingly diverse, it is important to ensure that the City offers housing choices that accommodate the wide range of different lifestyle needs current and future residents may have. Providing sufficient housing means intentionally striving to increase housing options available to low-income, minority, special needs, and elderly populations; it also means removing regulations and policies that may allow discriminatory housing practices against these groups. A diverse housing mix must also consist of aspirational housing types that appeal to residents seeking more expensive units. Offering housing at a variety of different price points allows residents to make the best choices for their individual households. Housing density also factors into diversifying the City's housing stock. With projections indicating that 70 percent of the City's housing stock will remain single-family units, encouraging the development of varied multi-family apartments, townhomes, condos, and other housing types provides necessary alternatives to single-family homes.

The General Plan also includes two additional visions for housing:

VISION: A COMMUNITY THAT PROMOTES FAIR ACCESS TO QUALITY HOUSING FOR ALL RESIDENTS.

VISION: A COMMUNITY THAT INVESTS IN NEIGHBORHOOD REVITALIZATION.

The city is now witnessing a significant shift in the development of new housing in the community. Some of this shift is the result of the current interest rate environment which has suppressed the ownership market. Instead, however, the rental market has been stimulated to provide housing for the growing population. Single family permits in Casa Grande have declined from 1,536 units in 2021 to 481 in 2024. In 2023, multifamily permits hit a high of 1,526 units followed by 568 in 2024.

While Casa Grande is experiencing a diversification of its housing market, virtually all the new housing developments are apartments or BTRs. Of note, however, is the affordable multifamily market which has grown dramatically, and which will provide housing for low- and moderate-income households through LIHTC complexes.

Casa Grande is in a strong position to address the affordability needs of its growing community. Large scale employment centers have been built, and more are planned promising high wage jobs. These jobs have a multiplier effect, creating multiple lower wage jobs as a result. The affordable housing market will provide needed shelter for these households, but what is missing from the market is workforce ownership housing opportunities which will allow young adults and families the opportunity to enter the housing market. As stated in the 2020 General Plan:

GOAL H-10: Increase homeownership opportunities for low-income residents.

- Action Step H-10.1: Research strategies and best practices for building attainable housing and strengthening neighborhood revitalization efforts.
- Action Step H-10.2: Seek funding and resources to establish a homebuyer assistance program.
- Action Step H-10.3: Place income-qualified families into housing through direct or deferred loans.
- Action Step H-10.4: Find funding assistance for residents who have low credit but sufficient income to purchase or rent housing.

Goal H-1 of the General Plan establishes a target for multifamily housing of 15% of all new dwelling units.

GOAL H-1: Provide a variety of housing choice for all income levels, generations, and household demographics.

- Action Step H-1.1: Establish a Citywide target of 15 percent of all new dwelling units to be multi-family housing throughout residential areas as a method of balancing housing choice for young families, individuals, and retired people. This requirement may vary on a project-by-project basis.
- Action Step H-1.2: Encourage the formation of public-private ventures to develop housing for low and moderate-income households using local, state, and federal programs.

While most of the multifamily housing has been built in the city over the past two years, the city has reached the 15% goal. From 2013 through 2024, 9,196 housing units were permitted by the city. Of those permits, 6,022 were for single family homes, 1,061 for manufactured homes or park models, and 2,113 for multifamily units or 23%. Virtually all of those multifamily units, 2094, were permitted in 2023 and 2024. In addition, the city is seeing many of those units being developed for low and moderate-income households by private LIHTC developers.

Lastly, the State Legislature has promulgated a number of laws that are directed at removing barriers to affordable housing at the local level. However, they have not provided any funding that may benefit these efforts by cities and towns. The financial impact of these new laws is falling fully on municipalities to implement polices to address the housing issue.

The above visions, goals, and action steps provide the context for the strategies outlines in this section.

8.1 Housing Goal: Create or Preserve 2,000 Affordable and Workforce Housing Units Through 2030

Based on the analysis of the housing market, a housing goal for Casa Grande is to create or preserve 2,000 affordable and workforce housing units over the next five years. Affordable housing production goals are increasingly common in the U.S. including the City of Phoenix which established a goal of creating or preserving 50,000 affordable units in ten years. Production goals can be established as a city policy within General Plans or within affordable housing plans such as this document for Casa Grande. Casa Grande should address certain types of housing and household income ranges in order to effectively close the gaps in the market and reach that goal.

- **Very Low and Extremely Low-Income Households:** These households have incomes below 50% of area median income (AMI) ($50,000 income for a family of three) and typically find shelter in public housing complexes, LIHTC complexes, or through the Housing Choice Voucher program. Casa Grande depends on Pinal County for the voucher program although there is a limited supply and a very long waiting list. **Unless a local community has a combination of public housing authority and a supply of LIHTC complexes, the ability to provide housing for very low and extremely low-income households is usually beyond the reach of the local government.**

  According to the gap analysis, there is a shortage of 710 affordable housing units for households earning less than $50,000. Over the next five years, this income group is expected to grow by another 1,080 households. While the city has seen significant growth of its affordable housing inventory, that inventory will need to continue to grow to meet expected demand.

  At-Risk Households should be a focus of affordable housing development including the following.

  - Single person households that do not have a spouse or partner are an at-risk group for housing cost burden. In particular, single female households who often have primary care for their children have very low incomes according to the Census at $41,847, representing only 63% of the median household income for the city at $66,354 and approximately 40% of the area median income. Single male householders with children have a median income of $55,044. There are an estimated 1,252 female head of households with children compared to only 236 male-headed households.
  - Senior households in Casa Grande account for approximately one-quarter of all housing burdened households in the city. At least 25% of affordable units should be directed towards seniors over the age of 65.

- **Workforce Rental Housing:** Rising rents in Casa Grande have left many workforce households paying more than 30% of their income on housing. The households who are affected by the lack of affordable housing in Casa Grande are those earning between 60% and 80% AMI. They cannot qualify for an LIHTC unit, but rents in many market rate complexes are beyond their reach. For a family of three, these households earn between $60,000 and $81,000 per year according to HUD income guidelines and should be able to afford a market-rate unit. **Casa Grande should promote the development of <u>market rate rental complexes</u> through various incentives that target the needs of workforce households earning less than $81,000.**

- **Workforce Ownership Housing:** With the median price of a resale home in Casa Grande reaching $310,000 and new homes reaching $345,000, workforce households earning between 80% and 100% of AMI are locked out of the market. A family of three in this AMI range would earn between $81,000 and $101,000 per year. Homeownership is a stabilizing force in a community and allows first time buyers to build equity as they work their way into larger and more expensive homes. The opportunity to own a home is also an important element of building the city's talent pipeline. **The City of Casa Grande should promote the development of moderate density ownership housing opportunities (clustered units, townhomes, manufactured homes, etc.) through various incentives that target the needs of workforce households earning between $81,000 and $101,000 per year.**

8.2 Objectives & Strategies

Preface

In order to address the goals, policies, and implementation actions of the General Plan and the housing needs of the target demographic groups, the following objectives and strategies of this Affordable Housing Study are outlined below. In general, the strategies envision a commitment on the part of the City to establish an investment in affordable and workforce housing.

While Casa Grande's housing market is relatively affordable compared to the Greater Phoenix market, rents and housing values have outpaced wage growth in the area. Communities must now make a renewed effort to address affordability for critical service employees and other workforce households earning less than the median income. For the Casa Grande economy to operate efficiently, it needs housing for all levels of its workforce.

The strategies outlined in this report provide a roadmap for addressing affordable and workforce housing by using tools that have been shown to be effective. However, the strategies may need to be modified or adjusted for Casa Grande's economic landscape.

Objective 1. Increase Resources to Support Production of Affordable and Workforce Housing

- **Strategy 1.A: Establish a Housing Trust Fund**. A trust fund could be used to support housing projects for a variety of purposes to reduce the cost of development including project financing support, property acquisition, reimbursement of the cost of impact fees, infrastructure improvements, and other project-related expenses. The precise funding amount for a Housing Trust Fund is not established in this report since the city will need to balance its resources among all other demands for services. An initial seed amount, however, would provide the city with additional resources to address affordability issues and incentivize private development of units. Potential revenue sources that could be used to fund the Housing Trust Fund include:
    - General Fund allocation
    - State or federal funding
    - Transient occupancy tax allocation
    - Proceeds from excess land sales
    - Increase in the sales tax rate
    - G.O. Bond proceeds
- **Strategy 1.B: Work with Non-Profit Partners.** Organizations such as Habitat for Humanity and Newtown CDC may be able to take advantage of the price of land and housing in Casa Grande to produce ownership housing opportunities for moderate income households. A Housing Trust Fund could provide further support for these groups to establish their presence in Casa Grande.
- **Strategy 1.C: Promote the Development of LIHTC Complexes.** Actively solicit developers to visit the city and engage with City staff in identifying available sites for affordable housing.
- **Strategy 1.D: Identify Excess City-Owned Land for Housing.** Conduct an inventory of city-owned land, identify potential need for any property, and determine land that may be suitable for affordable or workforce housing opportunities, utilizing incentives to reduce the cost of housing.
- **Strategy 1.E: Identify Excess School District Owned Land for Housing.** Work with the school district to identify excess property which may provide opportunities for workforce housing.
- **Strategy 1.F: Consider Establishing a Down Payment Assistance Program.** Consider that provides matching funds for first-time homebuyers who will work and live in the city.
- **Strategy 1.G: Increase Staff Resources.** Acquire or retain dedicated staff to assist with the implementation of affordable & workforce housing objectives, who will be familiar with

the city's affordable housing tools and who can assist with processing project plans on a timely basis.

Objective 2. Evaluate the City's Development Standards and Regulations to Support Affordable & Workforce Housing

Strategy 2.A: Continue to Review Provisions of the City Zoning Code to Provide a More Efficient Process for Affordable Housing Entitlements. Casa Grande should consider modifications to its zoning and subdivision regulations that bring it into conformance with many of the legislative bills enacted by the State Legislature over the past two years including:

- Financial and regulatory incentives for affordable and workforce housing. These could take the form of financial assistance for infrastructure improvements and regulatory incentives providing increased density for affordable units.
- Waiving or reducing building permit and engineering fees for affordable and workforce housing.
- Administrative approval of preliminary and final plats and site plans which would reduce the time and cost obtaining approvals from the city.
- Expedited approval of affordable and workforce housing proposals.
- Adopting middle housing policies such as those outlined in HB 2721 that would help to increase workforce housing opportunities in the city.
- Review of strategies outlined in the annual housing report to the Arizona Department of Housing related to SB 1162.

Objective 3. Use Available Development Tools to Support Production of Affordable Housing

- **Strategy 3.A: Consider Use of the Government Property Excise Lease Tax (GPLET) for Affordable Housing Purposes.** The GPLET is a primary tool available to cities and to incentivize development and redevelopment of areas of a community. The GPLET allows ownership of a property to be transferred from a private entity to the municipality and leased back to the original owner. Since the government owned property is not subject to a property tax, the GPLET instead imposes an excise tax on the property which is lower than the normal property tax. The excise tax can be abated for eight years if property is situated within a Central Business District (CBD) and a Redevelopment Area (RA).

  The GPLET can help reduce the financial gap for workforce and attainable housing, infill development, and redevelopment challenges by reducing a project's operating cost. In exchange for imposing the GPLET on a residential property, some cities require a minimum percentage of units to be reserved in the project for workforce households earning between 80% and 120% of AMI. Alternatively, the developer may opt to pay an in-lieu fee to the community that will be used for housing development purposes. For instance, the City of Phoenix requires a 20% set aside of units for workforce households or an in-lieu fee equal to 150% of the property tax that would be collected for the property over the term of the GPLET lease. Casa Grande has only approved one GPLET in the past for the Frito-Lay plant. The GPLET could be used to direct affordable housing to certain parts of the city.

The GPLET is one of the few tools available to Arizona cities since inclusionary zoning and tax increment financing (TIF) are not permitted under the state constitution.

- **Strategy 3.B: Consider Establishing a Community Land Trust (CLT).** A CLT is a non-profit organization that holds title to land to preserve long term availability for affordable housing. Affordability of housing under the CLT is achieved through the separation of the ownership of the land and the improvements on the land. The CLT holds title to the land and leases the property to a homeowner or developer for 99 years at a nominal rate, reducing the cost of the entire land and improvements by 15% to 25%. In addition, CLTs can also provide land for low and moderate-income affordable housing programs including LIHTC projects that benefit the lowest income households. Land is often acquired through donations from developers, or the property could be underutilized municipality-owned land that is transferred to the trust. Trusts often partner with a non-profit to construct units on the site.

  A common example of how a CLT may operate starts with the purchase on the open market of a single-family home by the city or a non-profit agency. In this case, the CLT holds title to the land and leases it to a homeowner for a nominal amount. The homeowner takes ownership of the improvements – the housing unit. Depending on the program, the homeowner must be a resident of the local area whose income does not exceed 120% of area median income (AMI). The homeowner must qualify for a fixed interest rate mortgage and meet certain loan standards for debt-to-income and mortgage-to-income ratios. The homeowner must maintain the property and obtain homeowner's insurance.

  The CLT property can be sold subject to appraisals and a resale formula. The homeowner gets credit for their down payment on the home, the payment of mortgage principal for length of time they own the property, and a portion of the appreciation of the home (often cited at 25% to 33% of the appreciation). The homeowner therefore benefits from the built-up equity. The CLT retains the remainder of the property's appreciation, allowing it to remain an affordable unit which can be resold to a moderate income household.

Municipalities are a driving force behind CLTs and they can take many forms in terms of governance. Some are non-profit corporations where municipal officials sit on the board along with other members of the public while other CLTs are totally controlled by the municipality. The separation of a CLT from its supporting municipality is subject to much discretion. In some cases, a municipal-run CLT may be viewed with suspicion as to its purpose while a non-profit organization independent from the local government may be considered a function of the community as a whole.

CLTs are found across Arizona. Flagstaff has had a program operating for a number of years to provide homeownership opportunities to qualifying households who would otherwise not be able to achieve ownership. Newcity CDC operates a CLT in several cities in the Valley, providing workforce ownership housing for families earning less than 80% of area median income.

A CLT could operate in a similar fashion in Casa Grande, particularly in the central part of the city where housing values are modest. Approximately 50% of the sales in zip code 85122 were under $300,000, making units affordable for purchase by a CLT. A partnership with a non-profit could remove some of the administrative and management responsibilities associated with the program. Casa Grande could provide funding for home purchases through various sources, convey the properties to the CLT, and then resell homes to qualified purchasers.

2024 Housing Sales in Zip Code 85122

Price Range	Average Price	Sales	% of Total Sales
Less than $250,000	$185,759	176	24.1%
$250,000-$300,000	$276,811	189	25.9%
$300,000-$350,000	$323,453	178	24.4%
$350,000-$400,000	$373,051	110	15.0%
$400,000-$450,000	$423,666	44	6.0%
$450,000-$500,000	$465,873	15	2.1%
$500,000-$550,000	$528,500	6	0.8%
$550,000-$600,000	$581,200	5	0.7%
$600,00-$700,000	$619,875	4	0.5%
$700,000+	$759,061	4	0.5%
Average/Total	**$302,111**	**731**	**100.0%**

Source: RL Brown

- **Strategy 3.C: Consider Adopting a Voluntary Inclusionary Affordable Housing Policy**. An inclusionary policy requires new developments to incorporate affordable units into a market-rate project or provide a comparable in-lieu payment or land for the development of affordable housing. While inclusionary zoning is precluded by Arizona statute, a voluntary program with incentives is acceptable and has proven successful in several cities. The policy could also be invoked if the project requires rezoning that increases the development potential of the site.

  Subsidies and incentives provided by a voluntary program may include the following:
  - Density bonuses and incentives that increase development opportunity and land value.
  - Conveyance of public land at a discounted price.
  - Reduced parking requirements.
  - GPLET tax abatement.
  - Abatement of sale taxes.

  Voluntary inclusionary zoning programs are used in several cities in Arizona. It is a controversial program because some believe it results in higher housing prices since the market rate units subsidize the affordable units. A well-crafted policy however, with appropriate incentives, should be able to help offset affordable housing costs. The affordability requirements set by the program should be reasonable and proportionate and must be calibrated to not impair the feasibility of the development. In effect, the additional value created by the City's subsidy or land use action would be split between helping make the project feasible and generating community benefits.

- **Strategy 3.D: Consider Adopting an Affordable or Workforce Housing Policy.** For organizations or developers that propose to develop affordable or workforce housing in the city, incentives should be provided to address high development costs. These incentives could be combined with other programs outlined above.
  - Building permit and review fee waivers.
  - Expedited plan review.
  - Reimbursement of infrastructure costs (up to a certain dollar amount).
  - Reimbursement of impact fees (impact fees cannot be waived under state law but the city could reimburse fees for a project out of a Housing Trust Fund or other sources).

- **Strategy 3.E: Consider Creating An Infill Incentive Program.** Arizona law allows cities to designate infill incentive districts where there are dilapidated buildings, vacant or underused parcels of property, and a lack of development and investment activity. An infill incentive plan must be adopted for the district which may include a number of incentives such as expedited zoning or rezoning procedures, expedited processing of plans and proposals, waivers of municipal fees for development activities, and relief from development standards.

  Central Casa Grande would be a prime candidate for an infill program with vacant lots that could be acquired and developed by non-profit housing organizations such as Habitat for Humanity. As noted earlier, the area would also be well suited for implementation of a community land trust that could provide ownership opportunities for moderate income households.

Objective 4: Continue to Promote Variety in Ownership Housing Types and Expand Opportunities for Homeownership

Missing Middle Housing types such as duplexes, court homes, townhomes, and manufactured homes should be promoted for ownership by first-time buyers. Small lot single family and attached ownership options, including court home complexes, will allow more residents earning less than 120% of AMI the opportunity for homeownership. In order to incentivize workforce ownership housing, an affordable or workforce housing policy could provide certain waivers and reimbursements for a project.

Townhomes

Small Lot Single-Family

Duplexes

Court Homes

Manufactured or modular homes are being developed on permanent foundations with enhanced design features by developers. Manufactured homes are one of the most affordable ownership options for Casa Grande.

Objective 5. Maintain the Existing Affordable Inventory

Promote programs that preserve the existing private housing inventory through rehabilitation grants and loans.

- **Strategy 5.A: Continue to use federal resources such as CDBG funding for rehabilitation of neighborhoods.**
- **Strategy 5.B: Conduct code enforcement to maintain stability in neighborhoods.**
- **Strategy 5.C: Monitor the impact of gentrification of older neighborhoods on existing residents.**

Objective 6. Continue to Support and Expand the CGHelps Homeless Resource Center

- **Strategy 6.A: Continue to Financially Support the Center to Provide Services for Homeless Individuals and Families.** The 2024 census of homeless for Casa Grande totaled 127 individuals. As the city continues to grow, homelessness will likely continue to increase as well. Casa Grande should continue its partnership with the social service agencies to address the issue.
- **Strategy 6.B: Establish Transitional Housing Opportunities in the City.** Homeless services should also be expanded for persons who are facing financial crises, who are fleeing or are attempting to flee domestic violence, sexual assault, stalking, or other dangerous or life-threatening situations through the purchase of a facility or construction of a new building.

Objective 7. Establish an Education Campaign on the Benefits of Affordable & Workforce Housing.
Strategy 7.A: Work with community groups and non-profits to prepare educational brochures/website on the need for and myths about affordable & workforce housing.

Objective 8. Monitor the City's Progress in Achieving the Housing Goal of Creating 2,000 Affordable Housing Units in the Next Five Years.
Strategy 8.A: Establish a Program/Process for Identifying and Quantifying Housing Projects that Contribute to Meeting the City Affordable Housing Goal. This program should include the creation of new housing units as well as units that have been rehabilitated through the City's use of CDBG and other funding sources.

8.3 Implementation Tools

The following chart outlines how the various tools and incentives outlined in the Housing Strategies can impact affordable housing development at three levels: land cost, soft costs (entitlement and permits), and hard construction costs. In total, they will provide benefit to a project across all stages of the development process.

Affordable Housing Development Tools	
Costs of Development	**Tools**
Land Costs **15%-20% of total costs**	Community Land Trust Use of City-owned land Land Bank Voluntary Inclusionary Zoning Policy Density bonuses Zoning/General Plan policies GPLET City contribution to lower private land cost (Housing Trust Fund)
Soft Costs **15%-20% of total costs** **(Design, Entitlement, Permits)**	Waiver of permit fees Waiver/reimbursement of impact fees Expedited review of plans Flexible design standards Streamlining of development requirements & processes Apartment development by-right
Hard Costs **60%-70% of total costs** **(Labor & Building Materials)**	Waiver of construction sales tax Consistency in Building Codes Reduced parking requirements City assistance with infrastructure improvements Direct capital funding of development costs (Gap Financing) Industrial Development Authority Bonds Partnerships with private developers & non-profits

9.0 Action Plan

The Action Plan addresses the timeline for implementation of the Objectives and Strategies outlined in this Affordable Housing Plan. The Action Plan identifies the city department responsible for the objective or strategy and the timeline for implementation from short-term (less than 1 year) to long-term (more than 2 years). The City will also need to establish a system for tracking progress on achieving the Housing Goal of 2,000 new affordable units over the next five years.

Action Plan
Casa Grande Affordable Housing Plan

Objective & Strategy	Department	Short Term Less than 1 year	Medium Term 1 - 2 Years	Long Term More than 2 Years	Ongoing
Objective 1. Increase Resources to Support Production of Affordable and Workforce Housing					
Strategy 1.A: Establish a Housing Trust Fund	Finance			✓	
Strategy 1.B: Work With Non-Profit Partners	Community Development/Housing				✓
Strategy 1.C: Promote the Development of LIHTC Complexes	Community Development/Housing	✓			
Strategy 1.D: Identify Excess City-Owned Land for Housing	Planning & Development		✓		
Strategy 1.E: Identify Excess School District Owned Land for Housing	Community Development/Housing		✓		
Strategy 1.F: Consider Establishing A Down Payment Assistance Program	Community Development/Housing		✓		
Strategy 1.G: Increase Staff Resources	Community Development/Housing	✓			
Objective 2. Evaluate the City's Development Standards and Regulations to Support Affordable & Workforce Housing					
Strategy 2.A: Conduct a Comprehensive Review of the City's Zoning Code and Development Standards Relative to Affordable And Workforce Housing	Planning & Development	✓			
Objective 3. Use Available Development Tools to Support Production of Affordable Housing					
Strategy 3.A: Consider Use of the Government Property Excise Lease Tax (GPLET) for Affordable Housing Purposes	Finance/Community Development/Housing		✓		
Strategy 3.B: Consider Establishing a Community Land Trust (CLT)	Community Development/Housing		✓		
Strategy 3.C: Consider Adopting a Voluntary Inclusionary Affordable Housing Policy	Planning & Development		✓		
Strategy 3.D: Consider Adopting an Affordable or Workforce Housing Policy	Community Development/Housing		✓		
Strategy 3.E: Consider Creating an Infill Incentive Program	Planning & Development		✓		
Objective 4: Continue to Promote Variety in Ownership Housing Types and Expand Opportunities for Homeownership	Planning & Development				✓
Objective 5. Maintain the Existing Affordable Inventory					
Strategy 5.A: Continue to use federal resources such as CDBG funding for rehabilitation of individual homes and neighborhoods.	Community Development/Housing				✓
Strategy 5.B: Continue to conduct code enforcement to maintain stability in neighborhoods.	Code Enforcement				✓
Strategy 5.C: Monitor the impact of gentrification of older neighborhoods on existing residents.	Community Development/Housing	✓			

Objective & Strategy	Department	Short Term Less than 1 year	Medium Term 1 - 2 Years	Long Term More than 2 Years	Ongoing
Objective 6. Continue to Support and Expand the CGHelps Homeless Resource Center					
Strategy 6.A: Continue to Financially Support the Center to Provide Services for Homeless Individuals and Families.	Community Development/Housing				✓
Strategy 6.B: Establish Transitional Housing Opportunities in the City.	Community Development/Housing		✓		
Objective 7. Establish an Education Campaign on the Benefits of Affordable & Workforce Housing.					
Strategy 7.A: Work with community groups and non-profits to prepare educational material on the need for and myths about affordable & workforce housing, including its relationship to the economic well-being of Chandler.	Community Development/Housing	✓			
Objective 8. Monitor the City's Progress in Achieving the Housing Goal of Creating 2,000 Affordable Housing Units in the Next Five Years.					
Strategy 8.A: Establish a program/process for identifying and quantifying housing projects that contribute to meeting the City affordable housing goal.	Community Development/Housing	✓			

Appendix – City of Casa Grande Resident Housing Survey

Following is a summary of the results of each question of the Casa Grande online survey regarding housing needs in the city. A total of 501 responses were received over a period of six weeks with a wide representation of the community.

The survey was divided into three sections:

- **Your Work Environmen**t: Questions related to whether the respondent worked, if so where they worked, how far they commuted, how long they had been in the job, and other situations.
- **Your Housing Situation:** Questions related to the type of residence the respondent lived in, how long they lived there, their monthly housing cost, and satisfaction with their current housing situation.
- **About You:** Questions about the respondent's household, income, age, race, and education.

Your Work Environment

Q1. In what community, city, or town do you reside?

Community	Count	%
Casa Grande	467	96.1%
Arizona City	7	1.4%
Coolidge	1	0.2%
Eloy	7	1.4%
Gilbert	1	0.2%
Pinal county	2	0.4%
Toltec	1	0.2%
Total	**486**	**100.0%**

Q2 In which community, city, or town do you work?		
Community	**Count**	**%**
Casa Grande	260	72.8%
Phoenix	19	5.3%
Chandler	18	5.0%
Sacaton	11	3.1%
Eloy	7	2.0%
Coolidge	6	1.7%
Tempe	6	1.7%
Tucson	5	1.4%
Florence	5	1.4%
WFH	5	1.4%
Maricopa	4	1.1%
Pinal County	3	0.8%
Gilbert	2	0.6%
Mesa	2	0.6%
Arizona city	1	0.3%
Marana	1	0.3%
Queen creek	1	0.3%
Stanfield	1	0.3%
Total Working	**357**	100.0%
Disabled	4	1.1%
Retired	116	32.5%

Q3 Approximately how long does it take you to commute from your residence to your place of work ?		
Commute Time	**Count**	**%**
Less than 15 minutes	227	58.4%
16-20 minutes	51	13.1%
21-25 minutes	18	4.6%
26-30 minutes	15	3.9%
30-40 minutes	23	5.9%
More than 40 minutes	55	14.1%
Total	**389**	**100.0%**

Q4 How do you normally get to work?	
Mode of Transportation	**Count**
Drive yourself	325
Remote	26
Retired	14
Carpool	5
Walk	5
Bicycle	2
disabled	2
Total	**379**

Q5 What type of employee are you?		
Job Type	**Workers**	**%**
Full-time	254	69.2%
Part-time	45	12.3%
Self Employed	68	18.5%
Total	**367**	**100.0%**

Q6 How long have you worked at your present job?		
Tenure at Job	**Count**	**%**
Less than 1 year	31	8.3%
1-2 years	60	16.1%
3-5 Years	62	16.6%
5-10 years	85	22.8%
More than 10 years	135	36.2%
Total	**373**	**100.0%**

Q7 In what type of business are you currently employed?	
Business/Industry	**Count**
Medical/Healthcare/Wellness	55
Professional (engineer, accountant, real estate agent/investor, lawyer)	52
Education	41
Government	36
Manufacturing	23
Non-Profit Agency	20
Retail	13
Self-Employed	13
Public Safety (police, fire fighter)	11
Service worker	9
Construction	6
Bank	3
Security	3
Admin Asst	2
Behavioral Health	2
Customer service	2
Electrical supplies	2
Fine Arts	2
Recreation (bike rental, jeep tours)	2
Transportation	2
Analyst	1
Automotive repair	1
Commercial cleaner	1
Commercial Property Management	1
Custodial	1
Green Energy	1
Low income HUD housing site manager	1
Mechanical	1
Mobile Upholstery Repair	1
Project Management	1
Sales	1
Software development	1
Utility	1
Total	**312**
Disabled	2
Unemployed	3
Retired	103

Your Housing Situation

Q8 What type of residence do you live in?		
Type of Structure	**Count**	**%**
Single family home	412	83.9%
Mobile or manufactured home	33	6.7%
Apartment	17	3.5%
Share a residence	14	2.9%
Condominium/Townhome	7	1.4%
Duplex	7	1.4%
Homeless	1	0.2%
Total	**491**	**100.0%**

Q9 How many years have you lived in your present residence?		
Years	**Count**	**%**
Less than 1 year	13	2.7%
1-2 years	61	12.5%
3-5 Years	117	24.0%
6-10 years	118	24.2%
11-20 years	135	27.7%
More than 20 years	44	9.0%
Total	**488**	**100.0%**

Q10 Do you rent or own your residence?		
Tenure	**Count**	**%**
Own	402	82.4%
Rent	86	17.6%
Total	**488**	**100.0%**

Q11 If you rent, what is the monthly rent for the residence?		
Tenure	**Count**	**%**
Less than $250	4	4.9%
$250 to $499	7	8.5%
$500 to $749	5	6.1%
$750 to $999	11	13.4%
$1,000 to $1,249	11	13.4%
$1,250 to $1,499	12	14.6%
$1,500 to $1,999	15	18.3%
$2,000+	12	14.6%
No cash rent	5	6.1%
Total	**82**	
Estimated Median Rent	**$1,313**	

Q12 Do you share the cost of rent with another person?		
Shared Rent	**Count**	**%**
No	59	72.8%
Yes	22	27.2%
Total	**81**	**100.0%**

Q13 If you are a renter, do you plan on purchasing a home in the next two years?	
Purchase a Home?	**Count**
No	57
Yes	27
Total	**84**

Q14 If you prefer homeownership and are currently renting, what are the obstacles preventing you from purchasing a home? (Multiple choices)	
Obstacle	**Count**
Lack of a down payment	50
Lack of affordable for-sale units	46
Not earning enough income	46
Concern about the economy and housing market	33
Credit history/credit score	30
Student debt	13
Crime in the area	1
Interest rates	1
Total	**220**

Q15 If you own your residence, what is your monthly housing cost including mortgage payment, property taxes, property insurance?		
Housing Cost	**Count**	**%**
Less than $500	41	10.8%
$500 to $749	53	14.0%
$750 to $999	58	15.3%
$1,000 to $1,249	59	15.6%
$1,250 to $1,499	65	17.2%
$1,500 to $1,999	54	14.3%
$2,000+	48	12.7%
Total	**378**	**100.0%**
Estimated Median Housing Cost	**$1,157**	

Q16 How satisfied are you with your current housing situation?						
Ranking	**Owner**	**%**	**Renter**	**%**	**Total**	**%**
Very satisfied	240	60.5%	9	10.5%	249	51.6%
Somewhat satisfied	94	23.7%	19	22.1%	113	23.4%
Neutral	34	8.6%	15	17.4%	49	10.1%
Somewhat dissatisfied	20	5.0%	26	30.2%	46	9.5%
Very dissatisfied	9	2.3%	17	19.8%	26	5.4%
Total	**397**	**100.0%**	**86**	**100.0%**	**483**	**100.0%**

Q17 As a lifestyle choice, which do you prefer, homeownership or renting?				
Choice	**Owner**	**Renter**	**Total**	**%**
Homeownership	393	74	467	96.9%
Renting	3	12	15	3.1%
Total	**396**	**86**	**482**	**100.0%**

Q18 Has inflation affected your ability to make your housing payments or maintain your home?				
	Owner	**Renter**	**Total**	**%**
No	247	19	266	55.9%
Yes	146	64	210	44.1%
Total	**393**	**83**	**476**	**100.0%**

Q19 How would you describe the physical condition of your current residence?						
Ranking	**Owner**	**%**	**Renter**	**%**	**Total**	**%**
Excellent	143	35.9%	8	9.3%	151	31.2%
Above average	138	34.7%	17	19.8%	155	32.0%
Average	98	24.6%	43	50.0%	141	29.1%
Below average	14	3.5%	11	12.8%	25	5.2%
Poor	5	1.3%	7	8.1%	12	2.5%
Total	**398**	**100.0%**	**86**	**100.0%**	**484**	**100.0%**

About You

Q20 What is your sex?				
Sex	**Owner**	**Renter**	**Total**	**%**
Female	252	59	311	64.3%
Male	117	23	140	28.9%
Prefer Not to Answer	29	4	33	6.8%
Total	**398**	**86**	**484**	**100.0%**

Q21 What is your age?						
Age	**Owner**	**%**	**Renter**	**%**	**Total**	**%**
18-25 years old	-	0.0%	4	4.7%	4	0.8%
26-35 years old	20	5.1%	11	12.8%	31	6.4%
36-50 years old	74	18.7%	37	43.0%	111	23.0%
51-64 years old	119	30.1%	20	23.3%	139	28.8%
65 or older	183	46.2%	14	16.3%	197	40.9%
Total	**396**	**100.0%**	**86**	**100.0%**	**482**	**100.0%**
Estimated Median Age	**63**		**47**		**60**	

Q22 How many people live in your household, including yourself?				
People	**Owner**	**Renter**	**Total**	**%**
Just me	50	13	63	13.0%
2 people	209	22	231	47.8%
3–4 people	106	34	141	29.2%
5–8 people	31	16	47	9.7%
More than 8 people	1	-	1	0.2%
Total	**397**	**85**	**483**	**100.0%**

Q23 What is your annual household income before taxes?						
Income	**Own**	**%**	**Rent**	**%**	**Total**	**%**
Less than $15,000	5	1.4%	11	13.4%	16	3.5%
$15,000-$24,999	17	4.6%	6	7.3%	23	5.1%
$25,000-$34,999	20	5.4%	11	13.4%	31	6.9%
$35,000-$49,999	38	10.3%	12	14.6%	50	11.1%
$50,000-$74,999	66	17.8%	24	29.3%	90	19.9%
$75,000-$99,999	71	19.2%	7	8.5%	78	17.3%
$100,000-$124,999	66	17.8%	8	9.8%	74	16.4%
$125,000-$149,999	38	10.3%	1	1.2%	39	8.6%
$150,000-$199,999	29	7.8%	-	0.0%	29	6.4%
$200,000 and over	20	5.4%	2	2.4%	22	4.9%
Total	**370**	**100.0%**	**82**	**100.0%**	**452**	**100.0%**
Estimated Median Income	**$88,732**		**$52,083**		**$80,128**	

Q24 What best describes your household income?				
Type of Income	**Owner**	**Renter**	**Total**	**%**
Single income household	157	52	209	45.7%
Dual Income	150	18	168	36.8%
Multigenerational	19	12	31	6.8%
Fixed Income - Retired	48	1	49	10.7%
Total	**374**	**83**	**457**	**100.0%**