MEMORANDUM

Date: August 28, 2025

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Lesher
County Administrator

Re: **Pima County Comprehensive Housing Study**

Attached is the final Pima County Comprehensive Housing Study, which includes a 20-year housing needs assessment, target market analysis and displacement risk analysis for the region, including cities and towns. Data from preliminary versions has already been incorporated into the Pima Prospers 2025 update and was used to inform Board Policy D22.17: Closing the Gap in Affordable Housing, Tackling Housing Insecurity, and Preventing and Escalation of Homelessness. The City of Tucson incorporated preliminary information into presentations regarding proposed updates to their development code for Middle Housing, and most recently requested the displacement risk analysis mapping layers. The Regional Affordable Housing Commission and County staff have also been incorporating preliminary information in the development of strategies to address the needs identified in the Study.

The Housing Study was developed by ECOnorthwest with community and stakeholder input, including input from the Commission, and housing and development staff from the cities and towns. ECOnorthwest remains on contract with the County to complete the Regional Housing Strategy and Funding Plan by year end.

One of the findings from the Study is the need for different types of housing. To that end, and pursuant to approval of House Bill 2829, Pima County is seeking public comment through September 2, 2025 on a zoning code text amendment to allow Accessory Dwelling Units on any lot or parcel that allows a single family dwelling in unincorporated Pima County.

I would like to extend my gratitude to ECOnorthwest, Chair and Members of the Regional Affordable Housing Commission, and participating staff from several County departments, cities and towns. This has been a significant endeavor and I look forward to reviewing the regional strategy and funding plan intended to address the ongoing housing supply and affordability needs across this community.

Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator
Steve Holmes, Deputy County Administrator
Chris Poirier, Director, Development Services
Dan Sullivan, Director, Community and Workforce Development
Jeff Teplitsky, Director, Real Property Services
Heath Vescovi-Chiordi, Director, Economic Development
Jenifer Darland, Director, Office of Housing Opportunities and Homeless Solutions
Nicole Fyffe, Senior Advisor, County Administrator's Office

PIMA COUNTY
COMMUNITY & WORKFORCE DEVELOPMENT

MEMORANDUM

Date: August 19, 2025

To: Jan Lesher
County Administrator

Carmine DeBonis, Jr.
Deputy County Administrator

From: Dan Sullivan
Community & Workforce Development
Director

Terry Galligan
Community & Workforce Development
Deputy Director

RE: Pima County Comprehensive Housing Study

Pima County contracted with ECOnorthwest to provide a comprehensive housing study and market analysis of housing stock, conditions to assess the County's housing needs and market landscape utilizing public and proprietary data. The study includes a housing market analysis and detailed housing inventory to understand economic and financial fundamentals including the local housing market.

The study addresses key demographic, economic, and housing related factors to include Pima County's population, demographic analysis, economic data, employment participation, housing and transportation, affordable housing supply, homeless and at-risk populations, workforce housing needs, fair housing assessment and a target market analysis.

Throughout the year, ECOnorthwest has provided several preliminary drafts that have been used to inform decisions, make funding recommendations, and highlight various strategies to implement to increase housing supply across the housing continuum in Pima County. Much of the work to date has been done in partnership with the Regional Affordable Housing Commission, and County departments, and most recently with the guidance of new Board of Supervisors Policy D.22.17.

ECOnorthwest has held several community engagement events, meetings with jurisdictional partners, industry stakeholders, and have more scheduled throughout the month of October 2025 to inform the development of the Regional Housing and Funding Plan.

The study identifies that Pima County is deficient 116,000 housing units to meet population needs by 2045. Additionally, 20,000 units reflect the immediate need due to current underproduction of both market rates and affordable housing units. After further analysis the units most needed in the region target low-income households at or below 60% area median income (AMI).

Additionally, as a result of the demographic analysis, trends show aging households, rising single-person households and younger renters are driving demand for compact, accessible, and affordable housing options. But there is also a growing demand from households aged 40-59 for suburban, detached single-family homes. Current housing supply in Pima County does not meet the demand, nor do current conditions allow for movement between the current housing stock. ECOnorthwest provided housing typologies to help bridge the gap between demand and current supply and provided recommendations

that illustrate how new housing can be introduced thoughtfully to existing development patterns, supporting a mix of affordability and accessibility.

The study also notes that although new development is needed, it may also intensify displacement pressures for low-income renters in central Tucson and suggests strategies to reduce displacement and preserve affordability in these areas. The study also aligns to local initiatives like Pima County's Prosperity Initiative and Conservation Land System that will inform the development of a Regional Housing Strategy.

Finally, key takeaways from the study show that addressing underproduction and homelessness is a priority for near-term action, utilizing a target-based approach to ensure that housing needs are not constrained by current supply limitations, and most demand will come from households at the lowest and highest ends of the income spectrum.

Moving forward, ECOnorthwest will continue to assist in the development of recommendations for Regional Affordable Housing Commission as they continue to develop and prepare the Regional Housing Strategy to include recommendations for implementation, actionable steps, realistic timelines and milestones, and monitoring metrics to effectively evaluate the progress and impact over time.

The Regional Housing Strategy and Funding Plan will include implementation tools to guide zoning reform, production incentives, preservation strategies, and prioritization frameworks to allocate resources effectively, and will provide for clear roles for stakeholders, County departments, and local jurisdictions.

Data and methodology used for the study will be translated and visualized in an upcoming dashboard to help elected officials, community partners, and the public make informed decisions for housing affordability across Pima County.

AUGUST 2025

PIMA COUNTY
Housing Study

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PIMA COUNTY

ECOnorthwest
IMPACT THROUGH INSIGHT

Table of Contents

Executive Summary

Pima County is at a critical juncture in addressing its regional housing challenges. This housing study—conducted by ECOnorthwest in collaboration with County staff—offers a comprehensive, data-informed foundation for understanding local housing needs and shaping strategies to meet them. Through integrated analysis of housing needs, demographic trends, market dynamics, spatial demand, and displacement risk, this study provides a roadmap for equitable, targeted, and feasible housing strategies.

This interim report summarizes core findings from key analyses and outlines next steps for developing a coordinated Regional Housing Strategy and Funding Plan.

Key Findings

➢ Housing needs are immediate and much of it is concentrated among lower-income households.

Pima County will require nearly 116,000 new housing units by 2045 to accommodate future population growth, address existing shortages, and meet the needs of residents experiencing homelessness. Over 60 percent of this need is concentrated among households earning below 60 percent of the Area Median Income (AMI).

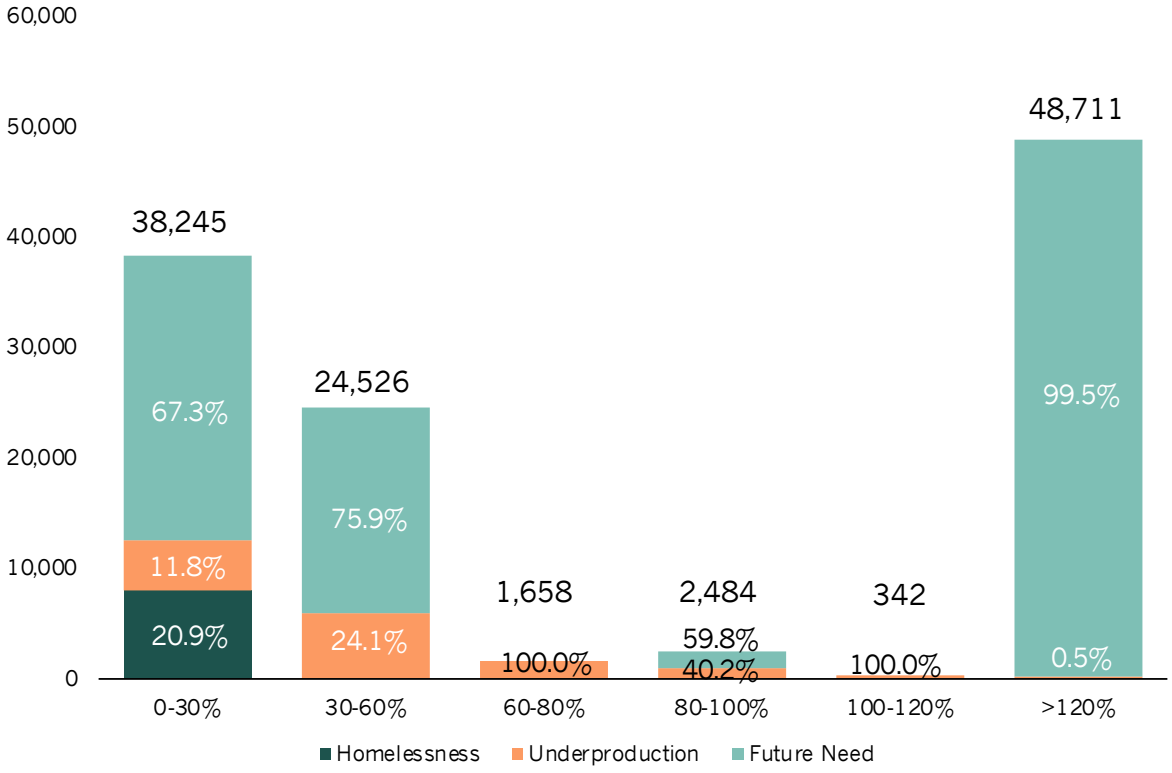
WHAT IS AREA MEDIAN INCOME?

Area Median Income (AMI) is the midpoint income for a specific geographic area—typically a metropolitan region or county—where half the households earn more than the median and half earn less. It is a metric used primarily by the U.S. Department of Housing and Urban Development (HUD) to assess housing affordability and determine eligibility for various federal, state, and local housing programs.

Income Limits for a 4-Person Household in Pima County (FY 2025)

- **Area Median Income (100 % AMI): $96,100**
- **80% AMI: $76,900**
- **60% AMI: $57,660**
- **50% AMI: $48,050**
- **30% AMI: $32,150**

Exhibit 1: Housing Needs by AMI Through 2045, Pima County

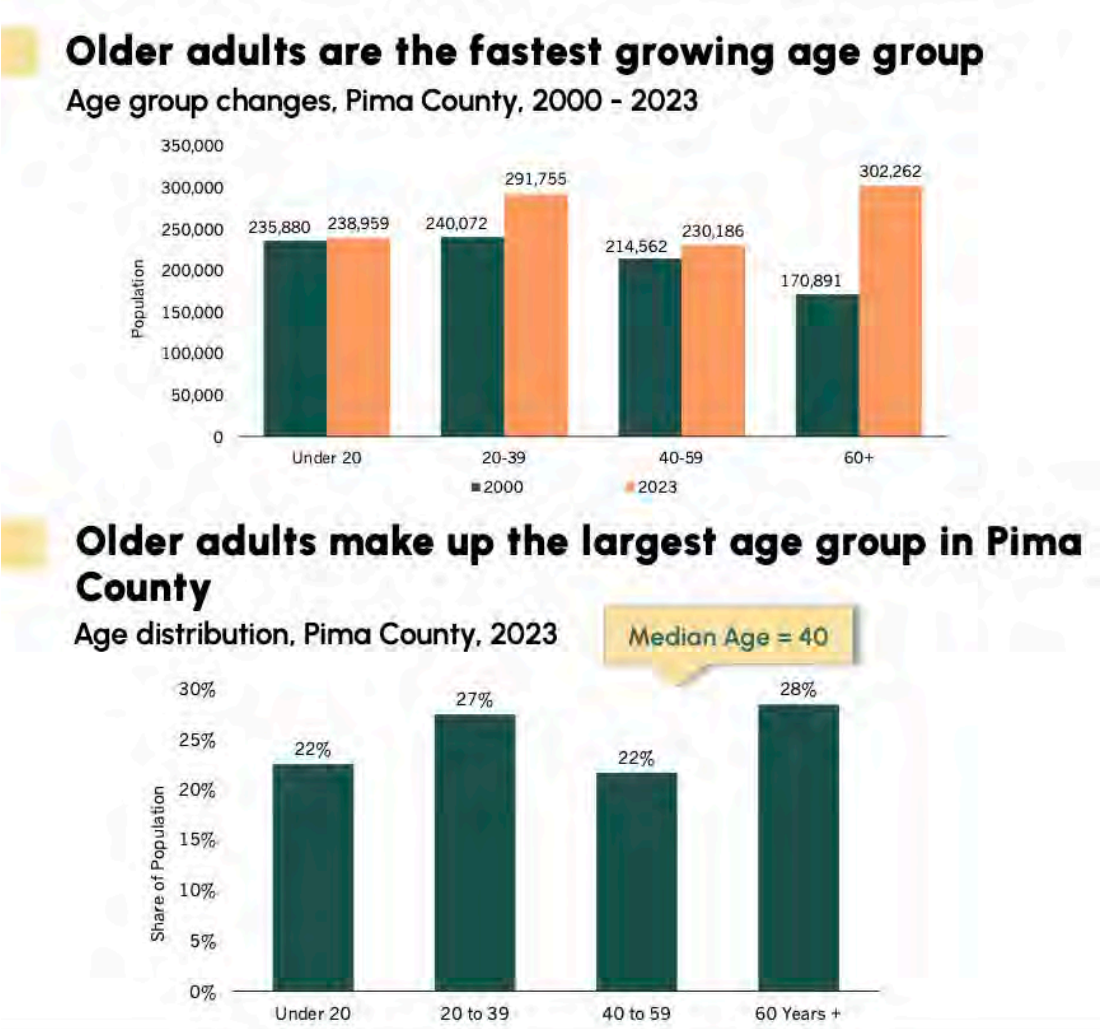


Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

➢ Demographic trends are reshaping housing demand in Pima County.

Aging households, rising single-person households, and younger renters are driving demand for compact, accessible, and affordable housing options. Notably, a large share of Black, Indigenous, and People of Color (BIPOC) households earn less than $50,000 annually, signaling systemic challenges in homeownership access. Growing demand from households aged 40 to 59—typically working families in their peak earning years—will also continue to drive demand for suburban, detached single-family homes.

Exhibit 2: Age Distribution Trends, Pima County



Source: US Decennial Census 2000, P012001 and ACS 1-Year Estimates 2023 Table B01001, ACS 1-Year Estimates 2023 Table B01001

➢ Diverse housing typologies can bridge the gap between demand and current supply.

The study identifies specific housing formats—such as casitas, townhomes, and low-rise apartments—that align with local needs and can be integrated into a range of neighborhood contexts. Contextual block morphologies illustrate how new housing can be introduced thoughtfully into existing development patterns, supporting a mix of affordability, accessibility, and community character

Exhibit 3: Duplex Housing Typology Example

Source: PMM Architects & MIG

➢ Displacement risk requires proactive, targeted interventions.

While **new development is needed**, it may also intensify displacement pressures—especially for low-income renters in central Tucson and adjacent neighborhoods. The Displacement Risk Assessment pinpoints tracts where risk is most acute and offers a typology-based framework for tailoring stabilization and preservation strategies. Exhibit 26 provides a full map of the displacement risk analysis results.

Next Steps - Developing the Regional Housing Strategy and Funding Plan

With the Board of Supervisors' recent approval of a $250 million housing investment, County staff are leading the development of a funding strategy. ECOnorthwest is supporting with financial feasibility modeling to determine the level of subsidy needed for rental, ownership, and supportive housing projects. These efforts will merge into a comprehensive Regional Housing Strategy and Funding Plan, which will include:

- Implementation tools to guide zoning reform, production incentives, and preservation strategies.
- Prioritization frameworks to allocate resources efficiently and effectively.
- Clear roles and timelines for County departments, local jurisdictions, nonprofit developers, and community partners.

➢ Engagement Insights

The study has been grounded in local voices through stakeholder workshops, a community open house, leadership engagement, and coordination with the Affordable Housing Commission. These conversations emphasized:

- **The need for diverse housing formats.**
- **Regional coordination supported by the County.**
- **Infrastructure investment and incentive tools to lower the cost of development.**

Upcoming engagement during the strategy phase includes a countywide Housing Strategy Roadshow, which will bring draft strategies into communities across the region for feedback and co-development.

The analyses in this report illuminate the scale and complexity of housing challenges in Pima County but also point to actionable paths forward. By understanding where and for whom housing is most needed—and by working across jurisdictions and sectors—the region can begin to move toward a more inclusive and stable housing future.

1. Purpose & Introduction

Pima County is undertaking a comprehensive regional housing study to guide housing strategies grounded in data and local context. The study assesses current and future housing needs, evaluates where demand is likely to concentrate, and identifies which households are most at risk of being left behind. It brings together multiple lines of analysis—including housing needs forecasting, demographic and market profiling, spatial demand mapping, displacement risk assessment, and eventually, development feasibility modeling—to build a shared understanding of Pima County's evolving housing landscape. The goal is to inform coordinated, actionable housing solutions that reflect the county's diverse communities and geographies.

This interim report presents the results of major analytical tasks completed to date. These components collectively provide the foundation for the development of housing strategies, policy tools, and funding frameworks that will follow in the final phase of the project.

Key Analytical Components

- **Demographic and Housing Market Analysis**: This component profiles key population trends—including aging, racial and ethnic diversity, and income disparities—and their intersection with housing availability, affordability, and tenure.
- **Regional Housing Needs Assessment**: Using demographic forecasts and detailed housing market data, this analysis estimates the number of units needed across income levels through 2045, including current underproduction, anticipated future demand, and the housing needs of households experiencing homelessness.
- **Target Market Analysis and Spatial Demand Modeling**: These analyses examine how different household types—such as multigenerational families, seniors, and cost-burdened renters—will shape demand for varied housing types across the county's geographies.
- **Displacement Risk Assessment**: Recognizing the pressures of market-driven change, this component evaluates where lower-income renters are most vulnerable to displacement due to recent development activity or competitive housing markets.

ONGOING ANALYSIS

Supporting Investment with Pro Forma Analysis

To inform the County's evolving funding strategy for affordable housing, ECOnorthwest is conducting a series of development pro forma analyses. This work will evaluate the financial feasibility of different rental and ownership housing types across a range of subsidy scenarios. The findings will help the County assess how its current and forthcoming resources—including $8.5 million in FY 2026 gap financing and a new 10-year commitment of at least $200 million—can be most effectively deployed to support development of housing for the homeless, income-restricted rental units, and accessible homeownership opportunities. This analysis will be a key input into the next phase of work to prioritize tools and guide policy, program, and funding decisions under the regional housing strategy.

2. Housing Needs Assessment

The Regional Housing Needs Assessment (HNA) provides an estimate of how many housing units will be needed in Pima County through 2045, with detailed breakdowns by income level and local jurisdiction. As the foundational analysis in this study, the HNA quantifies the total scale of need and provides a basis for aligning housing policy, land use, and investment decisions across the region. The HNA also supports compliance with Arizona Senate Bill 1162, which requires updated Housing Needs Assessments every five years for many jurisdictions starting in 2025. Full technical documentation of the HNA can be found in Appendix B.

To ground the HNA, the study also includes a comprehensive demographic, population, and household profile of Pima County, offering context for understanding the key drivers of housing need, such as age distribution, household income, household composition, and more. All documentation and data from this analysis are included in Appendix A.

Key Components of Need

The analysis defines total housing need through three distinct components:

- **Future Need**: Based on population projections from the Arizona Office of Economic Opportunity, ECOnorthwest estimated the number of additional housing units required to accommodate expected household growth through 2045. This includes adjustments for a vacancy target of 7 percent, loss of housing units over time, and market filtering (i.e., the aging and price depreciation of existing homes over time). This component accounts for the largest share of overall housing need.
- **Underproduction:** This component accounts for the housing shortage in the region, or the number of housing units needed to meet the current demand from existing households in the region. Our approach identifies the number of units that would be needed to achieve a sufficient balance of units to current residents, including households that have not formed due to limited housing options, and then categorizes those units across the current distribution of household income. This approach recognizes that underproduction in a housing market results in greater cost burdening for lower-income households.
- **Homelessness Need**: Drawing on local data from the Tucson Pima Collaboration to End Homelessness, the assessment estimates the number of units needed to permanently house households currently experiencing homelessness. These units are allocated entirely to the lowest income category (0–30 percent AMI), reflecting national patterns in income and housing accessibility among unhoused populations.

Results: 20-Year and 10-Year Needs

The analysis estimates a total housing need of nearly 116,000 units in Pima County between 2024 and 2045, encompassing future household growth, existing underproduction, and homelessness-related need. Much of this need—approximately 81 percent—is driven by future population growth, while the remainder stems from existing shortages and the need to house residents currently experiencing homelessness. To support near-term planning, the assessment also provides a 10-year scaled estimate for 2024 to 2033, totaling roughly 64,500 units. Across both timeframes, the need is most concentrated at the lower end of the income spectrum, with over 60 percent of total units needed for households earning below 60 percent AMI.

The following exhibits present the results of the housing needs assessment for a time horizon of 2024–2045 and a 10-year scaled estimate (2024-2033).

Income Limits for a 4-Person Household in Pima County (FY 2025)

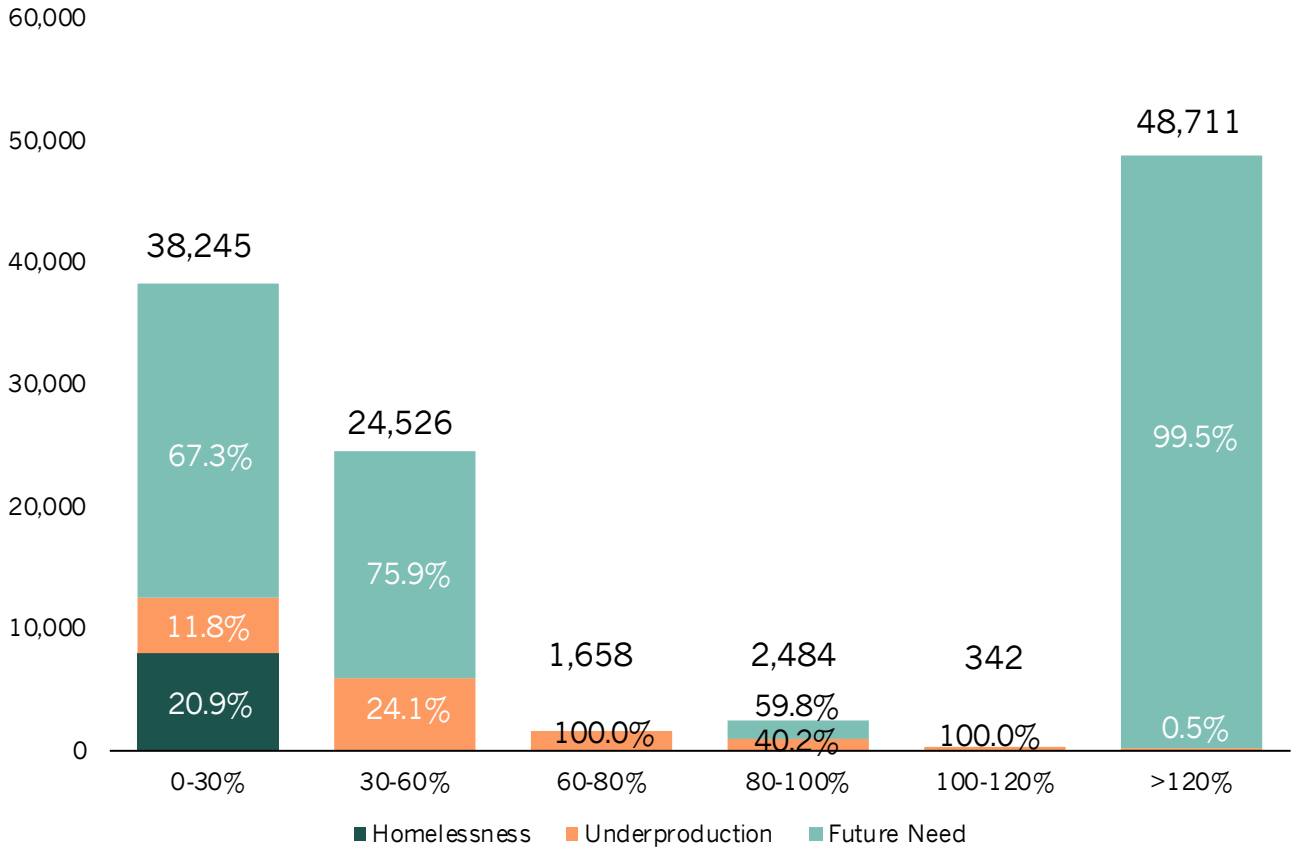
- **Area Median Income (100 % AMI): $96,100**
- **80% AMI: $76,900**
- **60% AMI: $57,660**
- **50% AMI: $48,050**
- **30% AMI: $32,150**

Exhibit 4. Summary of Housing Need by Component, 2024–2045

FUTURE NEED	UNDERPRODUCTION	HOMELESSNESS NEED	TOTAL UNITS
94,296	13,671	8,000	**115,967**
81 percent	12 percent	7 percent	**100 percent**

Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Exhibit 5: Housing Needs by AMI Through 2045, Pima County



Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Exhibit 6. Housing Need Components by Income, 2024–2045

COMPONENT	0–30 PERCENT	30–60 PERCENT	60–80 PERCENT	80–100 PERCENT	100–120 PERCENT	>120 PERCENT	TOTAL
Future Need	25,721	18,622	-	1,486	-	48,467	94,296
Homelessness Need	8,000	-	-	-	-	-	8,000
Underproduction	4,524	5,904	1,658	999	342	244	13,671
Total	**38,245**	**24,526**	**1,658**	**2,484**	**342**	**48,711**	**115,967**

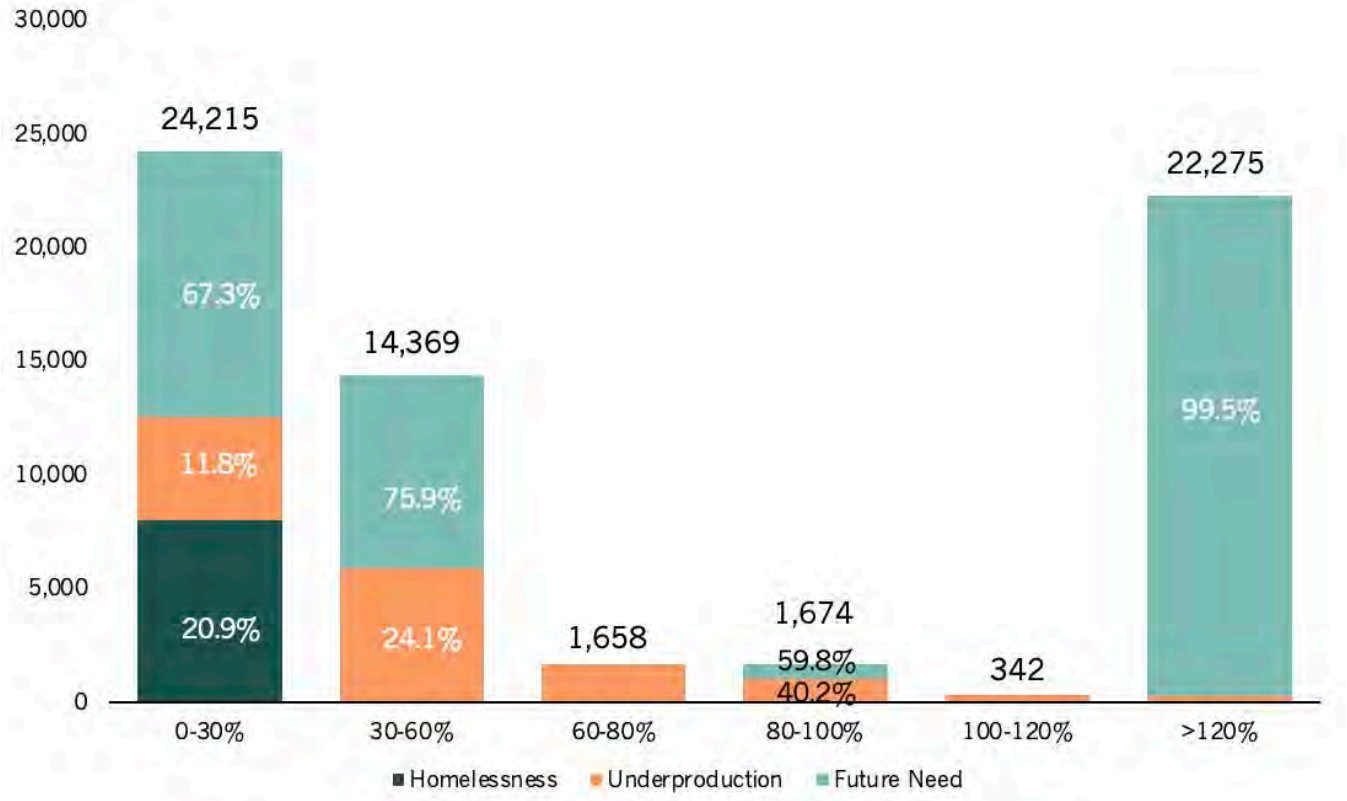
Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Exhibit 7. 10-Year Scaled Estimate of Housing Need, 2024-2033

FUTURE NEED	UNDERPRODUCTION	HOMELESSNESS NEED	TOTAL UNITS
42,862	13,671	8,000	**64,533**
67 percent	21 percent	12 percent	**100 percent**

Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Exhibit 8: 10-Year Scaled Estimate of Housing Need Components by Income, 2024-2033



Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Exhibit 9. 10-Year Scaled Estimate of Housing Need Components by Income, 2024-2033

COMPONENT	0–30 PERCENT	30–60 PERCENT	60–80 PERCENT	80–100 PERCENT	100–120 PERCENT	>120 PERCENT	TOTAL
Future Need	11,691	8,465	-	675	-	22,031	42,862
Homelessness Need	8,000	-	-	-	-	-	8,000
Underproduction	4,524	5,904	1,658	999	342	244	13,671
Total	**24,215**	**14,369**	**1,658**	**1,674**	**342**	**22,275**	**64,533**

Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

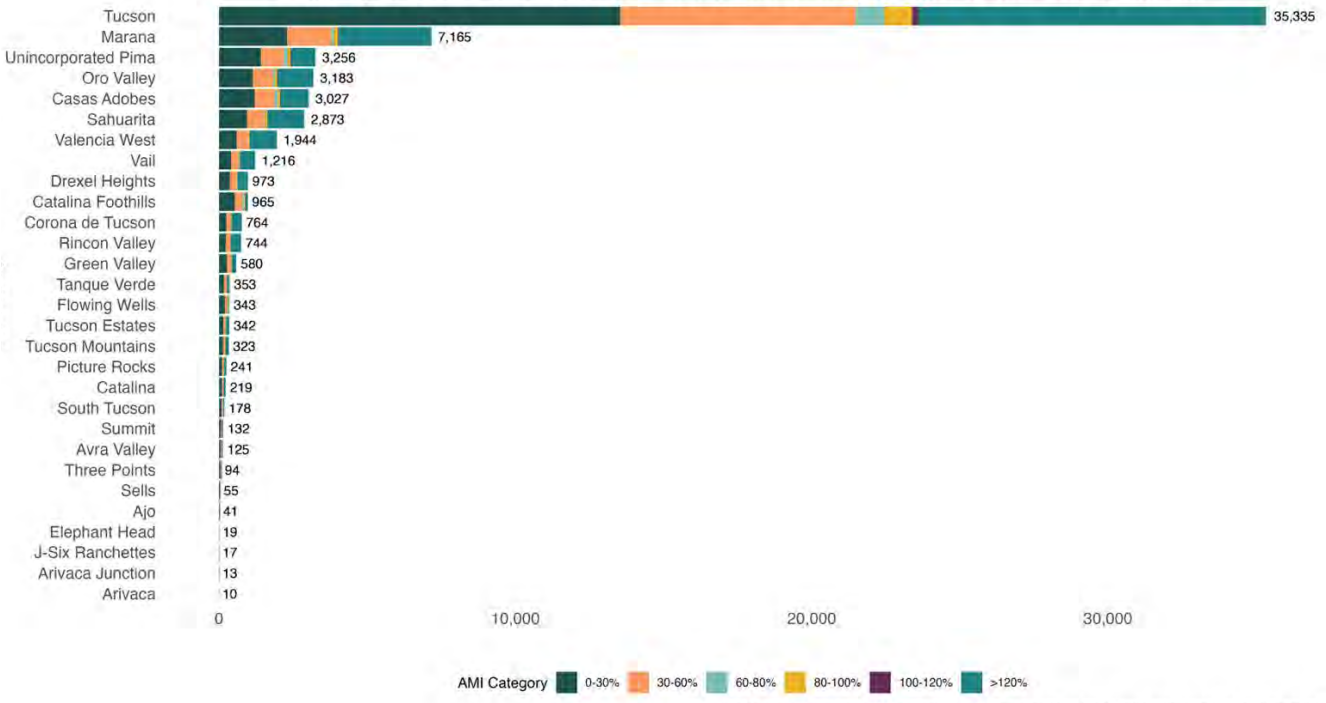
Distributing Regional Need Among Local Jurisdictions

ECOnorthwest created a model for distributing the housing needs assessment results among the 19 local communities (incorporated and unincorporated) based on criteria that reflect both current and expected future conditions. At a high level, the categories and rationale behind the criteria are as follows:

- **Current population and "added population"**: Housing need corresponds directly to population size.
- **Current jobs and "added jobs"**: Employment is a driver of housing demand. Better matching of job and housing locations creates more options for housing, shortens commute times and distances, and eases congestion and vehicle travel on the region's transportation systems.

The City of Tucson holds the largest share of total need—over 35,000 units—due to its size and concentration of jobs and households. Marana, unincorporated Pima County, Oro Valley, and the Census Designated Place, Casas Adobes, also represent significant portions of the regional housing need. The full distribution by area and income tier is included in Exhibit 10 and the Regional Housing Needs Assessment Technical Memorandum included in Appendix B.

Exhibit 10: Share of Regional Need by Income, Local Jurisdictions & Unincorporated Areas, 10-year Scaled Estimate



Source: Source: ECOnorthwest Housing Need Model, US Census, Arizona Office of Economic Opportunity Forecasts

Other Key Takeaways

Beyond the core estimates of total housing need, the assessment offers important insights into how needs are distributed, how the methodology improves upon traditional approaches, and how results can be applied to guide policy. These takeaways highlight both priority areas for immediate action and structural considerations that can help shape long-term housing strategy in Pima County. They also reinforce the need for flexible, data-informed approaches that account for local variation in demand and capacity.

- Addressing underproduction and homelessness is a priority for near-term action, as these units represent the most urgent needs. At the same time, the Regional Housing Strategy should also account for future demand—even if progress toward these targets may be smaller.
- The methodology avoids underestimating need by not relying on historic production trends. Instead, it uses a target-based approach to ensure that housing need is not constrained by current supply limitations.
- The majority of housing demand will come from households at the lowest and highest ends of the income spectrum, pointing to a bifurcated market and the need for targeted interventions across the income range.
- The HNA also offers a transparent, replicable framework for allocating need to local jurisdictions based on factors such as current and projected population and employment.

3. Target Market Analysis

To complement the HNA and provide deeper insight into who needs housing, what kinds of housing are needed, and where that demand may concentrate, this analysis develops market-driven housing demand profiles for key segments of Pima County's population. This section reflects the second major analytical phase of the study and bridges into future strategy development by linking demographics and household preferences to housing types and spatial considerations.

While the HNA quantified how many units are needed across income levels, this analysis identifies:

- The composition of future housing demand by household type, income, tenure, and needs
- Geographic patterns of anticipated demand intensity
- Housing formats and typologies, grounded in both demographic trends and local contexts across Pima County

Housing Demand Profiles

A core goal of this study is to understand how housing demand varies across different types of households in Pima County, both today and in the decades ahead. To do so, the analysis looks beyond aggregate projections and focuses on the lived realities of the households driving demand—how they form, how they live, and what they can afford.

The housing demand profiles were developed using the demographic and housing market data gathered in detail during the early stages of the project (located in Appendix A) to identify key population groups with distinct housing needs. The data used here highlights segments with significant and/or growing representation in the county—such as older adults, single-person households, and low-income renters—where demand is not only increasing, but where existing housing supply may be especially mismatched or inadequate.

To define target household groups, we began by classifying all households across several key characteristics:

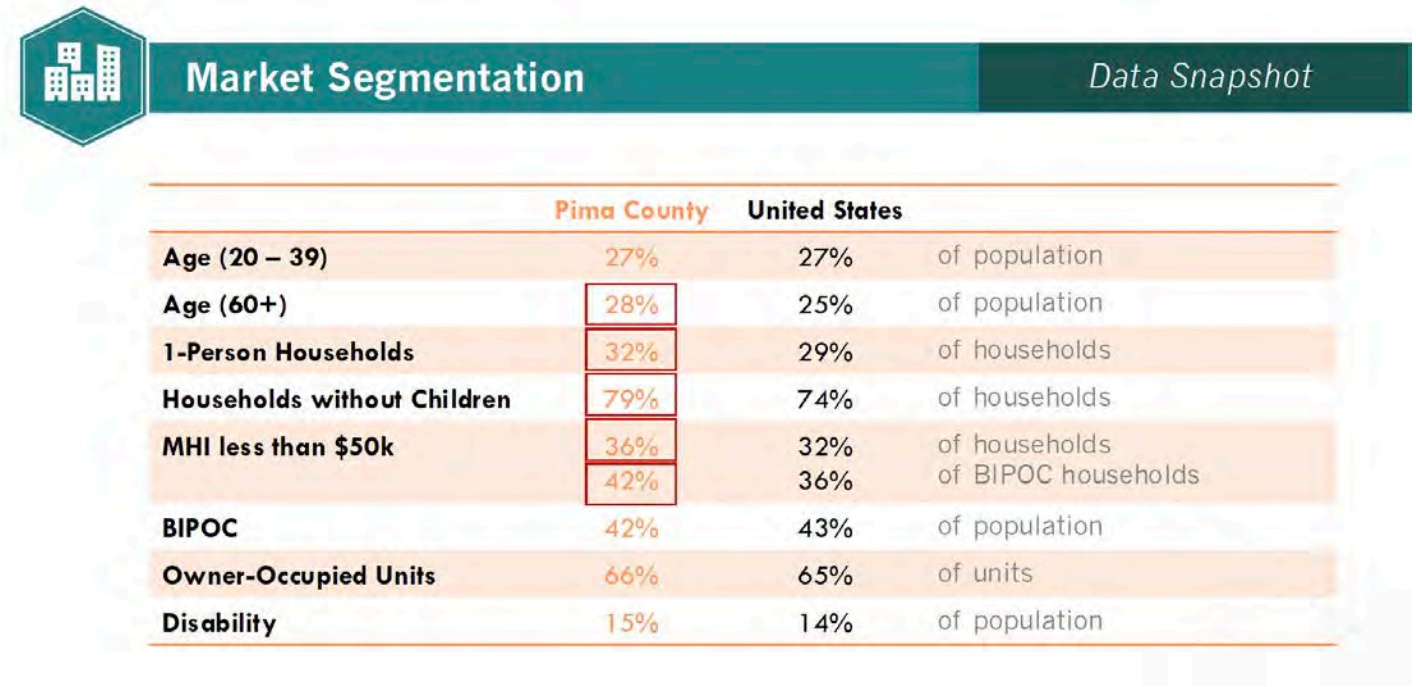
- Age – Life stage often correlates with housing preferences, mobility, and income.
- Household Type – Single-person, family, and multi-generational households have different space and location needs.
- Income and Affordability – Income determines access and shapes the trade-offs households make.
- Race and Ethnicity – Historical patterns of exclusion and systemic disparities influence both access and demand, especially for homeownership.

- Tenure – Renter and owner households differ in their stability, wealth-building capacity, and vulnerability to market pressures.
- Supportive Needs – Households with disabilities, older adults, and those experiencing homelessness often require specialized housing types or services.

Emerging Trends in Pima County's Housing Demand

The demographic and market analysis reveals several clear trends that shape the landscape of future housing demand. For example, Pima County has a higher share of older adults which will require age-friendly housing options located near healthcare, retail and transit options. There is also a higher share of BIPOC households that earn less than $50,000 annually which likely perpetuates systemic barriers to homeownership for these households. Understanding these household segments helps identify where focused policy interventions and supportive services are needed, both now and in the future.

Exhibit 11: Household Snapshot, Pima County vs. United States, 2023



	Pima County	United States	
Age (20 – 39)	27%	27%	of population
Age (60+)	28%	25%	of population
1-Person Households	32%	29%	of households
Households without Children	79%	74%	of households
MHI less than $50k	36%	32%	of households
	42%	36%	of BIPOC households
BIPOC	42%	43%	of population
Owner-Occupied Units	66%	65%	of units
Disability	15%	14%	of population

Source: ACS 1-Year Estimates 2023

To understand the types of housing that will be needed across Pima County over the coming decades, this analysis identifies a set of demand profiles—snapshots of key household segments that are shaping future residential trends. Each profile describes the characteristics, unit preferences, and locational needs of a distinct group of households. Together, these segments can help inform a more responsive, targeted housing strategy that can better meet real-world demand.

The following exhibits present the housing demand profiles. The profiles were developed through a synthesis of demographic projections, American Community Survey data, and housing market analysis. They are organized across four dimensions:

- Age
- Household size and composition
- Tenure
- Affordability

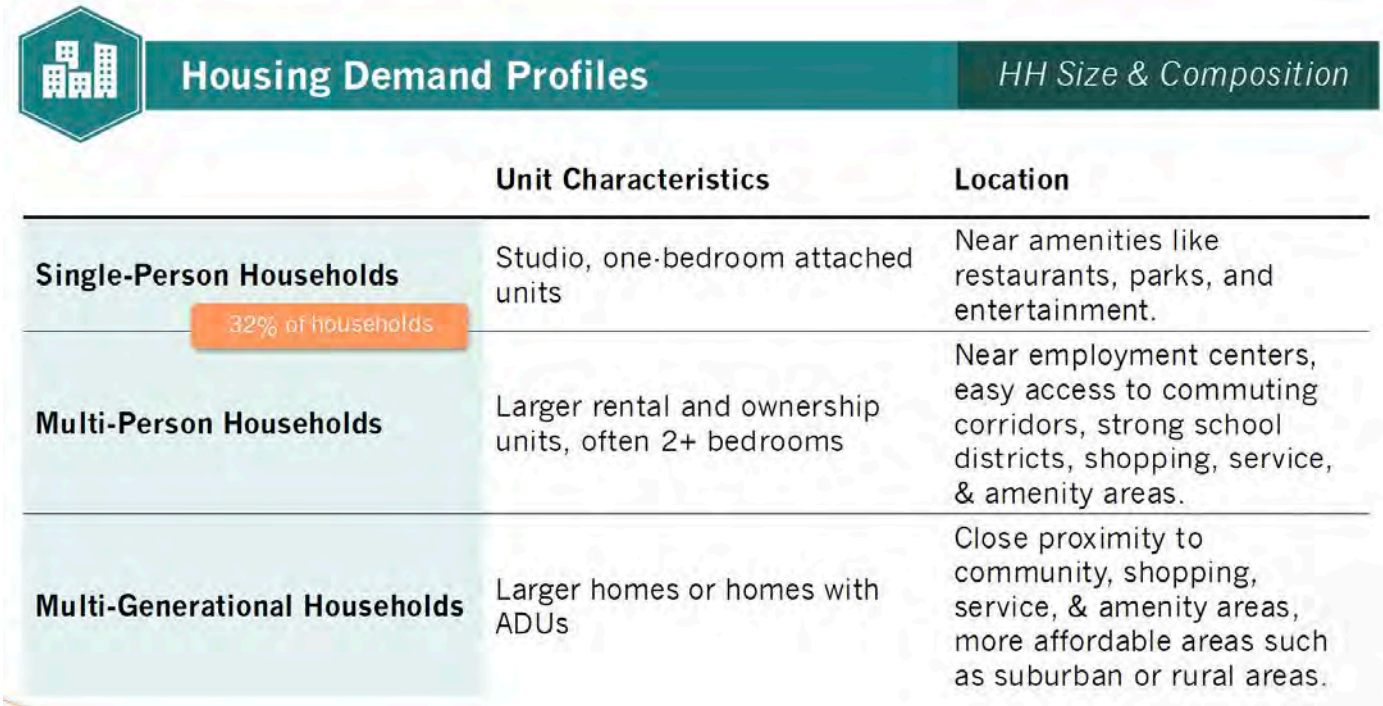
Exhibit 12: Age Specific Demand Profiles, Pima County

Housing Demand Profiles *Age-Specific*

	Unit Characteristics	Location
Students (18-24)	Large rentals, often in either apartments or single-family homes (though sometimes single efficiency units)	Proximity to frequent transit, campus, amenity rich areas
Young Adults (20 – 39)	Small, rental or first-time ownership, often attached with shared amenities	Close to employment hubs or near walkable downtown areas.
Working Families (40 – 59) Growing demand from this cohort	2 – 4 bedroom, often ownership and detached	Suburban areas with strong school districts
Older adults (60+) Driving a large portion of demand	Small, Accessible, Low maintenance, rental or ownership, attached or detached	Proximity to healthcare and public transport.

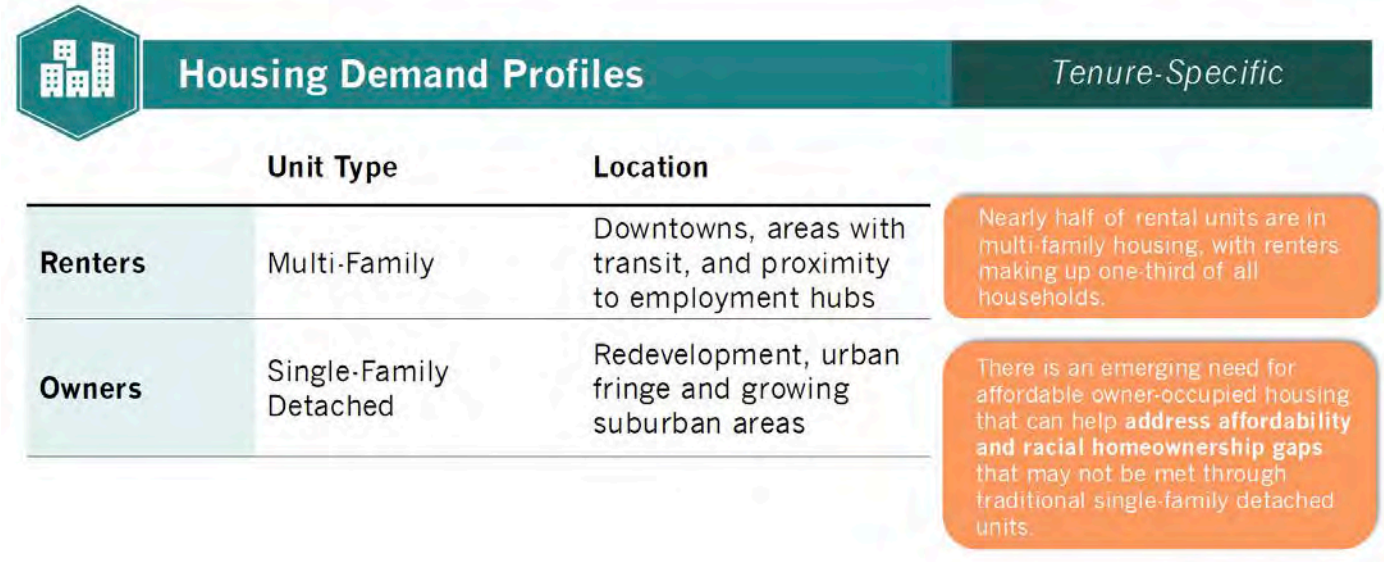
Source: ECOnorthwest, ACS 1-Year Estimates 2023

Exhibit 13: Household Size & Composition Demand Profiles, Pima County



Source: ECOnorthwest, ACS 1-Year Estimates 2023

Exhibit 14: Tenure Specific Demand Profiles, Pima County



Source: ECOnorthwest, ACS 1-Year Estimates 2023

Exhibit 15: Affordability Demand Profiles, Pima County

Housing Demand Profiles	Unit Characteristics	Location
Rental Housing Needs	Affordable units to 0-60% AMI households to help alleviate cost-burdening	Areas with transit, and proximity to employment hubs
Ownership Housing Needs	Market-rate units to satisfy demand from 120+% AMI households to reduce pressure on more affordable stock	Redevelopment, urban fringe and growing suburban areas with strong school districts and access to shopping and services
Specialized & Supportive Housing	Older adult housing units (discussed previously), PSH (deeply affordable with integrated services), transitional housing (from shelter to stable housing)	Close proximity to a range of services, access to transit, affordable/stable neighborhoods with mixed incomes, near employment opportunities

Affordability

Source: ECOnorthwest, ACS 1-Year Estimates 2023

Translating Housing Demand Profiles into Housing Formats

Building on the detailed household demand profiles, the final step of the housing demand analysis identifies specific housing formats that can directly respond to the unique needs of key population segments across Pima County. This translation ensures that future housing strategies are not only guided by who needs housing, but also by what kinds of homes are most appropriate, accessible, and feasible to meet that need.

The demand profiles—organized by age, household size, tenure, and affordability—served as a framework for understanding what different residents need in terms of unit size, building type, and location. The profiles highlighted critical groups driving future demand: young adults, older adults, single-person households, low-income renters, and BIPOC and multigenerational families. The next step was to match those profiles with formats that deliver appropriate housing options that can meet a range of diverse housing needs.

To do this, the analysis categorized housing formats across three major dimensions—rental units, homeownership, and unit size & configuration—which are detailed in the following exhibits. The following exhibits identify which population segments are most likely to be served by a given format, the specific needs these formats address, and their general affordability range in the current market.

Exhibit 16: Rental Unit Housing Formats, Pima County

Housing Formats	Demand Segment	Need Served	Affordability
Rental Units			
Multi-Family Apartments (0 – 2 Bedroom)	▪ Young Adults ▪ Single-Person Households ▪ Active Seniors	Access to services and transit	30 – 60% AMI
Affordable Rental Units (0 – 60% AMI)	▪ Cost Burdened ▪ BIPOC ▪ Low-Income	Deeply affordable units are in short supply relative to demand	0 – 60% AMI
Specialized Housing	▪ Seniors ▪ Veterans ▪ Persons with Disabilities ▪ Homeless households	Smaller units with accessibility features, single story or independent living communities, integrated supportive services	Will vary
Casitas	▪ Affordable rentals ▪ Multi-generational households	Supports multi-generational living and increases affordable options	Lack of data, but generally 80-100% AMI

Source: ECOnorthwest, ACS 1-Year Estimates 2023, Co-Star

Exhibit 17: Homeownership Housing Formats, Pima County

Housing Formats	Demand Segment	Need Served	Affordability
Ownership Units			
Small detached single unit	▪ Families ▪ Older adults ▪ Single parents	Older adults looking to downsize	120 – 150% AMI
Large detached single unit	▪ Market-rate ownership	Families and higher-income households	200% AMI +
Multi-Family Condos and Townhomes	▪ First Time Homebuyers ▪ Young Professionals ▪ Older adults ▪ Single parents	Older adults looking to downsize or younger adults looking for affordable ownership opportunities	80 – 120% AMI
Casitas	▪ Multi-generational households ▪ First Time Homebuyers	Supports multi-generational living and increases affordable options	Lack of data, but generally 80-100% AMI

Source: ECOnorthwest, ACS 1-Year Estimates 2023, Redfin

Exhibit 18: Size and Unit Configurations, Pima County

Housing Formats | *Size & Configurations*

	Demand Segment	Need Served	Affordability
Studio – 2 bedroom	▪ Young adults ▪ Older adults ▪ Single-persons	Large populations of young adults, Older adults, and single person households	30 - 60% AMI
3-Bedroom +	▪ Families ▪ Multi-generational households	Creates adequate units sizes for multi-generational and family living	60 – 80% AMI
Cottage or Patio homes	▪ Older adults ▪ First-time homebuyers	Creates affordable and community-oriented living spaces	120 – 150% AMI

Source: ECOnorthwest, ACS 1-Year Estimates 2023, Redfin

By aligning the characteristics of these housing formats with the identified demand profiles, Pima County can better target housing production, zoning reform, and funding priorities. This approach can help align future development not only with overall unit targets, but also with the financial and lifestyle needs of the people who will live in them.

Spatial Demand Analysis

While the housing demand profiles help define who needs housing and what types of housing are in demand, the spatial demand analysis focuses on where that demand is most likely to concentrate. Taken together, these components provide a more complete picture of how to plan for future housing needs in Pima County—not just in terms of units and formats, but in terms of location and access.

The purpose of this analysis is to translate countywide demographic and market trends into a geographic framework. By identifying areas of the county where specific demand segments—such as older adults or multigenerational families—are already concentrated or expected to grow, this analysis helps guide where housing interventions can be most effective. It is especially valuable in shaping land use, zoning, infrastructure planning, and housing resource allocation across incorporated and unincorporated areas.

Overview of Methodology

The spatial demand analysis estimates the geographic distribution of future housing need by combining population growth projections with demographic analysis at the neighborhood scale using census tracts.

- **Step 1: Population Projections at the Neighborhood Level**: We use internal population projections (developed by ECOnorthwest)—disaggregated by age group

and informed by Census trends, natural growth, and migration—to estimate neighborhood-level growth over the next 25 years, recognizing that different areas will experience varying rates and patterns of change.

- **Step 2: Assigning Households to Housing Demand Segments**: After projecting future population changes in each neighborhood, we organize people into different housing demand groups based on:
  - Whether they rent or own their home
  - Their income level
  - The type of household they live in (for example: living alone, with roommates, or in a multigenerational family)
  - Their age group
- **Step 3: Identifying Demographic Concentrations**: To understand the spatial variation in demand, we analyze how the prevalence of specific demographic groups in each neighborhood compares to countywide averages. For example, we may find that in a particular census tract, 15 percent of households are multigenerational—more than twice the countywide rate of 7 percent. This comparison helps highlight areas with distinctive household patterns that may drive demand for specific housing types. We apply this same comparative approach across other relevant key dimensions.
- **Step 4: Linking Demographics to Housing Typologies**: Finally, going back to the housing demand profiles and formats, we connect demographic characteristics to relevant housing types to pinpoint where targeted housing strategies may be most needed. For example, a tract with elevated shares of households earning 80–120 percent AMI and multigenerational households may have strong demand for casitas or small accessory dwelling units.

Visualizing Housing Demand Across Pima County

The following maps visualize spatial housing demand across Pima County, based on the projected distribution of key household segments. By connecting demographic trends to specific geographies, the maps illustrate how needs vary by area and highlight opportunities to align housing strategies with place-based demand.

NOTE ON GEOGRAPHIC SCOPE OF MAPS

Some maps in this section focus on select areas of Pima County and do not always depict the full western portion of the county. The western portion of the county contains large rural and tribal areas where census tracts do not always show significant concentrations of the specific demographic or housing demand segments being analyzed. To better highlight areas with concentrated housing demand, some maps are zoomed in on specific portions of the county. However, the underlying analysis includes all of Pima County.

SENIOR HOUSING

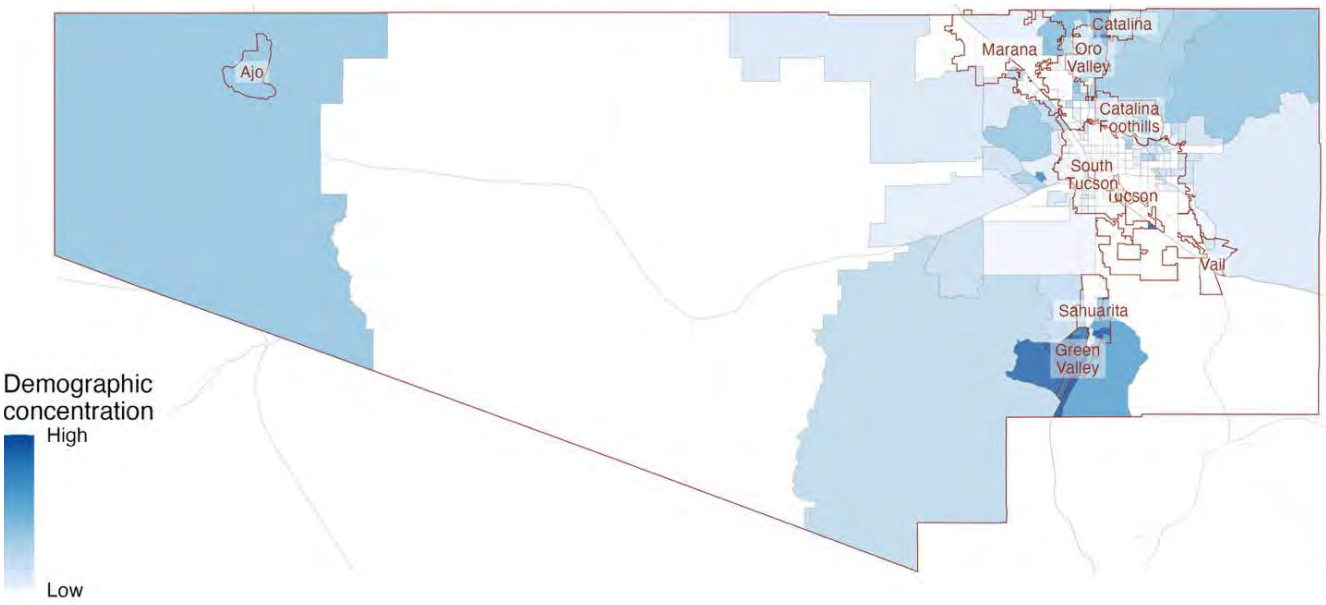
Older adults aged 60 and over represent a growing segment of Pima County's population, and their housing needs are both specific and urgent. This demographic increasingly seeks smaller, accessible units that support aging in place or offer integrated services for independent living. Common needs and preferences include single-story homes, units with accessibility features, and proximity to health care, retail, and community services.

Exhibit 19 shows areas with a higher-than-average concentration of older adults compared to the county as a whole. The most significant clusters of senior residents are in southern Pima County, particularly in and around the Green Valley area—established retirement destinations with strong appeal for older households. Additional concentrations appear in northern Pima communities such as Oro Valley and Marana, which may see increased demand in the coming decades.

The map also reveals localized pockets of older adults in central and southeastern Tucson. These neighborhoods may represent opportunities to support aging in place through the development or adaptation of accessible housing options close to existing services, transit, and amenities.

Notably, the tract that includes Ajo and surrounding areas in western Pima County also shows a relatively high concentration of older adults. While less densely populated, this area may benefit from strategies that address the needs of aging residents in rural settings—such as smaller-scale supportive housing or home modification programs so seniors in more remote parts of the county are not left behind.

Exhibit 19: Concentrated Demand for Senior Housing, Pima County



Source: ECOnorthwest

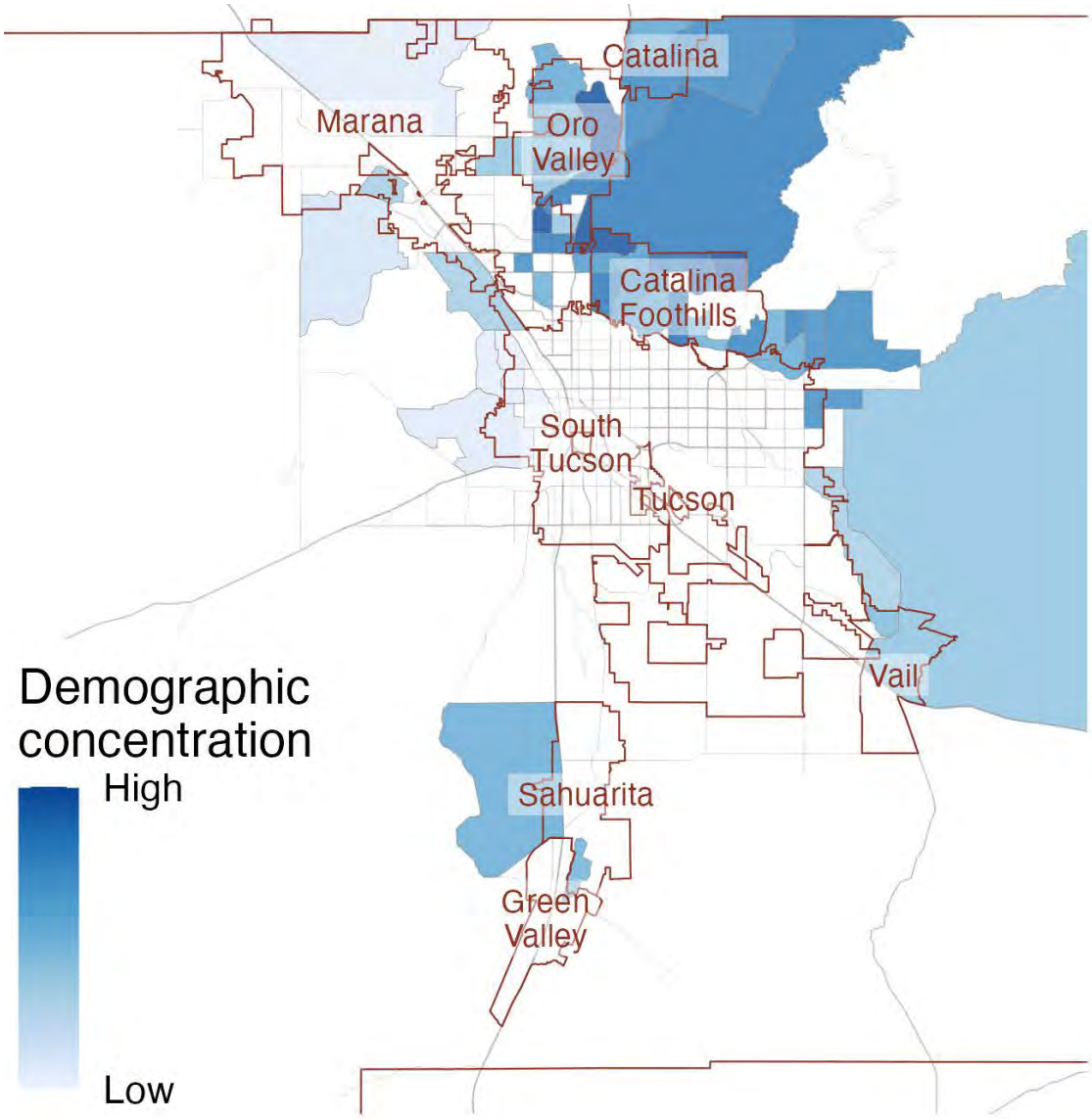
SMALL DETACHED OWNERSHIP HOUSING

Exhibit 20 highlights areas across Pima County with higher concentrations of households most likely to generate demand for small detached ownership units—typically one-story homes with modest footprints on small lots. These units tend to be especially attractive to older adults seeking to downsize, moderate- to higher-income households (120 percent+ AMI), and multi-person households looking for low-maintenance ownership options in more suburban settings. This includes older adults looking to age in place with fewer maintenance needs, single-parent households seeking affordable ownership opportunities with manageable space, and small families who value privacy and outdoor access without the upkeep of larger homes.

The strongest alignment between these demographics and potential housing demand is found in the northern parts of the county, especially in and around Oro Valley. These areas are characterized by established neighborhoods with higher-income residents, a growing share of older adults, and a predominance of multi-person households—all of which support continued interest in small, ownership-oriented homes.

Moderate concentrations also appear in areas such as Marana, Sahuarita, and eastern suburban communities outside Tucson's urban core. These locations offer a balance between access to amenities and the more spacious, quiet neighborhoods that appeal to both aging homeowners and working households with children.

Exhibit 20: Demand for Small Detached Ownership, Pima County



Source: ECOnorthwest

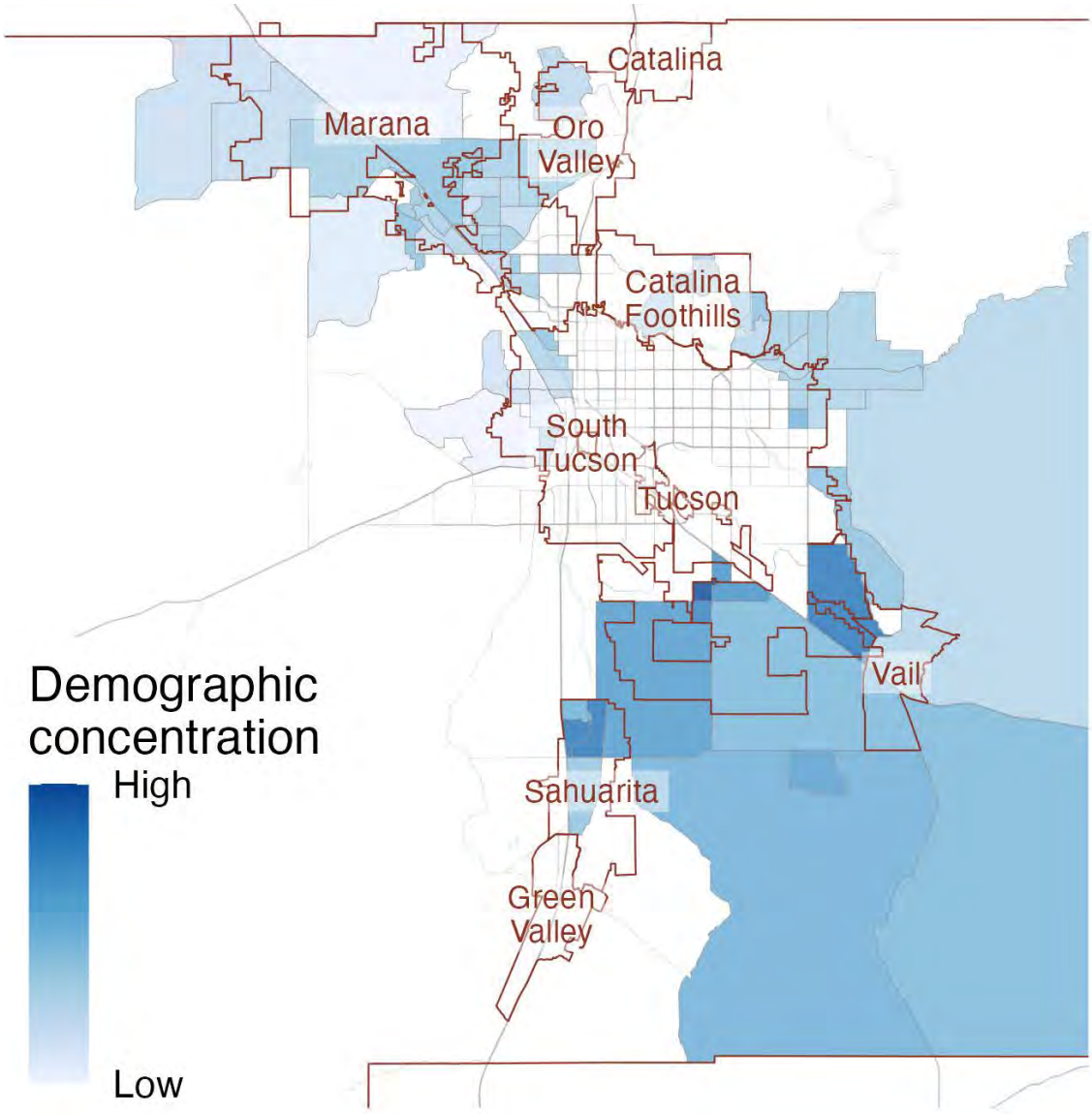
LARGE DETACHED OWNERSHIP HOUSING

Large detached housing—typically single-family homes with 3 or more bedrooms—serves the needs of higher-income families with children and middle-aged multi-person households. These households are often looking for spacious units that support family-oriented living, with strong neighborhood amenities, access to schools, and proximity to essential services.

The spatial analysis highlights strong demand for this format in southeast Pima County, especially around Corona de Tucson, Sahuarita, and the outskirts of Vail. These areas align demographically with the target households: those earning above 120 percent AMI and falling within the 40–59 age range. Moderate concentrations of demand appear in established or growing suburban communities to the north and northwest of Tucson, including Marana, Oro Valley, and the northeast suburbs.

Tucson's urban core and adjacent neighborhoods show a lower concentration, as these areas may have higher demand for small detached units, attached housing, or rental options aligned with younger, lower-income, or single-person households.

Exhibit 21: Demand for Large Detached Ownership, Pima County



Source: ECOnorthwest

CASITA HOUSING

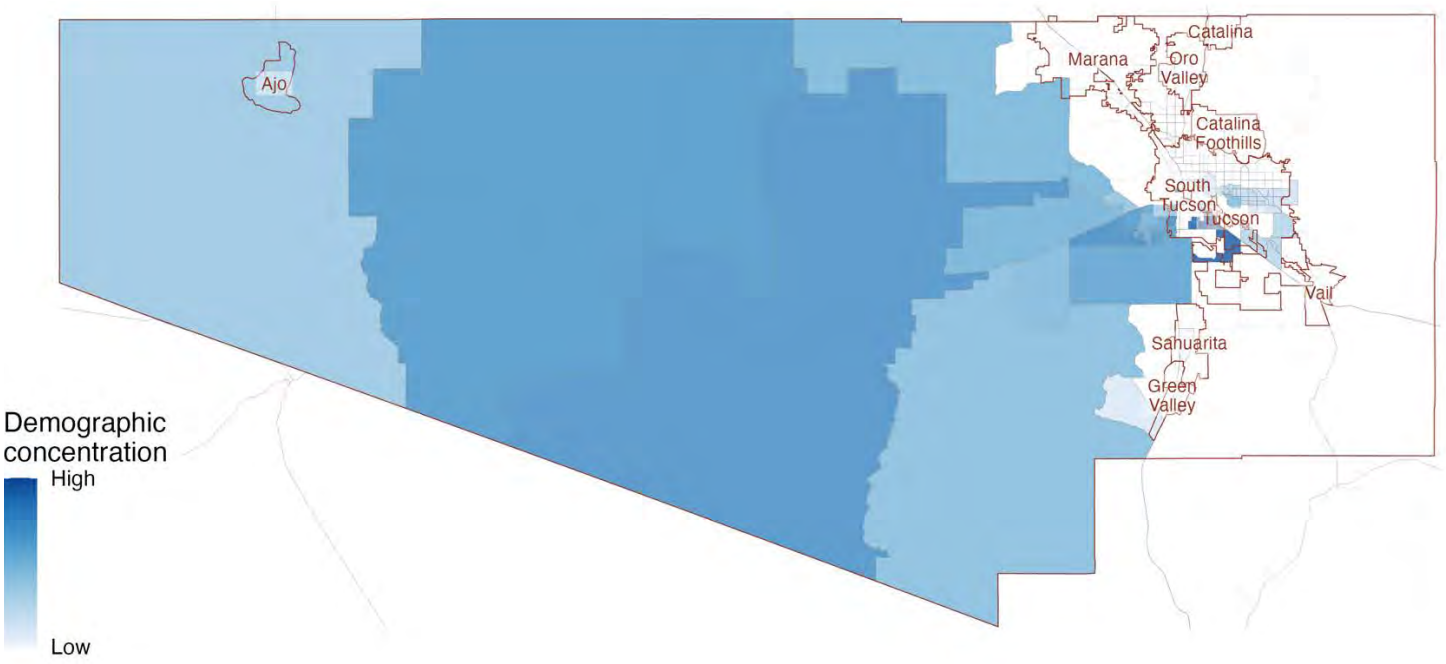
Casitas—or accessory dwelling units (ADUs)—offer flexible, lower-cost housing options that can serve a wide range of needs, from aging-in-place to multigenerational living. These units can serve as rental units for supplemental income or as independent housing for extended family. In some cases, if local policies support it, they can be sold as condominiums.

The strongest demographic alignment appears in southern Tucson, particularly along the I-10 corridor. Outside the metro core, tribal and rural areas in western Pima County also show

high concentrations of multigenerational households. Though incomes here may fall below the 80–120 percent AMI range, the persistence of shared family living underscores the value of culturally-appropriate, casita-like housing formats in these communities—especially those aligned with traditional or communal housing models.

In suburban areas such as Marana, Vail, and northeast Pima County, demand from the target demographic is lower but not negligible. These areas may be less concentrated with immediate need, but present long-term opportunities to integrate casitas into strategies for infill housing, affordability preservation, and aging-in-place—especially as household sizes shift and communities seek flexible housing solutions over time.

Exhibit 22: Demand for Casitas, Pima County



Source: ECOnorthwest

ATTACHED HOUSING

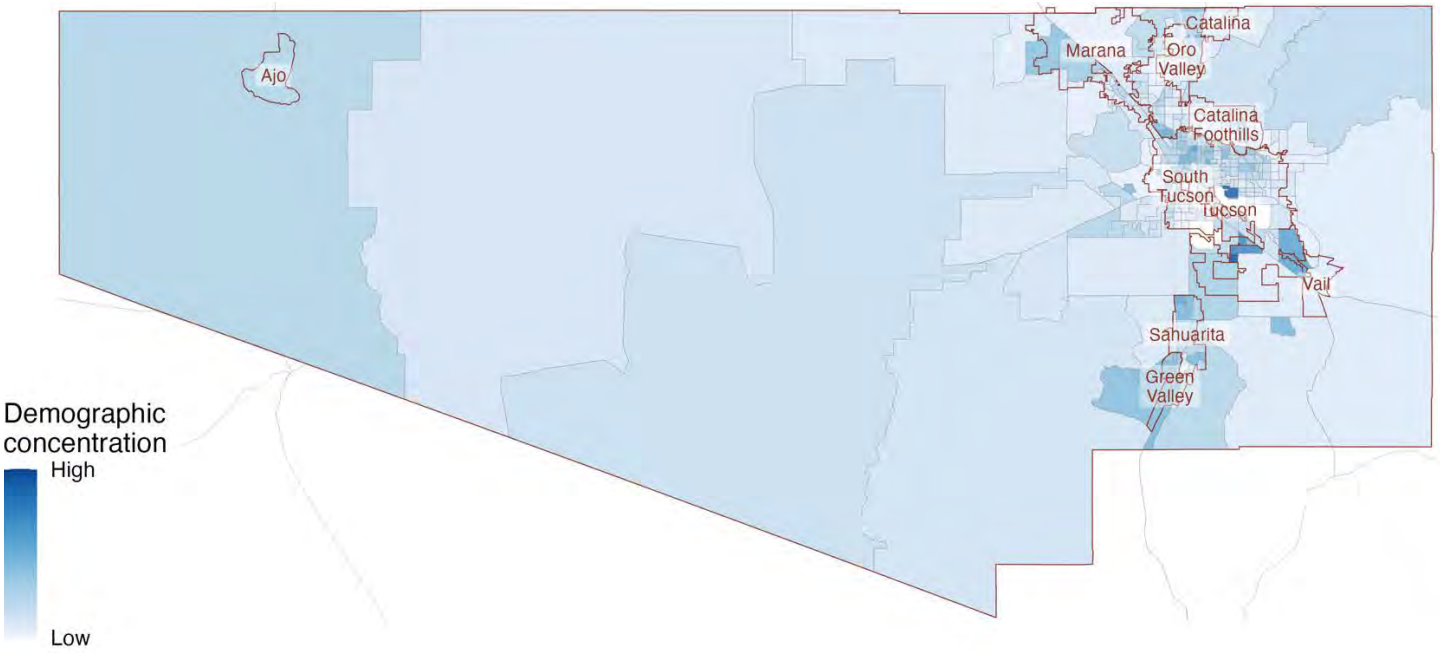
Attached housing, including multifamily condominiums and townhomes, serves a broad and growing range of households seeking affordable ownership opportunities. This format is particularly attractive to first-time homebuyers, young professionals, single parents, and older adults looking to downsize and earning between 80–120 percent AMI. These households often prioritize affordability, lower maintenance, and proximity to jobs and services.

Exhibit 23 shows that demand for attached housing is widespread across the region. While most concentrated in urban and suburban neighborhoods surrounding Tucson, the pattern also extends into some smaller communities where infill development or moderate-density ownership options can meet emerging needs. This versatility makes attached housing a valuable strategy for expanding homeownership access across different geographies.

Demand is lower in the rural western parts of Pima County, where homeownership rates are already high, but housing tends to be lower density and less oriented toward the typical attached format. Central Tucson also shows lower alignment with the target demographics, as it is more strongly oriented toward rental housing. High-income suburban areas like Oro Valley tend to favor larger, detached formats that may not align with the affordability or size preferences of typical attached housing buyers.

Ultimately, attached housing formats present a flexible and scalable solution to serve a cross-section of households at a critical entry point into the housing market.

Exhibit 23: Demand for Attached Housing, Pima County



Source: ECOnorthwest

MULTI-FAMILY RENTAL UNITS

Multifamily rental apartments serve a vital role in meeting the housing needs of single-person households, younger renters aged 25–39, and even older adults aged 60 and over. These groups often have incomes below 60 percent AMI and seek housing that is affordable, compact, and well-connected to services, jobs, and transit.

Demand for multifamily rentals is highly concentrated in and around central Tucson, particularly in neighborhoods near the downtown core and along major transit corridors. These areas align closely with the target demographics: they host large populations of single-person households, younger adults just entering the housing market, and older adults seeking smaller, more accessible living spaces.

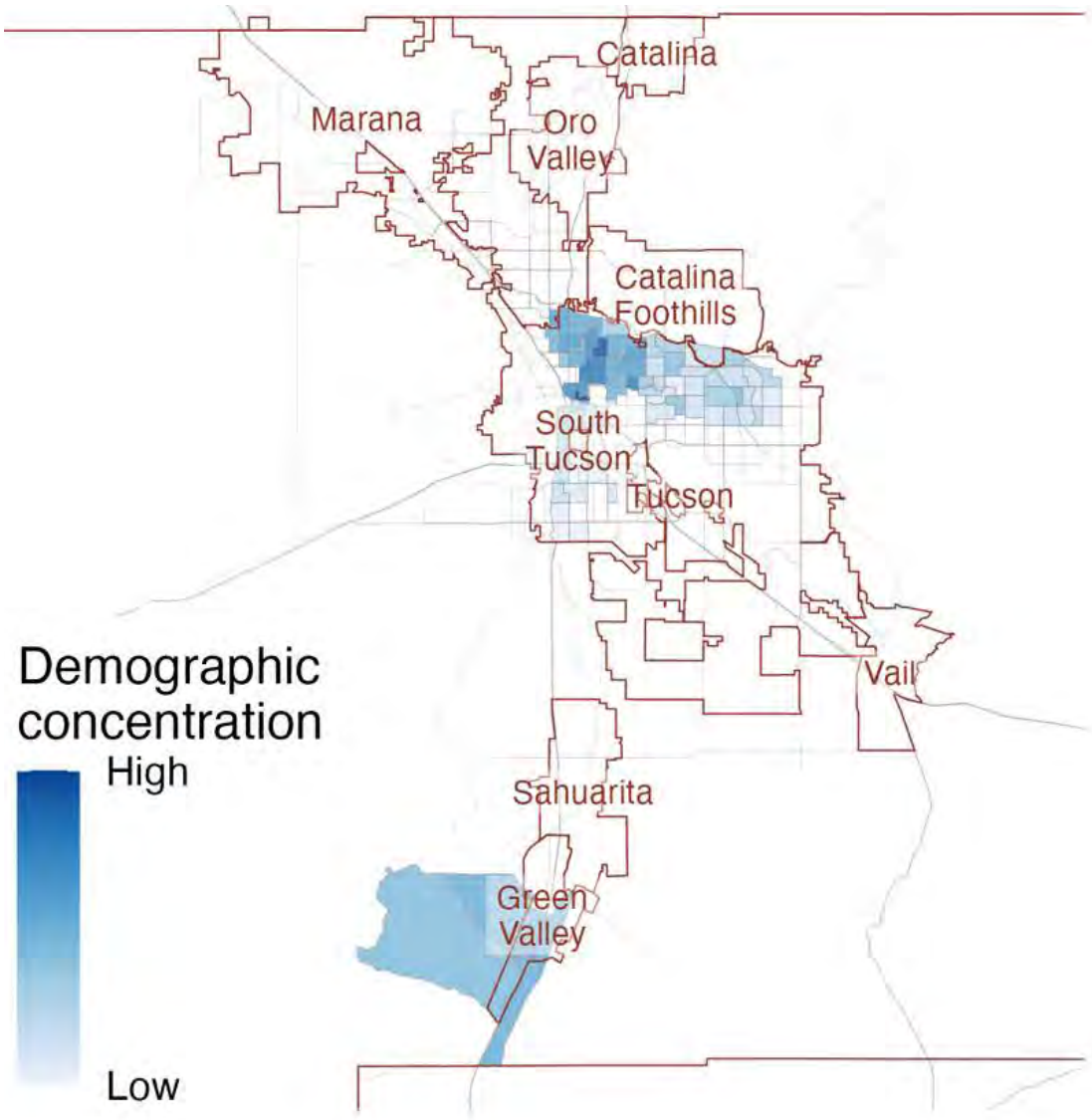
However, it's important to view this spatial pattern not only as a reflection of demand, but also as an indicator of where multifamily development has historically been allowed. In many suburban parts of the county, restrictive zoning laws may limit the construction of multifamily

housing. As a result, demographic groups typically drawn to these formats have been concentrated in limited geographies. The absence of multifamily housing in certain areas may therefore reflect regulatory barriers rather than a lack of demand.

However, Marana is currently undergoing a significant multifamily development boom—with over 1,600 units under construction and an additional 400 in planning, clearly demonstrating that demand for multifamily rental housing exists beyond central Tucson and may be accelerating in suburban areas where policy and market conditions allow for it. While this trend may not be fully captured in the maps presented here—due to the use of 2023 demographic data to identify demand—Marana's recent development activity reflects a shift worth noting and demonstrates the importance of setting policy that supports a broader range of housing options.

This map reinforces the need to both preserve and expand rental housing in high-demand urban areas and to proactively identify new areas—particularly in suburban contexts—where intentional planning can create more inclusive access. Doing so would support greater demographic and economic diversity across the county and reduce the pressure to concentrate lower-income households in a narrow set of neighborhoods.

Exhibit 24: Demand for Multi-Family Housing, Pima County



Source: ECOnorthwest

While this spatial analysis highlights where demand for specific housing types is likely to be strongest, it also serves another important purpose: identifying areas where introducing a broader mix of housing options could expand access and opportunity. In addition to reinforcing existing patterns of demand, the findings point to neighborhoods where more inclusive housing strategies—such as allowing diverse housing formats or expanding affordability—could help welcome households who have historically faced barriers to living in those areas. This creates a path not only for meeting demand, but for advancing greater equity and choice in where people can live.

Contextual Housing Typologies

To bridge the gap between housing demand analyses and the physical form of future housing, this section introduces contextual housing typologies—illustrative drawings that visualize how different housing formats can fit within the existing built environment across Pima County. These typologies reflect key insights from the spatial demand analysis and housing profile segments, helping to translate demographic and affordability needs into site-scale design strategies. By rooting these examples in local development patterns, we highlight practical, place-based approaches to delivering the kinds of housing the county needs most—whether through infill, small-scale additions, or context-sensitive new development.

Block Morphologies

The block morphologies show how different housing types—like casitas, townhomes, and apartments—can fit into common block patterns across Pima County. These context-based diagrams help visualize how new housing can be added in ways that align with neighborhood scale, street layout, and parcel size, offering practical guidance for zoning, design, and implementation strategies. MIG, in partnership with local architects, Poster Mirto McDonald (PMM),https://www.pmm.design/ developed three different character block morphologies based on existing blocks across the county:

- Urban Transitional
- Suburban Transitional
- Suburban Mixed Use

URBAN TRANSITION

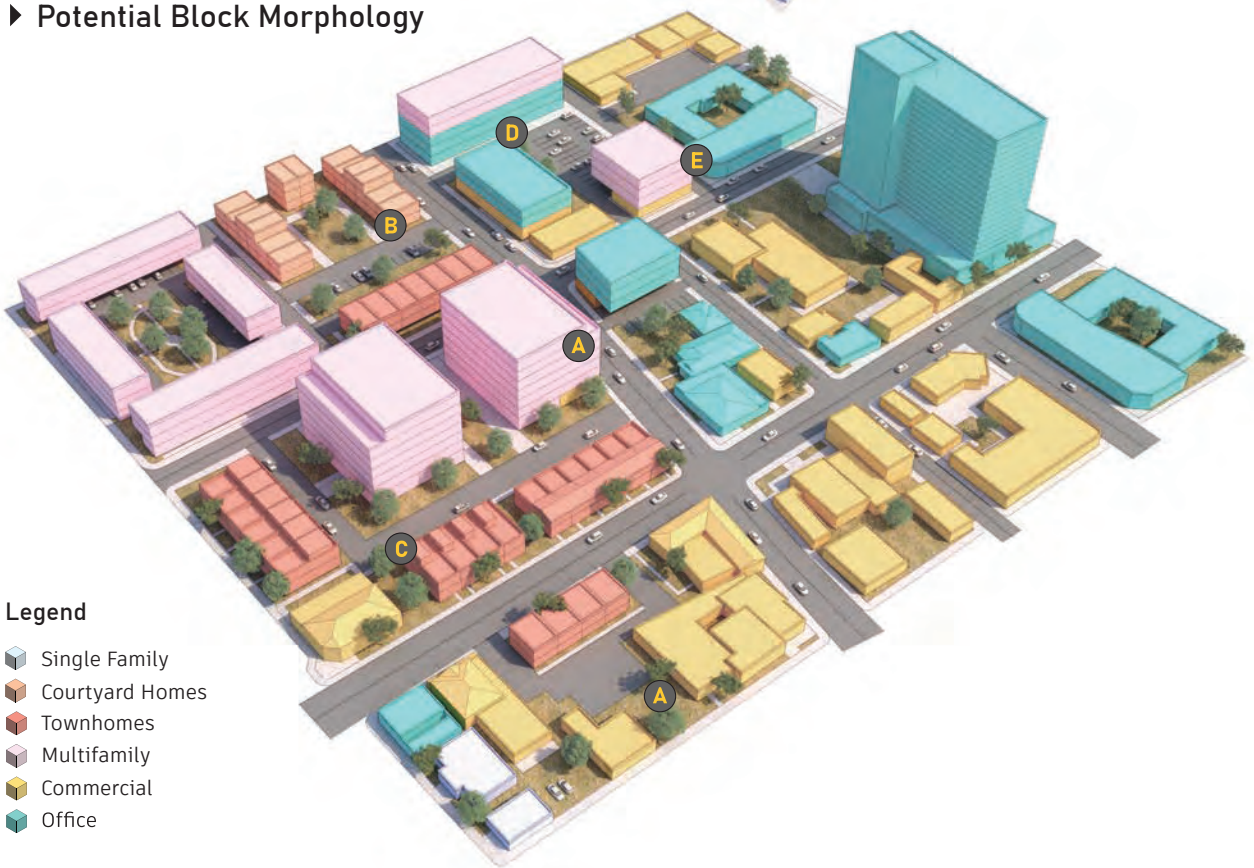
Transitional urban blocks are areas shifting from low- to medium-density, car-oriented development toward more walkable, mixed-use neighborhoods. They often feature a mix of older single-family homes, small apartment buildings, and specialized dwellings (e.g. assisted-living, subsidized housing, student housing, etc), with increasing emphasis on pedestrian, bicycle, and transit infrastructure. These areas are becoming more dense, walkable, and connected parts of the urban fabric as they continue to evolve.

Existing Block Morphology

Strategies & Opportunities

- A High-density Surface Lot Infill with Integrated Parking
- B Urban Barrio/Medium-density Infill
- C Street-facing Rowhouses/Townhomes
- D Adaptive Reuse of Underutilized facilities
- E Mixed-uses with Ground-floor Activation

Potential Block Morphology



Legend

- Single Family
- Courtyard Homes
- Townhomes
- Multifamily
- Commercial
- Office

SUBURBAN TRANSITION

Transitional suburban blocks are evolving areas where traditional low-density development is incorporating higher-density housing and select mixed uses to meet local and regional needs. Areas once dominated by single-family homes may now include ADUs, townhomes, clustered housing, neighborhood businesses, and light industries. Development strategies include infill on empty or surface lots, renovation or adaptive reuse of vacant properties, duplex conversions, and ADU programs.

Existing Block Morphology

Strategies & Opportunities

- A New Multifamily Households
- B Street-facing Development and Ground Activation
- C New Commercial; Light Industrial; and Mixed Use Spaces
- D Low-density Infill Strategies
- E Mid-density Infill Strategies
- F Surface Lot Infill with Retained Parking for Adjacent Uses

Potential Block Morphology

Legend

- Single Family
- ADU
- Duplex
- Duplex Conversion
- Triplex
- Courtyard Homes
- Townhomes
- Multifamily
- Mixed-use Conversion
- Mixed-uses
- Commercial

SUBURBAN MIXED USE

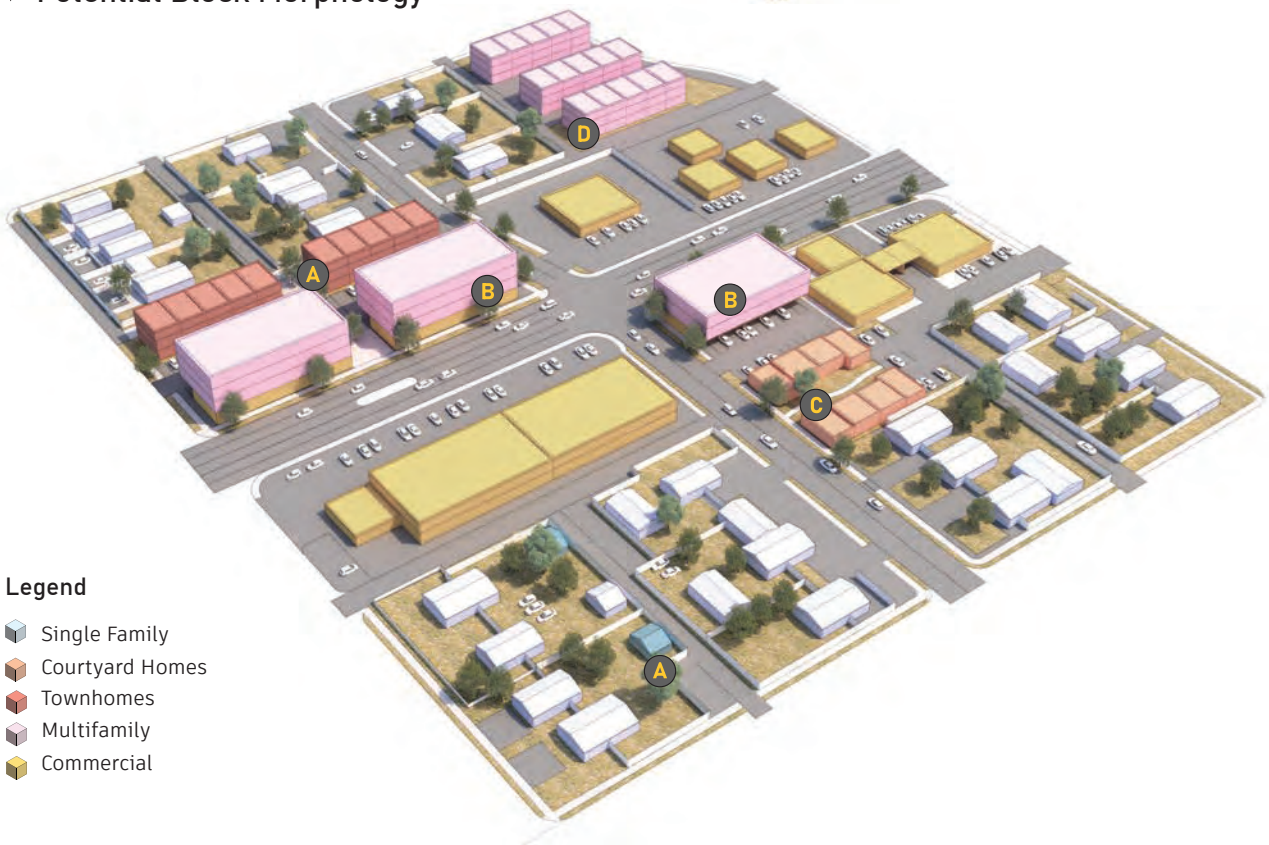
Suburban mixed-use blocks combine residential, commercial, and office uses within strategic neighborhood nodes designed to support local economies and meet resident needs. These areas are often centered around a town center, transit stop, or arterial road. While they remain largely auto-dependent, they incorporate pedestrian-friendly features such as connected sidewalks, community plazas, and ground-floor retail, helping to create a more dynamic and engaging environment.

Existing Block Morphology

Strategies & Opportunities

- A Townhomes with Tuck-under Parking
- B Mixed use Residential-Commercial with Rear-loaded Parking
- C Medium to High-density Infill
- D Parcel Unification and Assemblage

Potential Block Morphology



Legend

- Single Family
- Courtyard Homes
- Townhomes
- Multifamily
- Commercial

These block morphologies illustrate just a few of the ways that housing can be thoughtfully integrated into existing neighborhood patterns—whether through infill, redevelopment, or new construction. With this spatial lens in mind, the following section explores a range of housing typologies that respond to the specific demographic and market-driven needs identified throughout this analysis.

Housing Typologies

The housing typologies that follow translate identified demand into specific, buildable formats that reflect the diverse needs of Pima County's residents. Each typology illustrates a real-world example of a housing product that aligns with one or more of the key demand segments identified in this study—such as older adults, first-time homebuyers, or multi-generational households. These typologies are not prescriptive, but illustrative: they show how different building types can meet affordability, accessibility, and livability goals while fitting into a variety of neighborhood contexts. MIG, in partnership with local architects, Poster Mirto McDonald (PMM), https://www.pmm.design/developed several housing typologies to consider for the housing strategy:

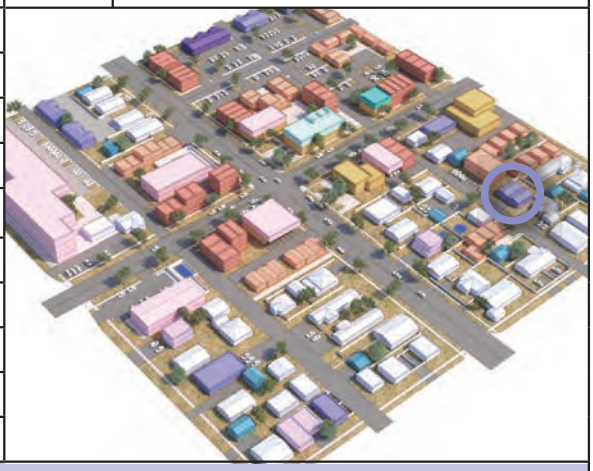
- Townhomes
- Duplexes
- Courtyard Homes
- Casitas (Accessory Dwelling Units)
- Low-Rise Apartments

DUPLEX

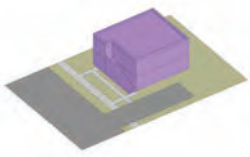
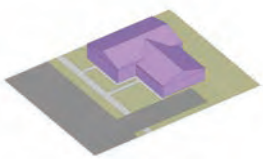
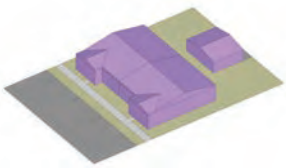
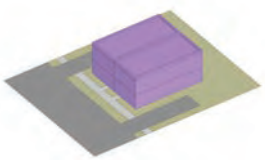
The following development standards are intended to guide infill development strategies, they do not necessarily reflect current standards.

OPTIMAL DEVELOPMENT STANDARDS

EXAMPLE STYLE	Adobe Revival	CONTEXT	Suburban Transitional
STORIES	1 -2		
UNITS	2		
LOT SIZE	0.09-0.12 ac. (No mimimum for infill)		
DENSITY	10-14 du/ac.		
DWELLING UNIT	600-1200 sq. ft.		
REAR SETBACK	2/3 of building height (min. 6 ft.)		
FRONT SETBACK	5-10 ft.		
PARKING	Shared driveway or street parking		
OPEN SPACE	Small backyard and/or roof-top deck		
ORIENTATION	Attached; Street-facing		



COMMON CONFIGURATIONS

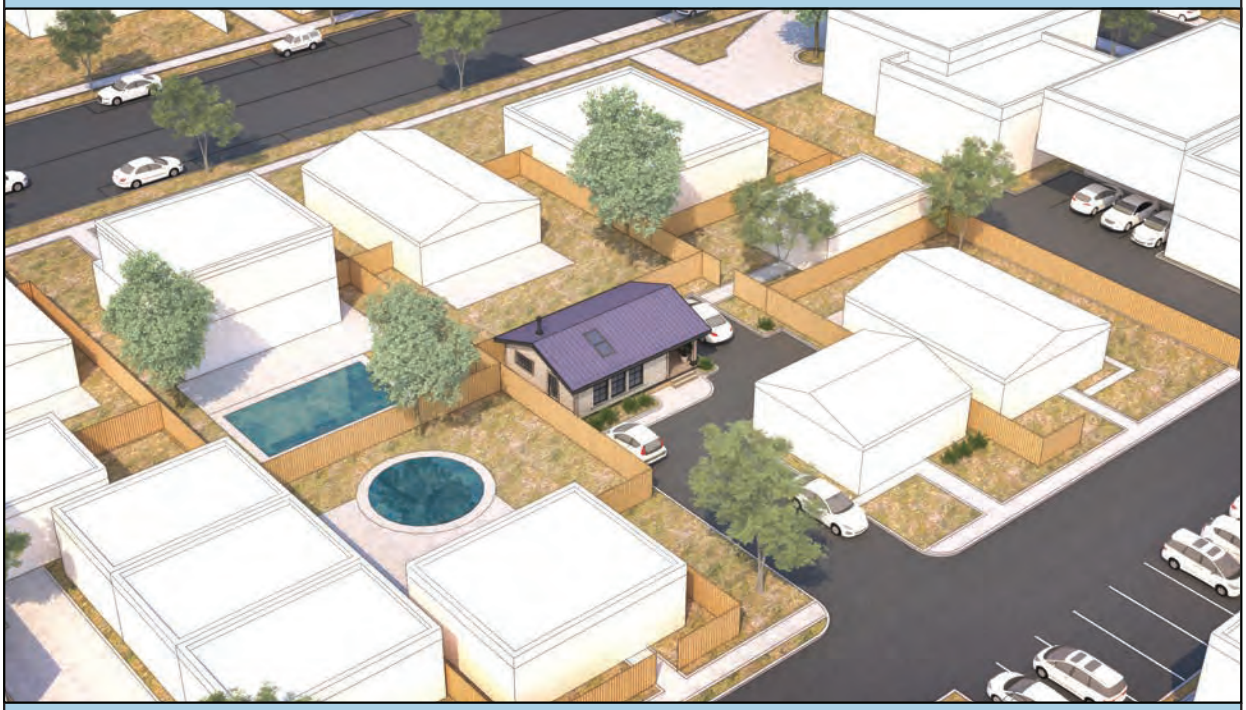
Stacked	Set-back	1-Story	2-Story
			

ADU/CASITA

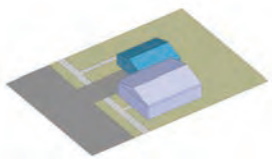
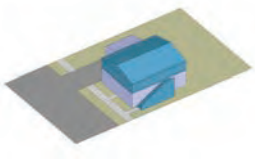
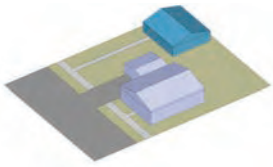
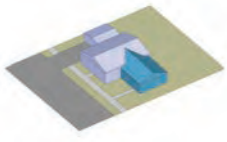
The following development standards are intended to guide infill development strategies. Refer to Pima County and City of Tucson zoni

OPTIMAL DEVELOPMENT STANDARDS

EXAMPLE STYLE	Southwest Craftsman	CONTEXT	Suburban Transitional
STORIES	Match primary residence		
UNITS	1-2 (for lots under 1 acre)		
LOT SIZE	Max. 15% of primary lot up to 1000 sq. ft.		
DENSITY	Add. 6-12 du/ac. to existing density		
DWELLING UNIT	650-1000 sq. ft. (max. 75% primary residence)		
REAR SETBACK	5-15 ft. (0 ft. on alley access)		
FRONT SETBACK	Primary residence setback (minimum)		
PARKING	Shared driveway or street parking		
OPEN SPACE	Shared with existing home		
ORIENTATION	Street facing; Attached/detached; Alley access		



COMMON CONFIGURATIONS

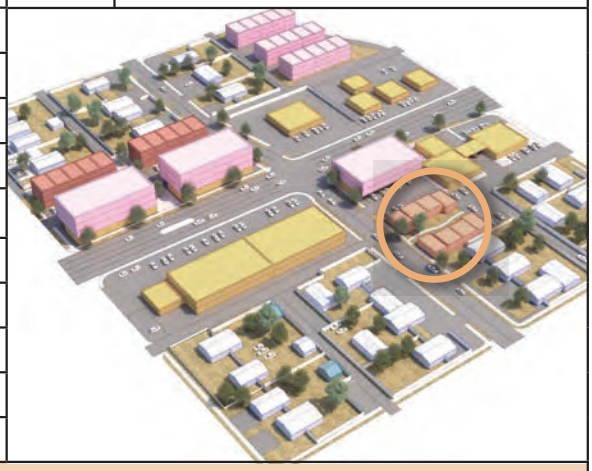
Garage Conversion	Stacked	Detached	Attached
			

COURTYARD HOMES

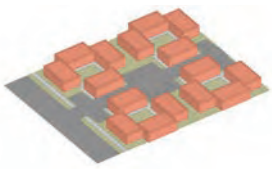
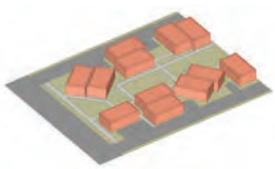
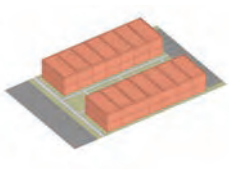
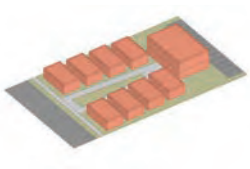
The following development standards are intended to guide infill development strategies, they do not necessarily reflect current standards.

OPTIMAL DEVELOPMENT STANDARDS

EXAMPLE STYLE	Southwest Adobe	CONTEXT	SUBURBAN MIXED USE (Medium Density)
STORIES	1-2		
UNITS	6-12		
LOT SIZE	0.25-1 ac.		
DENSITY	12-18 du/ac.		
DWELLING UNIT	600-1200 sq. ft.		
REAR SETBACK	5-10 ft.		
FRONT SETBACK	0-10 ft.		
PARKING	Shared lot; street parking on corner lots		
OPEN SPACE	Shared courtyard		
ORIENTATION	Inward-facing; Central open space		



COMMON CONFIGURATIONS

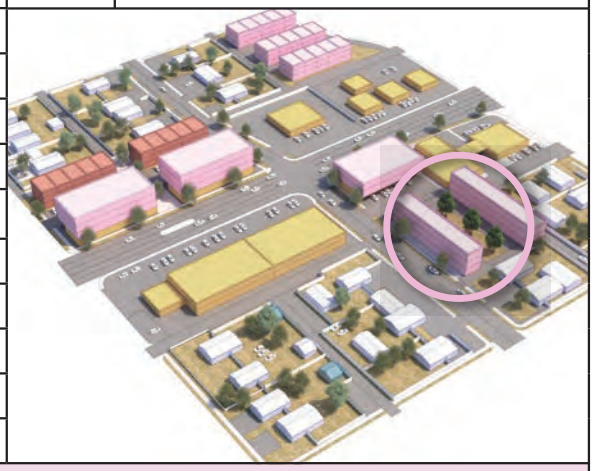
Clustered	Organic	Alley (Barrio-style)	Alley (Pueblo-style)
			

LOW-RISE APARTMENT

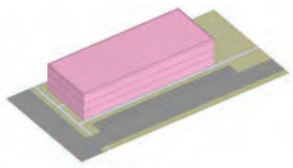
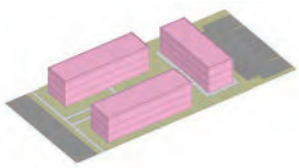
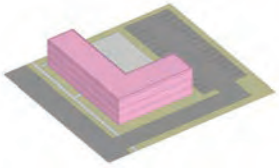
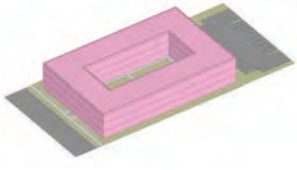
The following development standards are intended to guide infill development strategies, they do not necessarily reflect current standards

OPTIMAL DEVELOPMENT STANDARDS

EXAMPLE STYLE	Sonoran Modern	CONTEXT	SUBURBAN MIXED USE (High Density)
STORIES	2-3		
UNITS	12-40		
LOT SIZE	0.5-1.5 ac.		
DENSITY	20-35 du/ac.		
DWELLING UNIT	400-1400 sq. ft.		
REAR SETBACK	8-12 ft.		
FRONT SETBACK	6-10 ft.		
PARKING	Centralized lot or shared structure		
OPEN SPACE	Private balconies; Shared street-fronting patios		
ORIENTATION	Street-facing; Residential campus		



COMMON CONFIGURATIONS

Double-loaded	Complex	Open-court	Closed-court
			

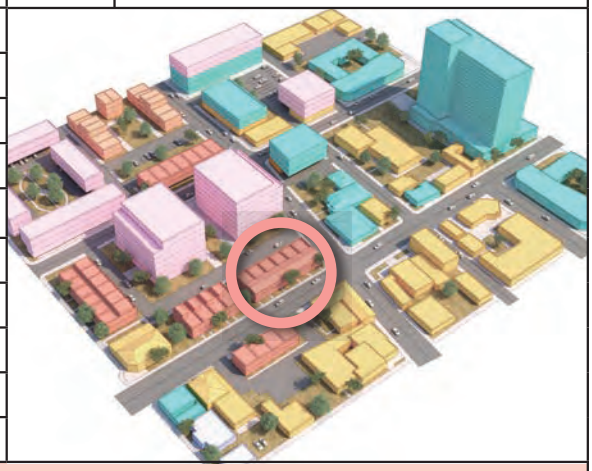
TOWNHOMES

The following development standards are intended to guide infill development strategies, they do not necessarily reflect current standards.

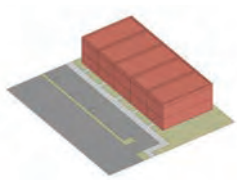
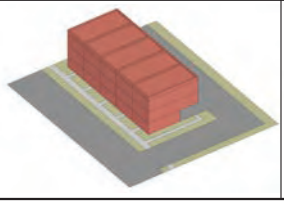
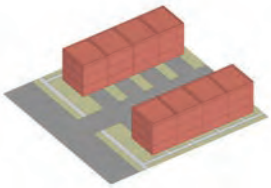
OPTIMAL DEVELOPMENT STANDARDS

STYLE	Contemporary Southwest
STORIES	2-3
UNITS	4-8
LOT SIZE	0.25-0.5
DENSITY	14-20 du/ac.
DWELLING UNIT	1200 - 2400 sq. ft.
REAR SETBACK	10-15 ft.
FRONT SETBACK	0-10 ft.
PARKING	Rear-loaded garage or drive
OPEN SPACE	Private patio and/or yard
ORIENTATION	Street-facing, Narrow frontage

CONTEXT: URBAN TRANSITION



COMMON CONFIGURATIONS

Surface Parking	Rear-loaded Garage	Front-loaded Garage	Shared Drive
			

Key Takeaways

- **Housing demand is diverse**: Future housing needs in Pima County will be driven not just by overall population growth, but by a variety of household types, life stages, and income levels. Each of these groups will bring different preferences for unit type, affordability, and location—underscoring the need for a comprehensive, multifaceted housing strategy.
- **Demographic trends are shaping new demand pressures**:
  - Pima County has a growing population of older adults, increasing demand for age-friendly housing formats like accessible single-story homes and independent living options.
  - Rising numbers of single-person households and younger renters are driving the need for compact, affordable rental housing near jobs and amenities.
  - A large share of BIPOC households earn under $50,000, reinforcing the need for equity-informed homeownership strategies and affordability interventions.
- **Demand for housing is spatially uneven and shaped by demographics**: The analysis shows that demographic profiles are not evenly distributed across the region. These patterns directly inform where specific housing types are in demand and needed.
  - **There are opportunities to expand housing choice**: While the maps highlight areas of concentrated demand for certain housing types, they also point to neighborhoods that may benefit from a greater diversity of housing options. This opens the door to supporting mixed-income, mixed-generational communities and promoting access to opportunity in areas that have historically lacked affordable or diverse housing types.
    - **Private covenants and deed restrictions may limit housing diversity in new areas:** In many newer subdivisions, private Covenants, Conditions, and Restrictions (CC&Rs) and deed restrictions could explicitly prohibit the addition of diverse housing types—such as casitas, ADUs, or duplexes—even when local zoning would allow them.
  - **Planning for equity requires looking beyond current patterns**: Identifying where certain groups are currently concentrated can help prevent reinforcing historical inequities and help policymakers think about how to create more inclusive communities.
- **Neighborhood form shapes housing possibilities**: Analysis of block morphologies across the county reveals that street networks and parcel configurations play a key role in determining where different housing types can feasibly be introduced.
- **Typologies offer adaptable strategies for local contexts**: The housing typologies developed help translate demand segments into tangible, built forms. These typologies—paired with local block conditions—provide a toolkit for introducing new housing in ways that align with existing character and better meet housing needs.

4. Displacement Risk Assessment

As housing markets in Pima County evolve, rising rents, home prices, and redevelopment activity are reshaping neighborhoods and putting mounting pressure on long-standing communities. For low-income renters in particular, these changes often mean growing housing insecurity, loss of access to opportunity-rich areas, and an increased likelihood of involuntary displacement.

This Displacement Risk Assessment builds on the foundation laid by earlier components of the study—including the Regional Housing Needs Assessment, the Target Market Analysis, and the Spatial Demand Analysis—by adding a critical lens of vulnerability and equity. While previous chapters identify how much housing is needed, what kinds of housing formats are in demand, and where future demand is likely to concentrate, this assessment highlights where those market dynamics may be placing current residents at risk.

Understanding displacement risk requires more than identifying where affordability is strained. It demands an integrated view of population trends, economic vulnerability, and shifting market conditions. By examining where pressures are most acute today—and where they are likely to emerge next—this analysis can provide policymakers with information needed to act more proactively, targeting interventions that can help stabilize communities.

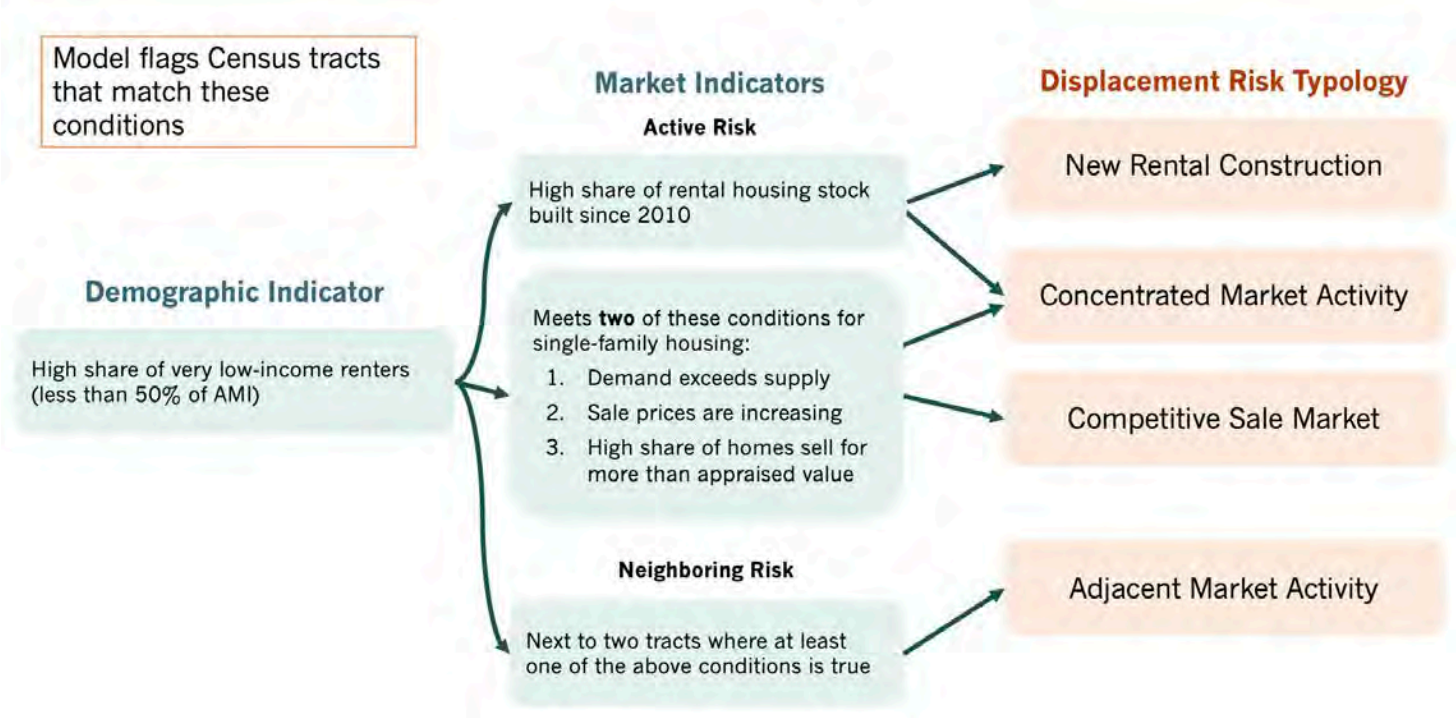
Methodology Overview

The assessment uses a place-based model to identify Census tracts where low-income renter households are most at risk of displacement. It combines two core dimensions:

- Household Vulnerability: Tracts with high shares of renters earning below 50 percent AMI are considered more vulnerable, as these households often lack savings, housing choice, or tenant protections.
- Market Activity: The model flags tracts showing signs of active real estate market change, using three indicators:
    - New rental construction, signaling developer investment and potential rent escalation.
    - Competitive single-family home sales, indicated by rising prices and low time on market.
    - Adjacency to tracts experiencing market activity, capturing early-stage spillover effects.

Tracts that exhibit combinations of these conditions are classified into one of four displacement risk typologies.

Exhibit 25: Identifying High-Risk Areas



Source: ECOnorthwest

Note on Map Extent**:** The displacement risk map presented in this analysis focuses on the urbanized areas of eastern Pima County, including Tucson and its surrounding communities. While the western portion of the county does contain one urbanized tract, it does not exhibit any combination of factors used in the model to indicate displacement risk. Although the western portion and other areas of the county are not shown in the mapped results, the entire county was included in the overall analysis framework and will continue to be considered in strategy development where relevant.

Displacement Risk Typologies

The assessment assigns tracts into four mutually exclusive typologies based on observed trends. These typologies are not value judgments but are meant to inform tailored stabilization and housing production responses.

- **New Rental Construction**: Areas with a high concentration of recently built multifamily housing. These tracts may see rising rents or redevelopment that replaces naturally affordable units.
- **Competitive Sale Market**: Areas where single-family homes are selling quickly and at escalating prices. In these neighborhoods, landlords may be incentivized to sell rental properties or convert them to owner-occupied use, reducing rental supply.
- **Dual Market Pressures**: Tracts where both types of market activity are occurring simultaneously. These areas often represent the most acute risk, particularly where low-income renters live in historically disinvested neighborhoods now experiencing rapid change.
- **Neighboring Market Activity**: Tracts adjacent to hot-market areas that may not yet show strong internal pressures but are likely to experience spillover effects. These areas may be targets for investor speculation or future upzoning.

A NOTE ON RENTAL CONSTRUCTION

Indicators are not the same as outcomes

New rental construction is needed to help meet demand for additional housing. It is an indicator of displacement risk because it shows where real estate investment is concentrated—including redevelopment that can lead to displacement.

Key Findings

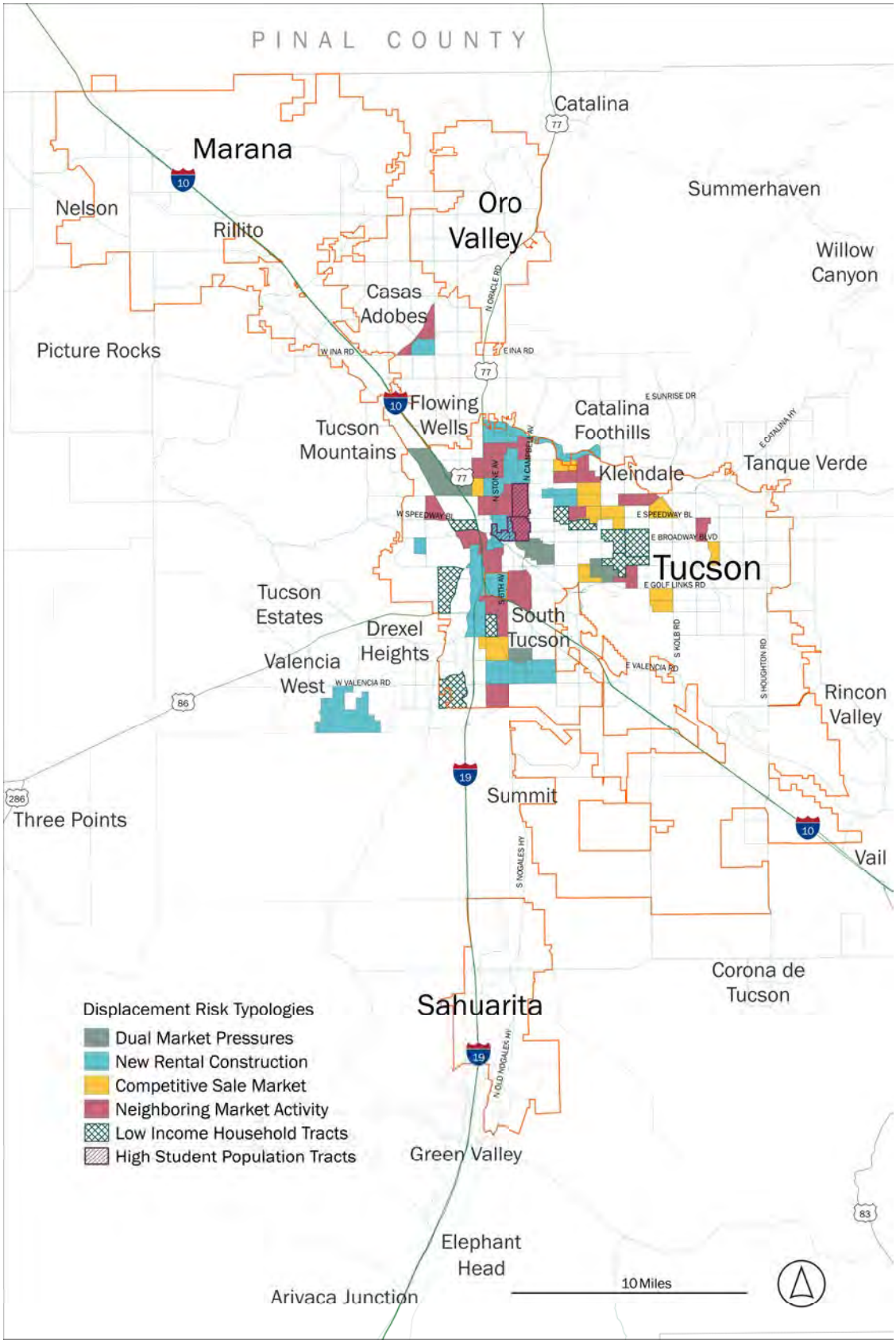
The spatial analysis of displacement risk highlights distinct patterns emerging across different parts of Pima County:

- **North–South Corridor (Oracle, Stone, and Sixth Avenues):** This corridor includes several tracts identified as having current or adjacent displacement risk, driven by new rental development and a concentration of low-income renters. Northern neighborhoods contain older, more affordable homes, while southern neighborhoods are experiencing greenfield development and rising for-sale activity. Downtown Tucson shows heightened market pressures due to recent public investment and commercial activity, with newer rental developments replacing older, more affordable housing.
- **University Area (West University)**: Tracts near the University of Arizona reflect a high proportion of student renters. While students often have lower incomes, their consistent demand contributes to upward pressure on rents. This creates competition with non-student renters and highlights the need for tailored strategies to support both groups.
- **East Tucson**: In eastern neighborhoods, risk indicators are primarily linked to competitive for-sale markets, where demand is increasing due to affordability pressures closer to downtown. These areas show limited new housing production, pointing to a need for more infill and diversified housing options to reduce displacement pressures.

- **Unincorporated County (Between Tucson and Oro Valley):** A small cluster of tracts shows a mix of older rental housing and new development near retail centers like Foothills Mall. Market dynamics in these areas reflect shifting suburban demand, particularly for rental housing.

More detailed findings can be found in the displacement risk technical memo located in Appendix C.

Exhibit 26: Displacement Risk Analysis Results



Source: ECOnorthwest

Implications

While this analysis is descriptive, it helps point to priorities for intervention. In many of the identified tracts, lower-income renters already face cost burdens and limited housing options. As new demand accelerates, the risk is not simply of relocation, but of disconnection from jobs, services, schools, and community networks.

The typology framework provides a useful lens for targeting policies and strategies such as:

- Tenant stabilization or relocation assistance
- Affordable housing preservation and acquisition
- Community land trusts or mission-driven infill
- Zoning strategies that support affordability without triggering displacement

Ultimately, preventing displacement is not only a housing issue—it's a question of access, stability, and long-term equity in where people live, work, and belong in Pima County.

5. Community & Stakeholder Engagement

A critical component of the Pima County Housing Study is grounding the technical analyses in the experiences, insights, and values of those who know the region best—its residents, community leaders, and housing professionals. Stakeholder and community engagement for this project is designed not only to inform the study's technical analyses—especially where data may fall short—but also to guide the housing strategy so its outcomes align with the priorities, values, and experiences of local communities.

This chapter summarizes the engagement activities conducted to date. However, these efforts represent just one phase of engagement. Another phase of engagement will follow as the County and project team develop the Housing Strategy.

Engagement to Date

STAKEHOLDER MEETINGS (OCTOBER–NOVEMBER 2024)

A series of virtual focus groups with housing advocates, service providers, and local government staff explored challenges, gaps, and opportunities in the region's housing ecosystem. These conversations informed the framing of the study's core analyses and illuminated cross-sector priorities

WHAT WE HEARD

Key Highlights from Early Stakeholder Meetings

- **Zoning and regulatory barriers are a constrain: The dominance of single-family zoning is a major obstacle to developing more affordable and diverse housing types, along with outdated parking requirements and slow permitting processes.**
- **Gap financing and funding tools are critically lacking: Many nonprofit developers are taking on debt to serve low-income populations, and existing public funding streams are insufficient to support the full housing continuum—from shelters to ownership.**
- **High-risk populations face structural barriers to housing access: Formerly incarcerated individuals, older adults, students, people with disabilities, and BIPOC and single-parent households are disproportionately affected by housing instability.**
- **Community-based strategies are gaining momentum: There is strong support for community-led and creative solutions such as community land trusts, senior boarding homes, co-housing models.**

COMMUNITY OPEN HOUSE (DECEMBER 2024)

Hosted in-person at the Pima County Health Department, the open house welcomed over 30 participants. Residents and professionals shared ideas through interactive activities and responses to early study findings, voicing a strong desire for more affordable, diverse, and accessible housing options across the county.

WHAT WE HEARD

Key Highlights from Community Open House #1

- **Affordability and Supply: Participants expressed a lack of affordability and limited housing options as the most pressing issues facing their communities.**
- **More Diverse Housing Types: Participants expressed strong interest in expanding the variety of housing options available in their neighborhoods—including live-work housing, tiny homes, senior housing, townhomes, and cooperative housing. Multifamily and middle housing options were particularly supported.**
- **Support for Culturally Relevant and Age-Appropriate Housing: Participants emphasized the importance of multigenerational and appropriate housing options for older adults.**
- **Infrastructure and Amenity Improvements: Participants noted the need for improved infrastructure and amenities, including more transit-oriented development, dog parks, sidewalks, and neighborhood businesses.**
- **Inclusive and Affordable Strategies: Participants advocated for a range of housing models, including land trusts and shared equity housing, and transitional options that support harm reduction. There was also a call for better outreach strategies to reach residents without internet access.**

TUCSON ASSOCIATION OF REALTORS BRIEFING (APRIL 2025)

The project team presented findings at a regularly scheduled meeting of the Tucson Association of Realtors to share draft housing demand profiles and gather preliminary feedback for revisions.

WORKSHOPS (MAY & JUNE 2025):

ECOnorthwest facilitated two workshops in May and June. The first included staff from various departments across cities, towns, and the County. Invites were extended to staff from each municipality in the county and attendees included staff from Tucson, Marana, South Tucson, Oro Valley, and Pima County.

The second workshop included County department directors with missions related to housing, along with staff from the County Administrator's Office. The workshop discussions and

activities were centered on understanding the County's role in shaping housing outcomes, along with exploring how jurisdictions, agencies, and different County departments and systems—land use, infrastructure, funding, and services—can align to support housing goals moving forward.

WHAT WE HEARD

Key Highlights from Workshops

- **Strategic Priorities: Participants emphasized need for a comprehensive housing strategy that includes preserving existing units, growing and diversifying the supply, expanding homeownership opportunities, and supporting the full continuum of housing—from emergency shelters to down payment assistance.**
- **Local and regional roles: Participants supported a model where the County leads long-term housing strategy and policy guidance, while local jurisdictions focus on near-term implementation—highlighting the Affordable Housing Commission's value for regional coordination and calling for a stronger role from the regional Council of Governments.**
- **Policy levers: Updates to zoning, building codes, and development standards—alongside tools like tax abatements, expedited permitting, and use of County-owned land—were seen as critical to unlocking more housing options and improving development feasibility.**
- **Improving collaboration and data access: Jurisdictions noted the need for better cross-agency data sharing, particularly with the County Assessor, and identified uneven staff capacity and technical knowledge across local governments as a barrier to regional coordination.**
- **Need for clear messaging and land use alignment: Participants agreed on the importance of communicating a unified regional message about housing need and diversity, along with better aligning land availability and development patterns to avoid mismatches between zoning, location, and housing outcomes.**

AFFORDABLE HOUSING COMMISSION UPDATES (ONGOING)

Project staff have provided regular updates to the Pima County Affordable Housing Commission, sharing progress, gathering feedback, and ensuring ongoing alignment with Commission priorities and recommendations.

Anticipated Engagement During the Strategy Phase

As the project transitions into the strategy phase, the engagement process will shift from listening and analysis validation to co-developing tools and strategies. The upcoming engagement activities are designed to broaden participation, deepen local relevance, and

build support for implementation. Central to this effort is a countywide Housing Strategy Roadshow, which will bring the planning conversation directly into communities across Pima County.

HOUSING STRATEGY ROADSHOW (OCTOBER 2025)

The roadshow will serve as the public-facing foundation of the strategy phase—an interactive series of events hosted across multiple geographies and community types in Pima County. The goal is to meet residents where they are and gather feedback on draft materials while elevating community voices in the process.

CONTINUED ENGAGEMENT WITH THE AFFORDABLE HOUSING COMMISSION

The County's Affordable Housing Commission will play an ongoing advisory role, helping to vet recommendations, shape funding strategies, and support cross-sector alignment as the strategy takes shape.

Additional community and stakeholder engagement opportunities may be added as appropriate and needed to ensure the process remains responsive, inclusive, and grounded in community priorities as the project evolves.

6. Key Takeaways & Next Steps

This interim report integrates findings from multiple lines of analysis to develop a completer and more actionable picture of Pima County's evolving housing landscape. Together, the components offer critical insight into how much housing is needed, who needs it, what kinds of housing formats are appropriate, where demand is concentrating, and how to respond through place-based, equitable strategies. Key takeaways include:

➢ Housing need is large, immediate, and concentrated among lower-income households.

The HNA identified a need for nearly 116,000 units by 2045, with the bulk required to meet future population growth. However, a substantial share—about 20,000 units—reflects immediate need due to current underproduction and homelessness. More than 60 percent of total housing need is concentrated among households earning below 60 percent of AMI, indicating an urgent need to address affordability gaps across the region.

➢ Demographic characteristics are driving shifts in demand.

Demographic factors such as age, household size, and income will require a range of unit sizes, tenure options, and supportive services that the current housing supply often fails to meet. While much of the need is concentrated among lower-income households, there is also a growing demand from working families for traditional suburban single-family homes and a notable need for housing options affordable to higher-income households as well.

➢ Diverse housing typologies can bridge the gap between demand and supply.

The study identifies specific housing formats—such as casitas, townhomes, and low-rise apartments—that align with local needs and can be integrated into a range of neighborhood contexts. Contextual block morphologies illustrate how new housing can be introduced thoughtfully into existing development patterns, supporting a mix of affordability, accessibility, and community character

➢ Displacement risk requires proactive, targeted interventions.

While **new development is needed**, it may also intensify displacement pressures—especially for low-income renters in central Tucson and adjacent neighborhoods. The Displacement Risk Assessment pinpoints tracts where risk is most acute and offers a typology-based framework for tailoring stabilization and preservation strategies.

Additional Considerations

As the County and its partners move into the next phase of work—developing actionable strategies and tools—the key takeaways from this report will help inform policy direction and prioritization. In addition to those takeaways, broader policy frameworks already in place across the region will also shape how strategies are developed, implemented, and aligned across jurisdictions. Two such frameworks—the Conservation Lands System and the Prosperity Initiative—highlight important environmental and equity considerations that will guide decision-making as the housing strategy takes shape.

PLANNING FOR GROWTH WITHIN ENVIRONMENTAL CONSTRAINTS

As the County moves toward developing and implementing a regional housing strategy, it will be essential to account for environmental and conservation-related constraints on future development. The County's Conservation Lands System, which outlines areas best suited for the conservation of sensitive natural habitats and resources, includes corresponding development guidelines that encourage growth outside these priority conservation zones. Notably, this system is also embedded in the City of Tucson's draft Plan Tucson (slated for voter approval in November), the region's largest jurisdiction. Housing strategies should align with these land use policies so that new development advances both regional environmental stewardship and housing goals.

ALIGNMENT WITH THE PIMA COUNTY-CITY OF TUCSON PROSPERITY INITIATIVE

The housing strategy will also be shaped by alignment with the Prosperity Initiative, a joint policy framework adopted by Pima County and the City of Tucson to reduce generational poverty through evidence-based approaches. Several key components of this initiative are particularly relevant to housing strategy development:

- **Prioritizing housing supply for families with children**: The initiative calls for increasing the supply of housing that is diverse in type and price, with an emphasis on meeting the needs of families with children. It also stresses the importance of locating affordable housing in low-poverty neighborhoods across the county to expand access to opportunity.
- **Investing in high-poverty neighborhoods**: The Prosperity Initiative emphasizes improving quality of life in high-poverty areas by investing in both physical and social infrastructure. This includes centering resident priorities, improving access to services, preventing displacement, reducing exposure to violence, and supporting community wealth-building efforts.
- **Enhancing housing stability**: Policies within the initiative aim to prevent evictions and foreclosures, expand homeownership opportunities, increase the supply of affordable housing, and reduce energy and weatherization costs for households in high-poverty areas.

These two key policy areas, among others, will provide important context for the development of housing strategies, particularly in identifying where interventions are most

needed and how they can be tailored to meet the broader goals the County and its partners have already identified.

Next Steps

Building upon these insights, the next phase of the project will focus on developing a comprehensive **Regional Housing Strategy**. This strategy will be informed by continued stakeholder engagement and will leverage newly available funding to address identified housing needs.

Continued Engagement

As the housing strategy moves into development, engagement will continue through targeted activities designed to reflect community perspectives and refine strategic priorities. Upcoming efforts include a regional "roadshow" to meet with communities across the county, continued collaboration with the Affordable Housing Commission, and additional stakeholder and community events as needed.

Development of Regional Housing Strategy and Funding Plan

In June 2025, the Pima County Board of Supervisors approved a $250 million plan to expand affordable housing over the next decade—a transformative investment that creates an unprecedented opportunity to address housing needs across the region.

County staff has taken the lead in developing a funding strategy to guide this investment. ECOnorthwest is supporting these efforts with development pro forma modeling to better understand the scale of subsidy needed to close financing gaps for rental, ownership, and supportive housing projects in today's market.

Over the coming months, these efforts will be combined into a cohesive regional housing strategy and funding plan. This work will integrate investment priorities with enabling policies and implementation strategies to guide production, preservation, and services across the full housing spectrum.

We expect the strategy will include a framework with:

- Clear implementation recommendations: Actionable steps for public, private, and nonprofit partners to address housing needs effectively.
- Timelines and milestones: Defined schedules for the rollout of various initiatives and programs.
- Roles and responsibilities: Clarification of the roles of different stakeholders in implementing the strategy.
- Monitoring and evaluation metrics: Establishing benchmarks to assess progress and impact over time.

Appendix A: Demographic Profile & Market Analysis

Pima County Housing Study

Final Housing Needs Assessment

December 2024

Task 2a: Demographic & Market Analysis

Task 2b: Current & Future Housing Needs

ECO northwest

Project Overview

Housing Needs

- **Demographic Profile & Market Analysis**
- **Current & Future Housing Needs**
- Housing Equity Analysis

Target Market Analysis

- Housing Demand Profiles
- Spatial Distribution of Future Housing Demand
- Preliminary Plan Concepts

Engagement

- Engagement Plan
- Open Houses
- Stakeholder Engagement
- Roadshow
- Engagement Summary

Final Plan

- Summaries of HNA, market analysis, engagement
- Preferred Plan Concept
- Feasibility Assessment
- Strategy framework

Task Overview

Task 2A: Demographic Profile and Market Analysis

To better understand the context of Pima County's housing needs, this analysis presents information about housing in Pima County by race, ethnicity, age, disability status, and other household and community characteristics to understand disproportionate housing impacts on different groups. This information underscores the economic and demographic factors influencing regional housing needs today and through the 20-year planning horizon.

Task 2B: Current and Future Housing Needs

The analysis includes three core components for analyzing housing needs:

- Underproduction, or current housing shortage in the county: this considers current housing supply relative to number of households, current housing units and affordability, and a healthy vacancy rate that allows for movement within the housing market
- Homelessness: current number of individuals experiencing homelessness. given they often go unaccounted for in traditional demographic datasets such as the U.S. Census.
- Future population growth: the difference between the total number of units needed, by income level, to adequately accommodate future households and the current stock of housing after accounting for units lost to demolition or disrepair.

Data Sources

Throughout this analysis, data is used from multiple well-recognized and reliable data sources. One of the key sources for housing and household data is the U.S. Census. This report primarily uses data from two Census sources:

The **Decennial Census**, which is completed every ten years and is a survey of all households in the U.S. The Decennial Census is considered the best available data for information such as demographics (e.g., number of people, age distribution, or ethnic or racial composition), household characteristics (e.g., household size and composition), and housing occupancy characteristics. As of 2020, the Decennial Census does not collect more detailed household information, such as income, housing costs, housing characteristics, and other important household information.

The **American Community Survey (ACS),** which is completed every year and is a sample of households in the U.S. The ACS collects detailed information about households, including demographics (e.g., number of people, age distribution, ethnic or racial composition, country of origin, language spoken at home, and educational attainment), household characteristics (e.g., household size and composition), housing characteristics (e.g., type of housing unit, year unit built, or number of bedrooms), housing costs (e.g., rent, mortgage, utility, and insurance), housing value, income, and other characteristics.

The **Public Use Microdata Survey (PUMS)** uses Public Use Microdata Areas (PUMAs) of 100,000+ populations. It allows data analysts to produce customized, complex cross tabulations. It can measure housing and person level relationship and results (e.g., Renter cost burden by educational attainment and race for Tucson MSA.).

Housing Needs Assessments

	Local HNA	Pima County Regional HNA	Consolidated Plan
Key Components	• Community demographics • Inventory of housing stock • Current market conditions • Inconsistent approaches to calculating future need *Note: provided this for Pima County as a whole because we were scoped to do so and provides the county with the latest available data*	• Current need accounts for historic underproduction and addressing homelessness • Future need accounts for population growth and demographic change • Distribution of needed units by income • Local housing needs	• Current cost-burdened households, scaled for near-term growth • Current market conditions • Detailed demographic breakdown
Time Horizon	Varies (5-10 years for AZ)	2045	3–5 years
Goal	Identify local actions—regulatory, financial—to encourage housing development that fills current gaps	Understand regional and subregional needs to advance coordinated planning and policy	Prioritize projects and actions for near-term allocation of federal grants

DEMOGRAPHICS

Demographic Changes

Pima County's population is....

Growing. Pima County is home to over 1 million people. The population has increased by 25 percent since 2000, adding over 213,000 new residents with an average annual growth rate of around one percent.

Aging. The population aged 60+ now makes up the largest age group in Pima County. The median age of Pima County residents is 40, which has increased since 2010, consistent with state and national trends.

Diversifying. The share of residents who identify as Latino increased by 2 percentage points in the last decade. Additionally, the share of residents that identify as two or more races increased by 19 percentage points, consistent with national trends.

Divided by racial wealth gaps. Overall, BIPOC households earn less than white households. While 43 percent of BIPOC households earn less than $50,000, only 34 percent of white households earn this less than $50,000.

Population

Pima County's population is growing

Population Change, Pima County and Arizona, 2000 - 2022

				Change 2000 to 2022		
	2000	2010	2022	Number	Percent	AAGR
Pima County	843,746	980,263	1,057,597	213,851	25%	1.0%
Arizona	5,130,632	6,392,017	7,359,197	2,228,565	43%	1.7%

The population is projected to continue growing

Population Projections, Pima County and Arizona, 2025 - 2045

				Change 2025 to 2045		
	2022	2025	2045	Number	Percent	AAGR
Pima County	1,072,300	1,095,800	1,223,300	127,500	12%	0.6%
Arizona	7,409,200	7,782,000	9,598,300	1,816,300	25%	1.2%

Pima County is home to over 1 million people. The population has increased by 25 percent since 2000, adding over 213,000 new residents with an average annual growth rate of one percent.

Population growth necessitates a right-sized housing supply to accommodate new and existing households.

Source: US Decennial Census, 2000, Table P001 Total Population SF1; US Decennial Census, 2010, Table P1 Total Population SF1; US Census Bureau, 2022 ACS 1-Year Estimates, Table DP05.

The population is projected to continue growing over the next 20 years, albeit at a slower rate than the past 20 years. Pima County's population is projected grow at a slower rate, about half as fast, as the state overall.

Source: Arizona Office of Economic Opportunity Forecasts

Older adults are the fastest growing age group

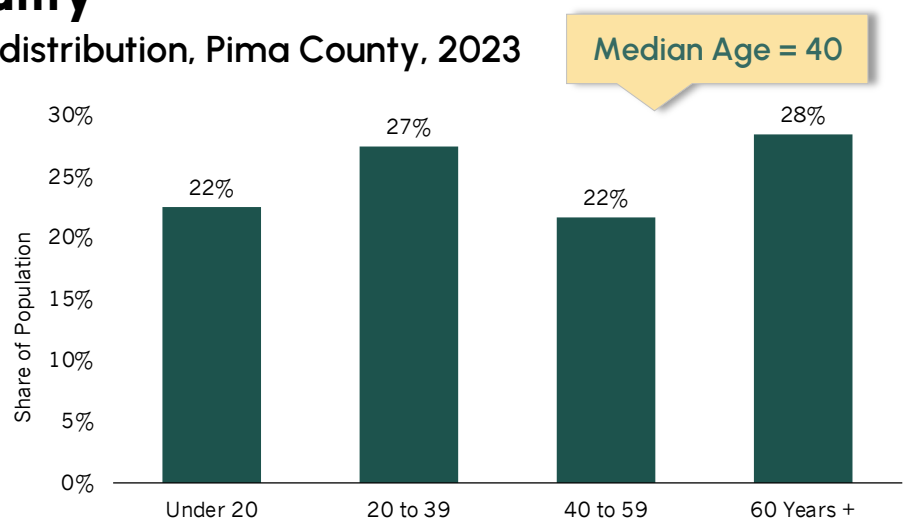
Age group changes, Pima County, 2000 - 2023

Pima County added over 131,000 residents aged 60 + since 2000, an increase of 77 percent. This age group alone accounted for 65 percent of the county's population growth. The next fastest growing age group is early career, young adults aged 20 – 39.

Source: US Decennial Census 2000, P012001 and ACS 1-Year Estimates 2023 Table B01001

Older adults make up the largest age group in Pima County

Age distribution, Pima County, 2023



Older adults, those aged 60+, now make up the largest age group in Pima County, closely followed by residents aged 20 – 39. The median age of Pima County residents is 40, which has increased since 2010, consistent with state and national trends.

Source: ACS 1-Year Estimates 2023 Table B01001

A range of housing types and sizes is beneficial for older adults that seek to age in place but may need to downsize.

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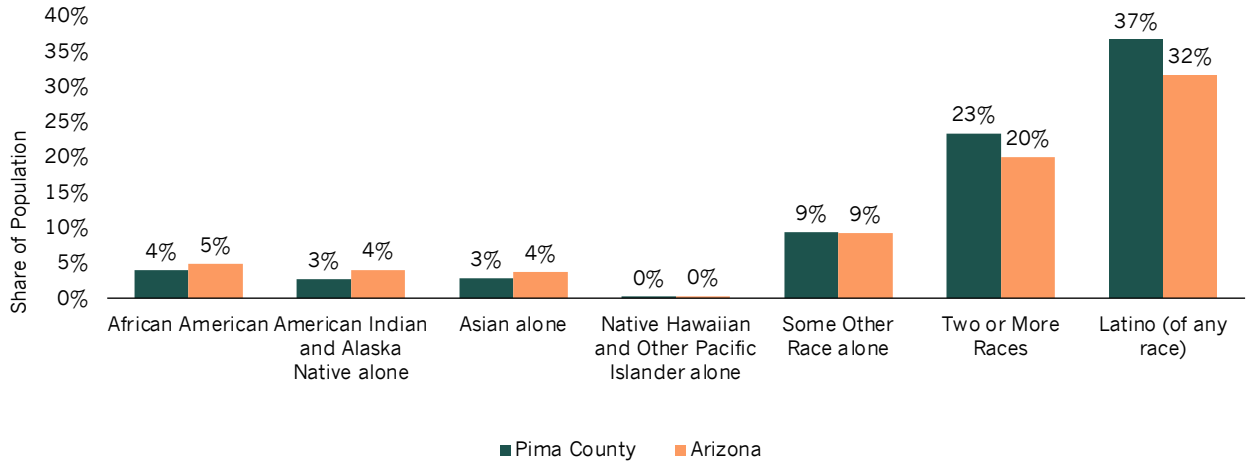
Race & Ethnicity

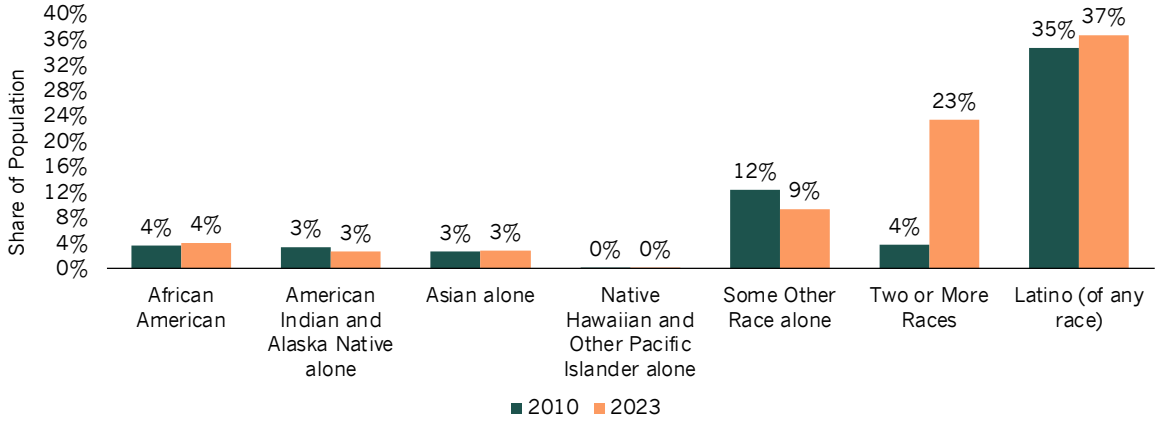
Pima County has a large Latino population

Share of Population by Race and Ethnicity*, Pima County and Arizona, 2023



The share of residents who identify as Latino or Two or more races is growing

Growth in Population by Race and Ethnicity, Pima County, 2010 vs 2023



37 percent of Pima County's population identifies as Latino. Pima County's share of Latino and and two or more race residents is higher than the state overall.

The share of residents who identify as Latino has increased by 2 percentage points in the last decade. Additionally, the share of residents that identify as two or more races has increased by 19 percentage points, consistent with national trends.

Source: US Census Bureau, ACS 2023 1-Year Estimates, Tables B02001 and B03002, 2010 Decennial Census P003001 and P005001

Evaluating the racial and ethnic characteristics of Pima County's population is important for understanding housing needs because People of Color often face discrimination when looking for housing

*The U.S. Census Bureau considers race and ethnicity as two distinct concepts. The Census considers Latino as an ethnicity and not a race, meaning individuals who identify as Latino may be of any race.

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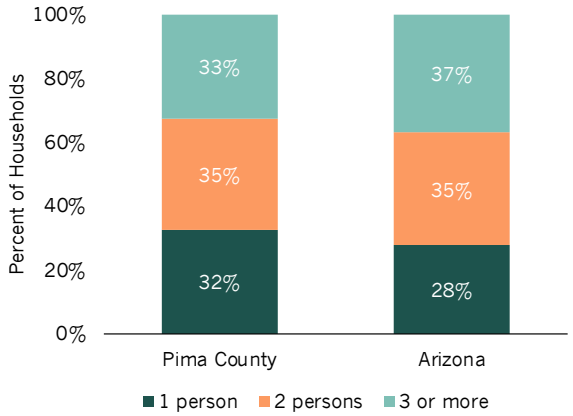
Household Size & Composition

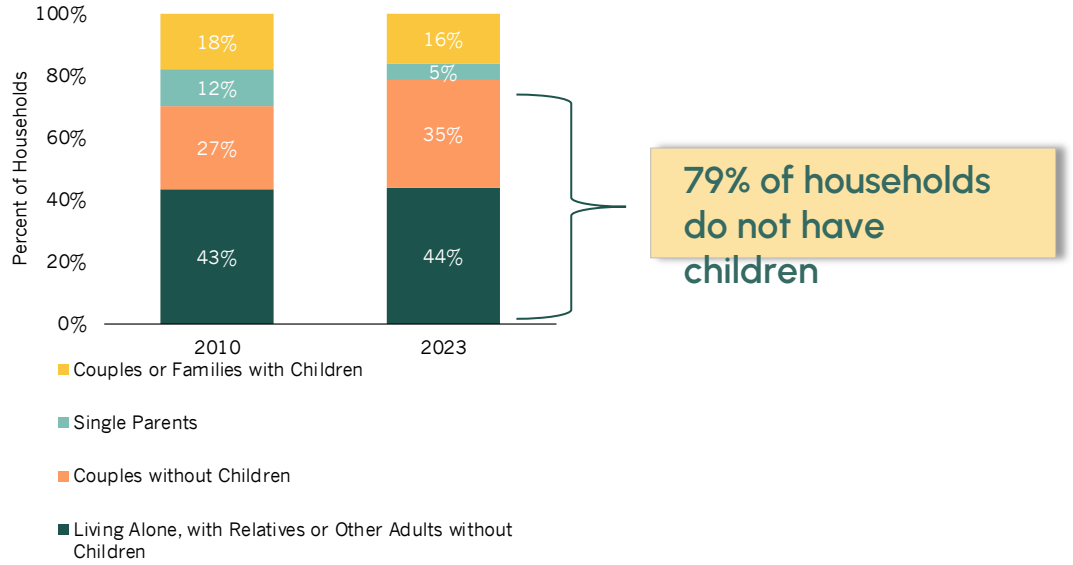
Pima County has a higher share of 1 person households

Household Size, Pima County and Arizona, 2023



The share of household without children has increased

Household Composition, Pima County, 2010 vs 2023



79% of households do not have children

Pima County's share of 1-person households is four percent higher than Arizona's share. The state has a greater share of 3-person households.

Housing need varies by household size and composition. The housing needs of a single-person household are different than those of a multi-generational family.

Source: H015 Tenure by Household Size (Census 2000); H16 Tenure by Household Size (Census 2010); B25009 Tenure by Household Size (2023 American Community Survey 1-Year Estimates)

The share of households without children increased by 8 percentage points between 2010 and 2023. Overall, 79 percent of Pima County's households do not have children.

The growing share of households without children could continue to drive demand for certain types of housing such as smaller units near amenities.

Source: US Decennial Census 2010, P020001 and ACS 1-Year Estimates 2023 Table B11012

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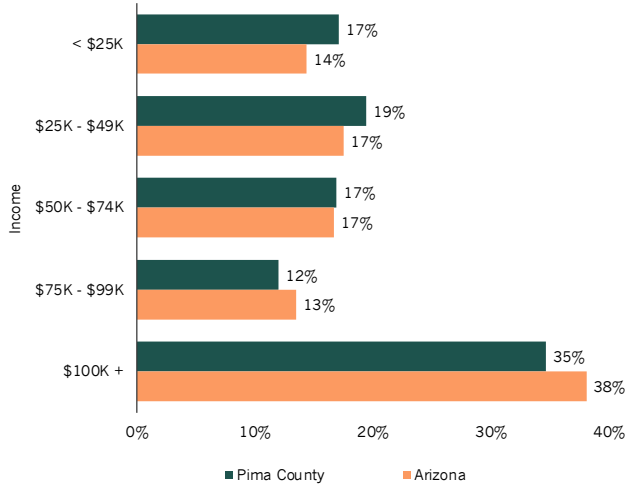
Household Income

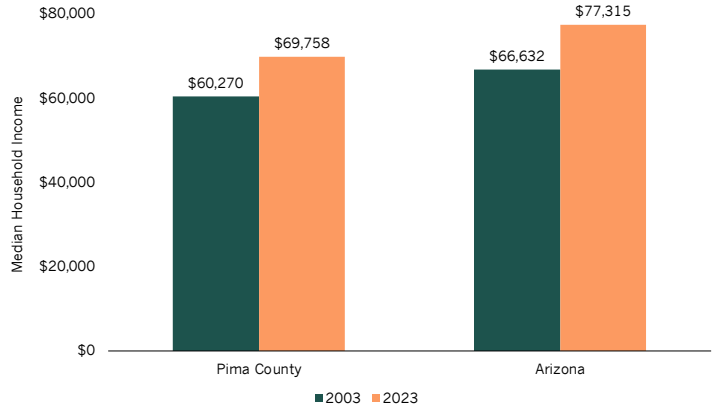
Pima County has more households earning less than $50,000 compared to Arizona overall

Population Share by Household Income, Pima County and Arizona, 2023



Median household income is increasing, but remains behind than Arizona overall

Median Household Income, Pima County and Arizona, 2003 vs 2023



Income is one of the key determinants in housing choice and households' ability to afford housing.

Approximately 36 percent of Pima County households earn incomes under $50,000 compared to 31 percent of Arizona Households. Households earning over $100,000 make up the largest share of households across both geographies.

Source: ACS 1-Year Estimates 2023 Table B19001

Pima County's Median Household Income (MHI) was $69,758 in 2023. MHI has increased by 16 percentage points (approximately $10,000) over the previous two decades, consistent with the statewide increases. As of 2023, Pima County's MHI remained over $7,500 behind the state's MHI.

Source: US Decennial Census 2000, Table Hct012001and ACS 1-Year Estimates, 2023, Table B25119

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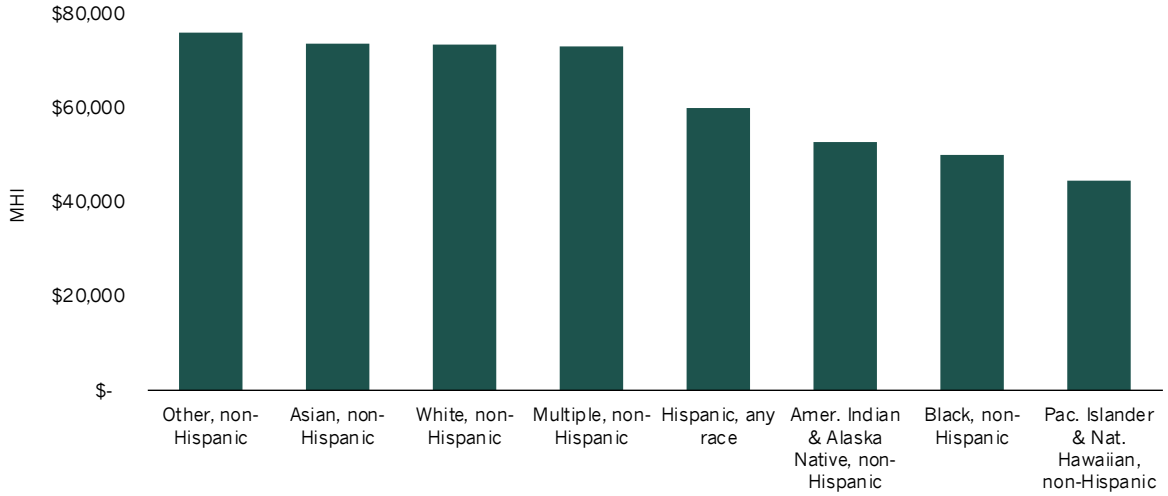
Household Income by Race & Ethnicity

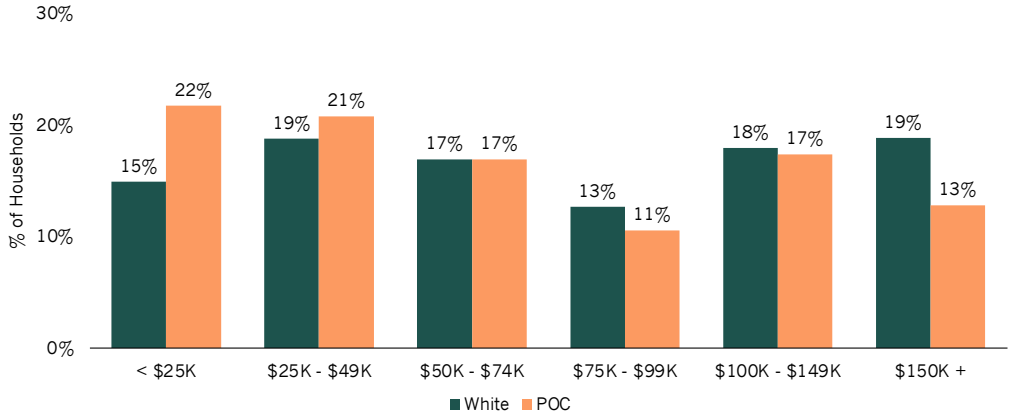
Race based income disparities exist

Median Household Income by Race, Pima County, 2023



BIPOC households earn less than white households

Household Income by Income Grouping, People of Color and White, Pima County, 2023



The income disparity between the highest earning group and the lowest earning group is over $31,000. Overall, BIPOC households earn less than white households. While 43 percent of BIPOC households earn less than $50,000, only 34 percent of white households earn less than $50,000.

Source: US Census, PUMS 2023

Evaluating the racial and ethnic characteristics of Pima County's population is important for understanding housing needs because People of Color often face discrimination when looking for housing

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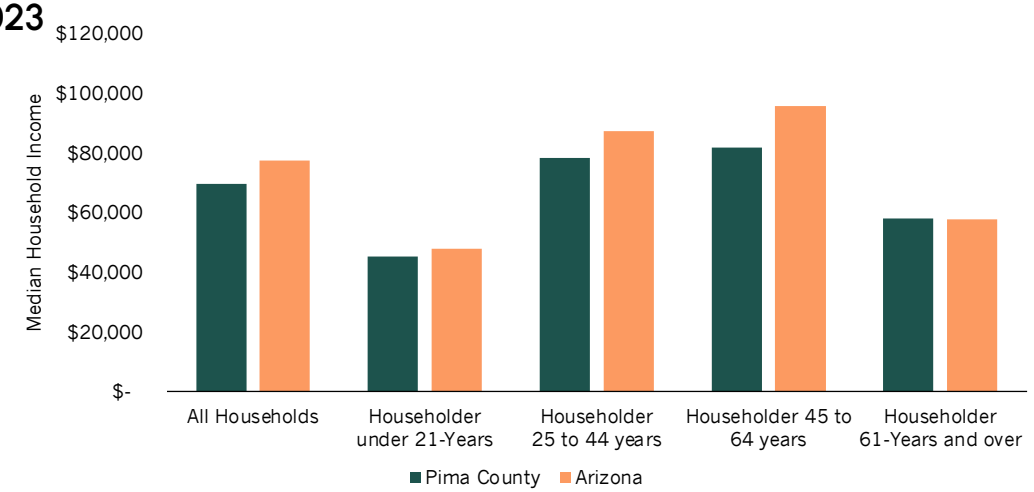
Household Income by Age

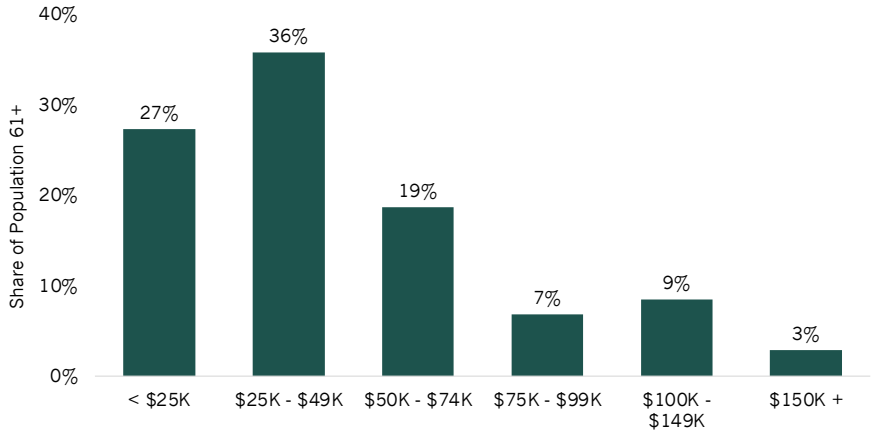
Household income peaks between ages 45 - 64

Median Household Income by Age, Pima County and Arizona, 2023



Nearly half of older adults have incomes under $50k

Median Household Income for householders over 61-Years of Age, Pima County, 2023



The age of the householder is indicative of household income. Householders between 21 and 64 (working age adults) earn incomes over $20,000 higher than their younger and older counterparts. Householders entering retirement years (61+) exhibit a significant drop in income. Approximately 45 percent of householders over 61 years have incomes of less than $50,000.

Source: 2023 American Community Survey 1-Year Estimates: Table B19049

Source: Table B19037, ACS 1-Year Estimates 2023

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Household Income by Household Size

Median Household Income increases as household size increases

Median Household Income by Household Size, Pima County, 2023

Larger households have higher median household incomes. Increasing household size from one person to two people has the most significant impact on household income, with diminishing returns as household size increases thereafter.

Source: ACS 2023 1-Year Estimates: Table B19019

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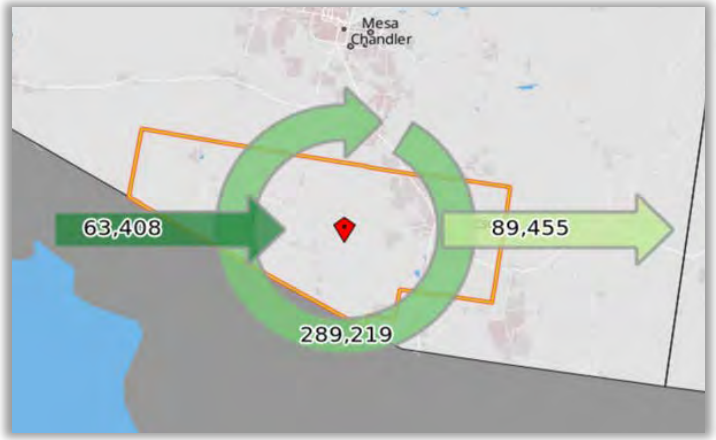
EMPLOYMENT

Commute

Most residents live and work in Pima County

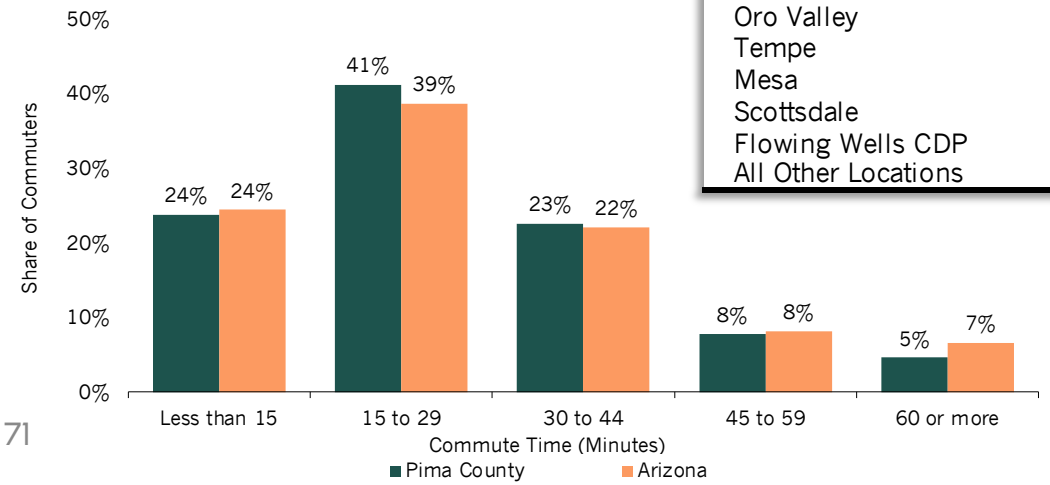
Where Pima County Residents Worked, 2021



Location	Number	Percent
Counties		
Pima County	289,219	76%
Maricopa County	66,181	17%
Pinal County	5,278	1%
Cochise County	3,535	1%
Santa Cruz County	1,931	1%
Los Angeles County, C	1,247	0%
Yuma County	1,061	0%
Coconino County	1,023	0%
Yavapai County	803	0%
Gila Count	518	0%
All Other Locations	7,878	2%
Cities		
Tucson	191,233	51%
Phoenix	34,409	9%
Casas Adobes CDP	13,637	4%
Marana	11,312	3%
Catalina Foothills CDF	8,867	2%
Oro Valley	8,740	2%
Tempe	7,020	2%
Mesa	4,806	1%
Scottsdale	4,595	1%
Flowing Wells CDP	4,131	1%
All Other Locations	89,924	24%

Commute times are stable

Commute Time, Pima and Arizona, 2023



In 2021, over 75 percent of Pima County residents also worked in the county. On the other hand, approximately 25 percent (nearly 90,000 people) commuted to work outside of the county. Most of these commuters traveled to Maricopa County. The top five cities where residents commuted to work are Tucson, Phoenix, Casa Adobes, Marana and Catalina Foothills.

Overall, 87 percent of residents have a commute of less than 45 minutes, with the most common commute time of 15 – 29 minutes.

Source: Census on the Map, 2021.

Source: ACS 1-Year Estimate 2023, Table B08303.

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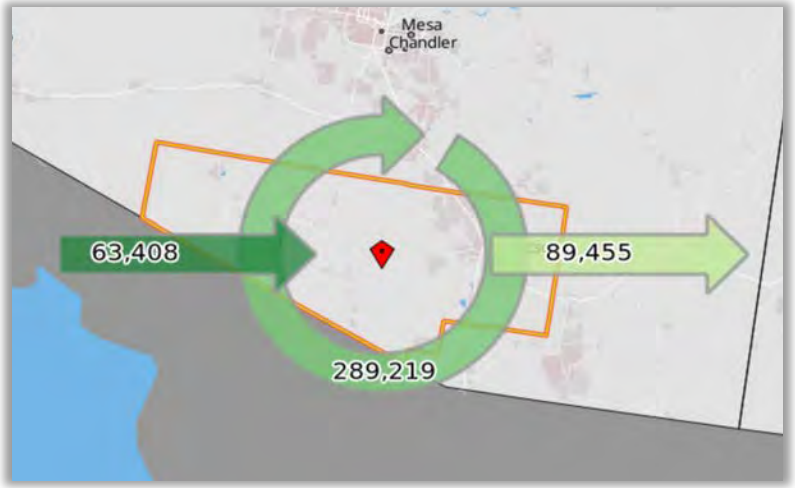
Employment

1 in 5 Pima County workers live outside of the county.

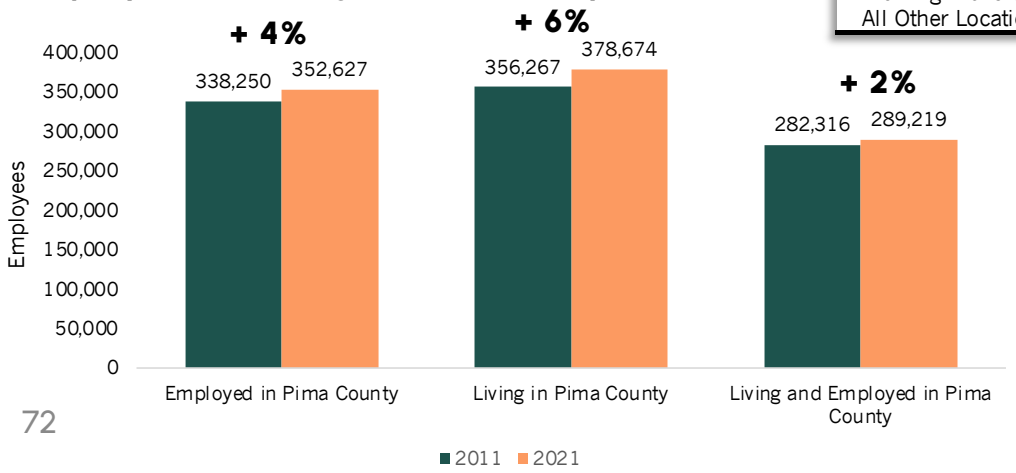
Where Pima County Workers Lived, 2021



Location	Number	Percent
Counties		
Pima County	289,219	82%
Maricopa County	30,903	9%
Pinal County	11,883	3%
Cochise County	7,185	2%
Santa Cruz County	4,777	1%
Yuma County	1,340	0%
Yavapai County	1,298	0%
Graham County	1,183	0%
Gila County	802	0%
Coconino County	615	0%
All Other Locations	3,422	1%
Cities		
Tucson	155,254	44%
Casas Adobes CDP	22,435	6%
Marana	15,187	4%
Catalina Foothills CI	14,382	4%
Oro Valley	11,721	3%
Phoenix	11,271	3%
Sahuarita	8,304	2%
Drexel Heights CDP	8,118	2%
Tanque Verde CDP	4,636	1%
Flowing Wells CDP	4,316	1%
All Other Locations	97,003	28%

Employment increased since 2011

Employment Change, Pima County, 2011 vs 2021



In total, there were 352,627 workers employed in Pima County in 2021. Around 63,000 of Pima County workers traveled into the county for work, mostly from Maricopa, Pinal, Cochise, and Santa Cruz Counties.

The number of workers employed in Pima County increased by 4 percent between 2011 and 2021.

Source: Census on the Map, 2011 and 2021.

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Job Growth

Job growth in Pima County is slower than Arizona's overall

Job growth by Industry, Pima County and Arizona, 2012 - 2022

	Pima County				Arizona			
	2012	2022	Difference	% Change	2012	2022	Difference	% Change
Agriculture, Forestry, Fishing and Hunting	635	486	-149	-23%	22,414	23,507	1,093	5%
Mining, Quarrying, and Oil and Gas Extraction	1,955	2,071	116	6%	12,256	12,063	-193	-2%
Utilities	3,006	2,266	-740	-25%	20,376	20,820	444	2%
Construction	14,215	20,048	5,833	41%	113,228	196,763	83,535	74%
Manufacturing	24,826	29,177	4,351	18%	160,801	179,790	18,989	12%
Wholesale Trade	8,790	7,495	-1,295	-15%	99,205	107,392	8,187	8%
Retail Trade	37,548	40,855	3,307	9%	296,556	349,015	52,459	18%
Transportation and Warehousing	6,966	14,612	7,646	110%	72,515	135,331	62,816	87%
Information	4,231	5,627	1,396	33%	38,554	53,419	14,865	39%
Finance and Insurance	8,773	10,155	1,382	16%	123,981	180,862	56,881	46%
Real Estate and Rental and Leasing	5,837	6,568	731	13%	47,457	60,655	13,198	28%
Professional, Scientific, and Technical Services	20,898	20,702	-196	-1%	128,166	178,768	50,602	39%
Management of Companies and Enterprises	2,646	2,299	-347	-13%	27,007	42,176	15,169	56%
Administration & Support, Waste, Remediation	27,413	28,557	1,144	4%	203,755	252,307	48,552	24%
Educational Services	37,978	38,945	967	3%	227,682	236,822	9,140	4%
Health Care and Social Assistance	56,246	63,847	7,601	14%	320,589	434,403	113,814	36%
Arts, Entertainment, and Recreation	6,156	8,198	2,042	33%	49,014	59,771	10,757	22%
Accommodation and Food Services	35,934	37,601	1,667	5%	235,504	288,093	52,589	22%
Other Services	12,301	12,178	-123	-1%	69,287	82,306	13,019	19%
Public Administration	22,750	18,256	-4,494	-20%	132,075	124,150	-7,925	-6%
Total	**339,104**	**369,943**	**30,839**	**9%**	**2,400,422**	**3,018,413**	**617,991**	**26%**

Source: Census on the Map, 2012 and 2022.

Pima County's jobs grew by 9 percentage points between 2012 and 2022, compared to 26 percentage points in Arizona overall.

The fastest growing industries by job growth in Pima County were transportation and warehousing, construction, arts, entertainment and recreation, information, and manufacturing.

Pima County's transportation and warehousing industry added over 7,600 jobs and outpaced Arizona's transportation and warehousing industry growth by 23 percentage points.

Pima County has a higher share of Health Care & Social Assistance Jobs compared to the State

Share of Employment by Industry, Pima County, Arizona, 2012 - 2022

	Pima County		Arizona	
	2012	2022	2012	2022
Agriculture, Forestry, Fishing and Hunting	0%	0%	1%	1%
Mining, Quarrying, and Oil and Gas Extraction	1%	1%	0%	1%
Utilities	1%	1%	1%	1%
Construction	4%	5%	7%	5%
Manufacturing	7%	8%	6%	7%
Wholesale Trade	3%	2%	4%	4%
Retail Trade	11%	11%	12%	12%
Transportation and Warehousing	2%	4%	4%	3%
Information	1%	2%	2%	2%
Finance and Insurance	3%	3%	6%	5%
Real Estate and Rental and Leasing	2%	2%	2%	2%
Professional, Scientific, and Technical Services	6%	6%	6%	5%
Management of Companies and Enterprises	1%	1%	1%	1%
Administration & Support, Waste, Remediation	8%	8%	8%	8%
Educational Services	11%	11%	8%	9%
Health Care and Social Assistance	17%	17%	14%	13%
Arts, Entertainment, and Recreation	2%	2%	2%	2%
Accommodation and Food Services	11%	10%	10%	10%
Other Services	4%	3%	3%	3%
Public Administration	7%	5%	4%	6%

Source: Census on the Map, 2012 and 2022.

Pima County's share of Health Care and Social Assistance jobs is four percentage points higher than Arizona, making up 17 percent of all jobs in Pima County.

The top five industries in Pima County by share of employment are health care and social assistance, retail trade, educational services, accommodation and food services, and manufacturing.

Group Quarters

The number of residents in group quarters has increased since 2010

Population in Group Quarters, Pima County and Arizona, 2010 vs 2023

			Change 2010 - 2023	
	2010	2023	Number	Percentage Point Change
Pima County	2.5%	2.9%	6,115	0.40
Arizona	2.2%	2.2%	23,344	0.03

The census defines groups quarters as college residence halls, residential treatment centers, skilled nursing facilities, group homes, military barracks, correctional facilities, and workers' dormitories.

Pima County has a nominally higher share of residents living group quarters, and the number of residents in group quarters have grown more than Arizona overall in the past 13 years.

Source: Table P001001: Total Population (2010); Table P042001: Group Quarters Population By Group Quarters Type (2010); Table Dp05: Acs Demographic And Housing Estimates (2023 1-Year ACS)

HOUSING STOCK

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IMPACT THROUGH INSIGHT

Housing Market Changes

In 2024, Pima County's Housing Stock has….

Grown. The number of dwelling units has increased, and construction has picked back following the dip cause by the 2008 financial crisis.

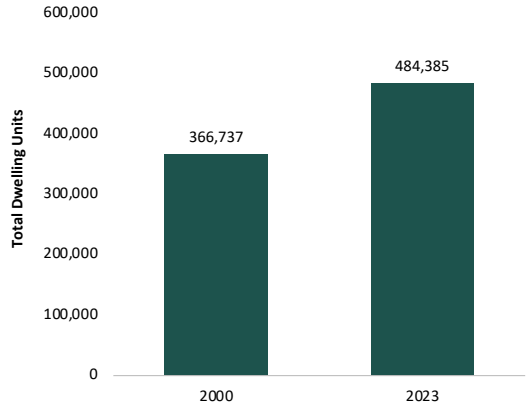
Favored Single Family Detached Homes. The number of single family detached homes has grown more than other housing types.

Not closed the racial homeownership gap. While homeownership is increasing, the racial homeownership gap persists.

Housing Units

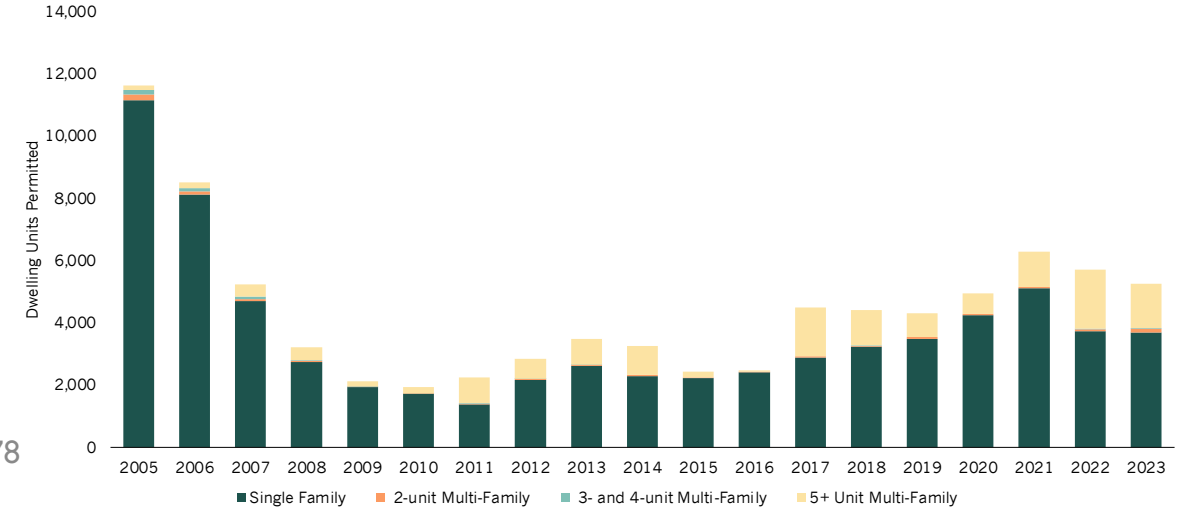
Total dwelling units increased by 32 percent

Total Dwelling Units, Pima County, 2000 vs 2023



Residential construction slowed after 2007, especially middle housing units

Building Permits by Structure Type, Pima County, 2005 - 2023



The number of total dwelling units has increased by 117,648 units since 2000.

Source: Census 2000 Summary File 3 (SF 3) - Sample Data: H030001; 2023 American Community Survey 1-Year Estimates: B25024

After a lingering drop in permits following the 2008 global financial crisis, permits for single family and 5+ unit multi-family projects began to increase in 2017 and have seen stable growth through 2023. However, there has been a sharp decrease in permits issued for 3–4-unit multi-family developments since 2008

In 2023, a total of 5,255 units permitted were issued and there has been on average around 5,100 units permitted annually since 2005.

Source: HUD SOCDS Buildering Permit Database

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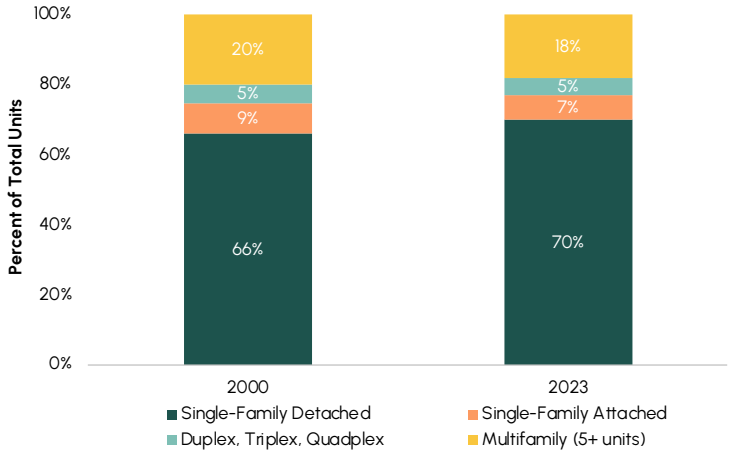
Housing Mix

Increase in Single-Family Detached Units

Changes in Housing Mix, Pima County, 2000 vs 2023

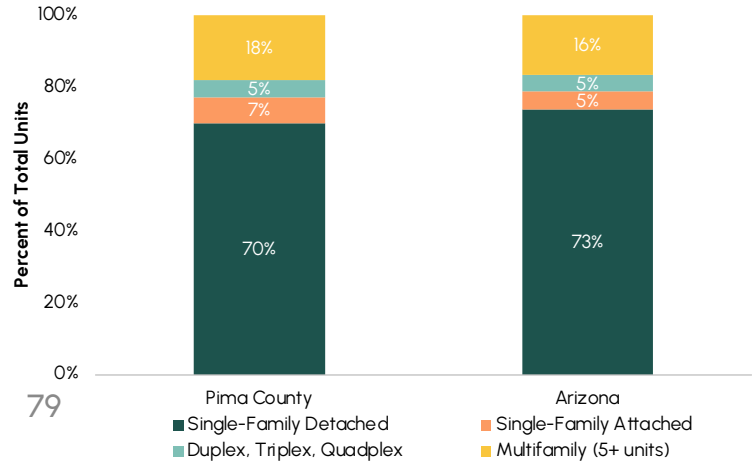


The share of single family detached units increased by 4 percentage points since 2000. At the same time, the share of attached single family and 5+ unit multi-family housing decreased. The share of plex housing remained the same.

Source: Census 2000 Summary File 3 (SF 3) - Sample Data: H030001; 2023 American Community Survey 1-Year Estimates: B25024

Despite Increases in Single-Family Detached Units, Pima County has a lower share of detached units than Arizona

Housing Mix, Pima County and Arizona, 2023



Pima county's housing stock has more attached housing types compared to Arizona's overall housing composition.

Source: 2023 American Community Survey 1-Year Estimates: B25024

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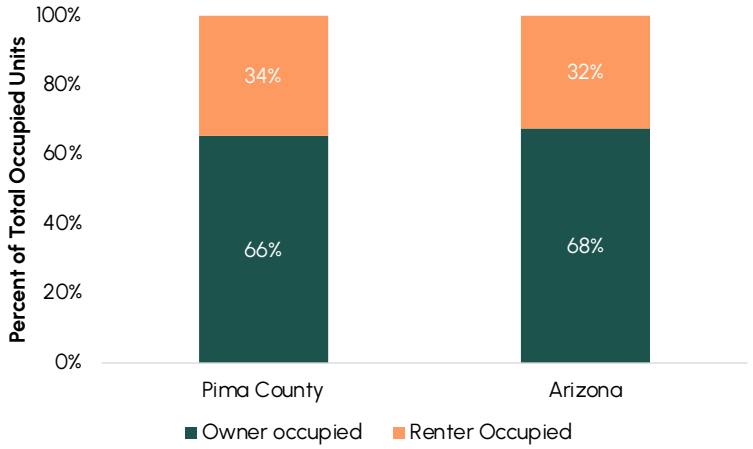
Tenure

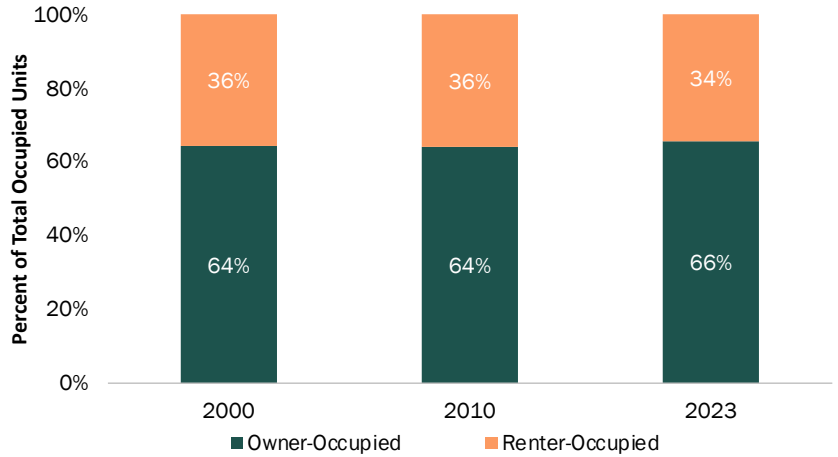
2/3 of housing units are owner occupied

Tenure of Total Occupied Units, Pima County and Arizona, 2023



Owner occupied units have increased since 2010

Tenure of Total Occupied Units Over Time, Pima County, 2000 - 2023



Tenure describes whether a dwelling unit is owner- or renter-occupied. The share of owner occupied units has been increasing since 2000. In 2023, sixty-six percent of housing were owner occupied.

Source: US Census, 2000, 2010 and ACS 1-year estimates 2023, Table B25003

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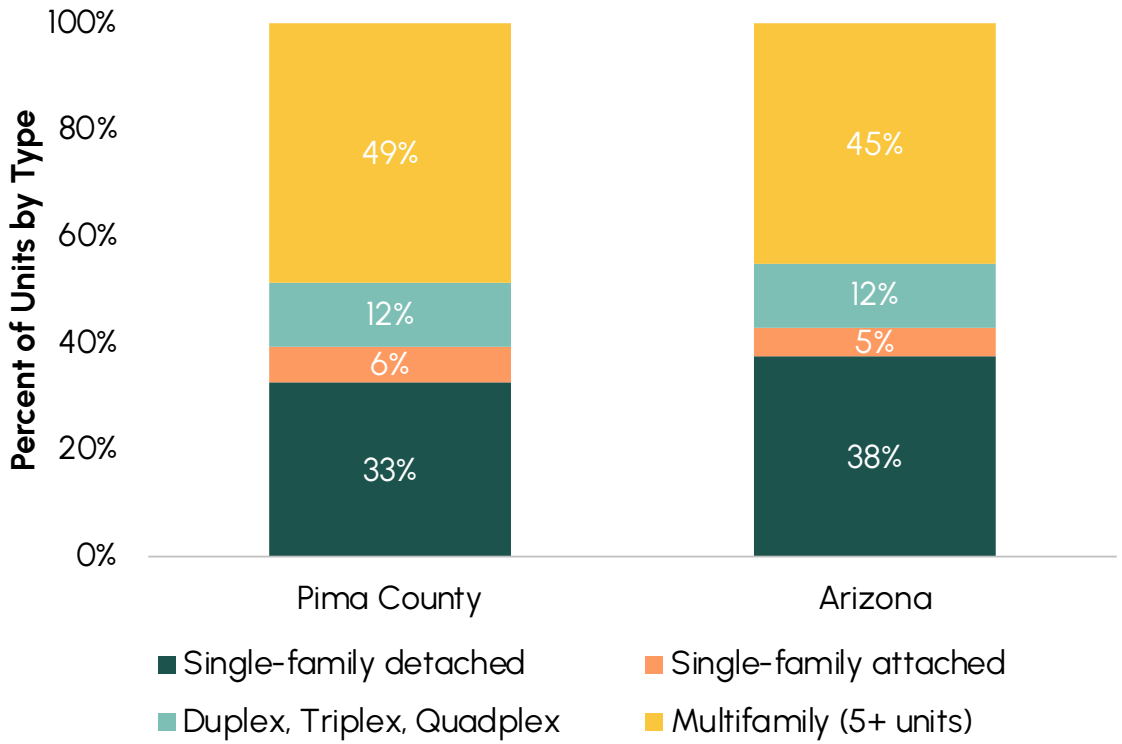
Tenure by Structure

Renters mostly reside in multi-family and single family detached units

Renter-occupied units by housing types, Pima County, 2023



More Pima County renters live in multi-family housing (49%) compared to Arizona renters overall (45%). A greater share of Arizona renters live single family detached housing units compared to Pima County.

Source: ACS 2023 1-year estimates, table B25032

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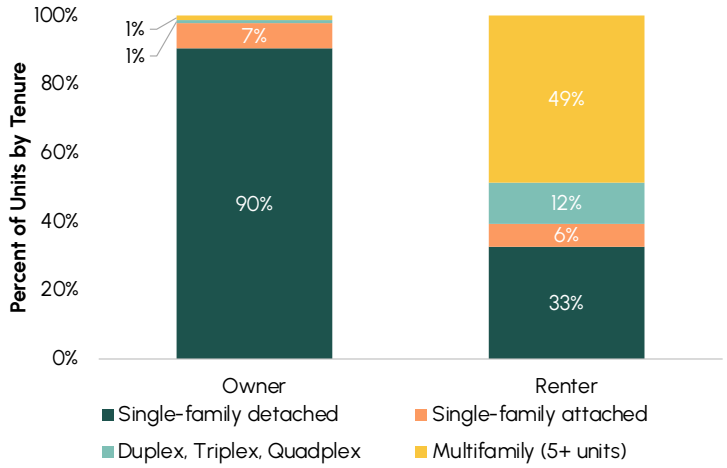
Tenure by Structure and Age

Most renters live in attached housing

Housing Type by Tenure, Pima County, 2023

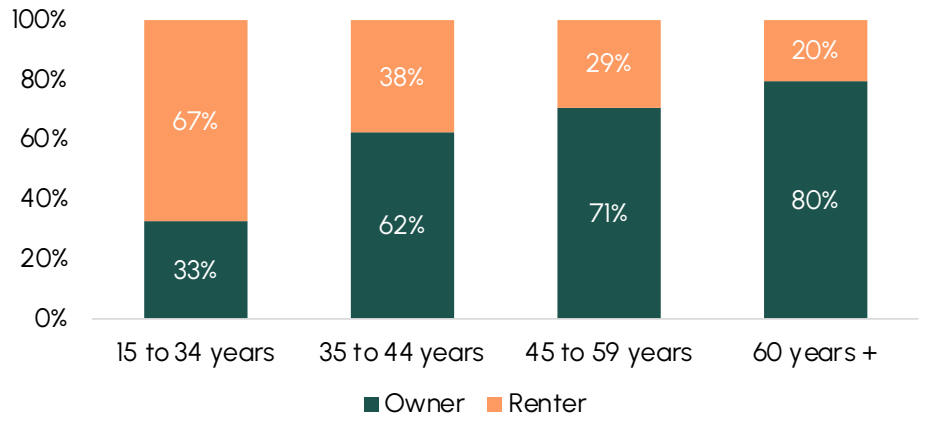


About 66 percent of renters live in attached housing compared to 10 percent of homeowners.

Source: ACS 2023 1-year estimates, table B25032

Ownership rates increase with age

Tenure by Age Group, Pima County, 2023



By the time Pima County residents reach the age of 60, they are highly likely to own their housing units. While 80 percent of retirement age adults own their homes, anywhere from 33 percent to 71 percent of working age adults own their homes. .

Source: 2023 ACS 1-year Estimates, Table B25007

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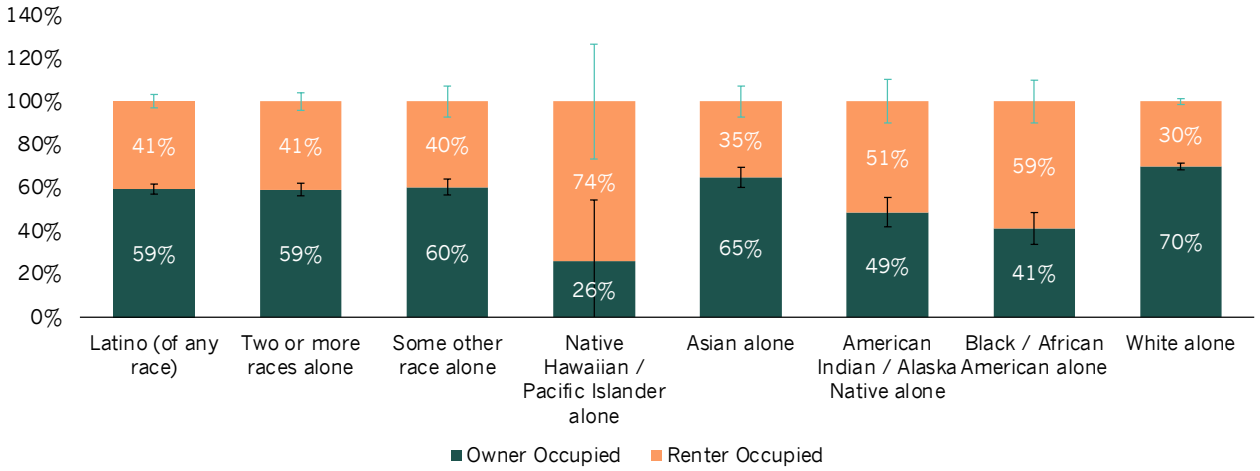
Structure and Tenure by Race

Pima County has a racial homeownership gap

Tenure by Race and Ethnicity of the Householder, Pima County, 2023

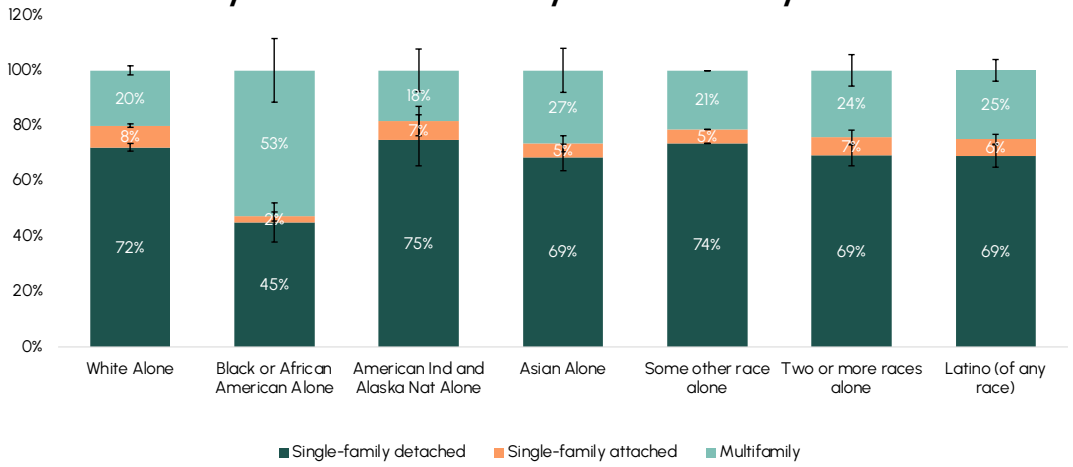


In Pima County, white residents are more likely to own a home than all other race and ethnicity groups. In the case of Black and American Indian/Alaska Native residents, the rates of homeownership are lower than rates for households that rent, which is not the case for the other groups.

Source: ACS 2023 1-Year Estimates, Tables B25003 A-I

Black residents are more likely to live in Multi-Unit Housing

Units in Structure by Race and Ethnicity, Pima County, 2023



While single-family detached housing tends to be the most prominent housing type for most groups, 55 percent of Black residents live in attached housing units.

Source: ACS 1-year 2023, B25032 A-I

Note: not enough data was available for Native Hawaiian and Pacific Islander households

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Residential Vacancy

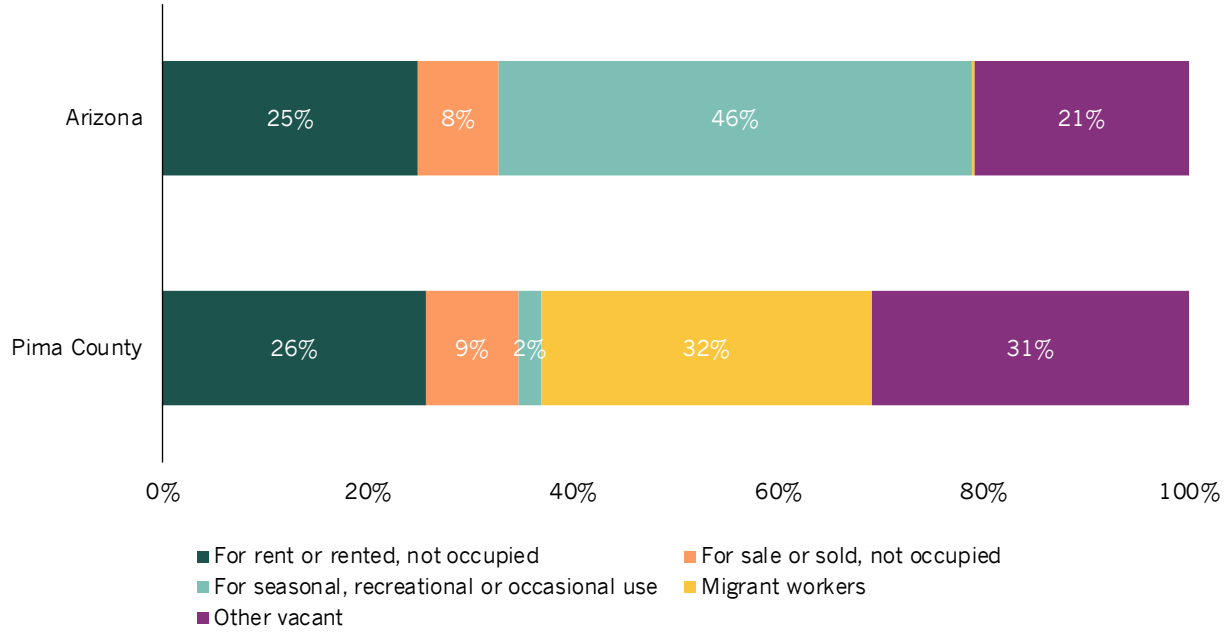
Vacancy is lower than the State's average vacancy

Overall Vacancy Rates, Pima County and Arizona, 2023

5.5 percent	5.8 percent
Pima County	Arizona

Pima County's vacancy rate is influenced by units for the migrant workforce

Vacancy by Reason, Pima County, 2023



In 2023, Pima County's residential vacancy rate was 5.5 percent. The vacancy rate is lower, albeit comparable to Arizona's vacancy rate overall.

Pima County's migrant workforce accounts for 32 percent of vacancies.

Source: US Census, PUMS, 2023

Source: ACS 2023 1-Year Estimates, Table B25004

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AFFORDABILITY

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IMPACT THROUGH INSIGHT

Affordability Changes

In 2024, Pima County's Housing Affordability Challenges are…

Worsening. Rents and home sales prices have increased faster than incomes. As such, severe cost burden has increased.

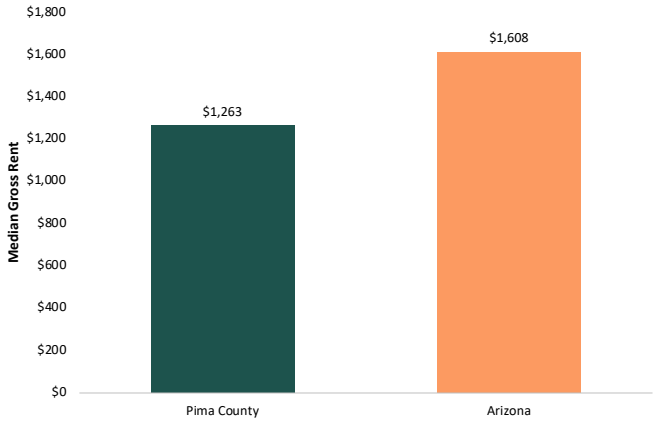
Disproportionately affecting People of Color. A greater share of BIPOC households are low income and severely cost burdened compared to white households.

Compounding with heightened houselessness issues. Unsheltered houselessness has been 2 – 3x higher than pre-pandemic estimates.

Not aligned with the supply of housing. The supply and demand of units is mismatched across AMI levels. There is an undersupply of 0 – 30 % AMI rental units relative to the level of demand.

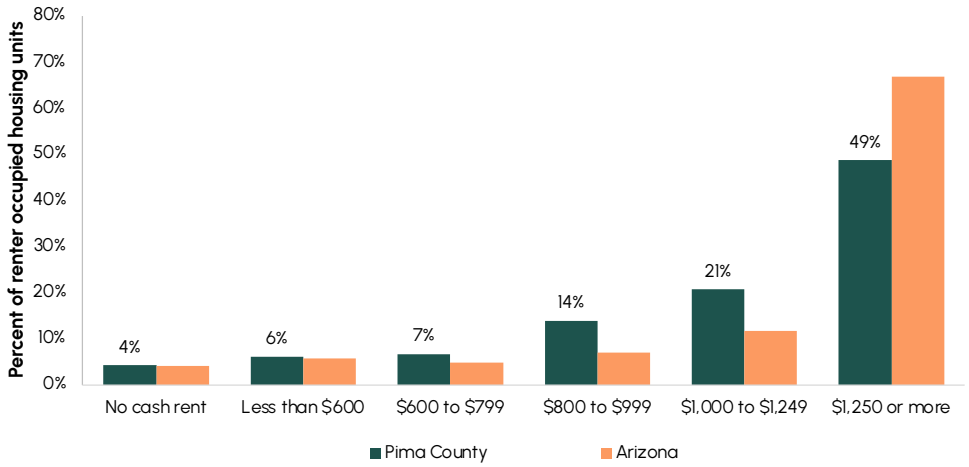
Pima County's average rents are lower that the State's overall

Median Gross Rent, Pima County and Arizona, 2023



Almost half of renters pay $1,250 or more per month

Gross Rent, Pima County and Arizona, 2023



In 2023, Pima County's average rent was $345 lower than the statewide average. In 2023, average monthly rent was $1,263 in Pima County and $1,608 across the state as a whole. Approximately 50 percent of occupied rental units have rents of $1,250 or higher.

Source: 2023 1-Year ACS Table B25064

Source: Table B25063: Gross Rent - 2023 1-Year ACS

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Market Rents

Pima County's asking rents are aligned with and lower than HUD's fair market rents depending on unit type

Fair Market Rents, Pima County, 2024

$906	$1,018	$1,337
Studio	1-Bedroom	2-Bedroom

Asking Rent, Pima County, 2024 YTD

$810	$1,015	$1,310
Studio	1-Bedroom	2-Bedroom

Pima County's average rents are slightly below fair market rents for all bedroom configurations.

To afford a two-bedroom fair market unit and not be cost burdened, it would require a full-time employee to make $48,132 annually or $23.14 per hour.

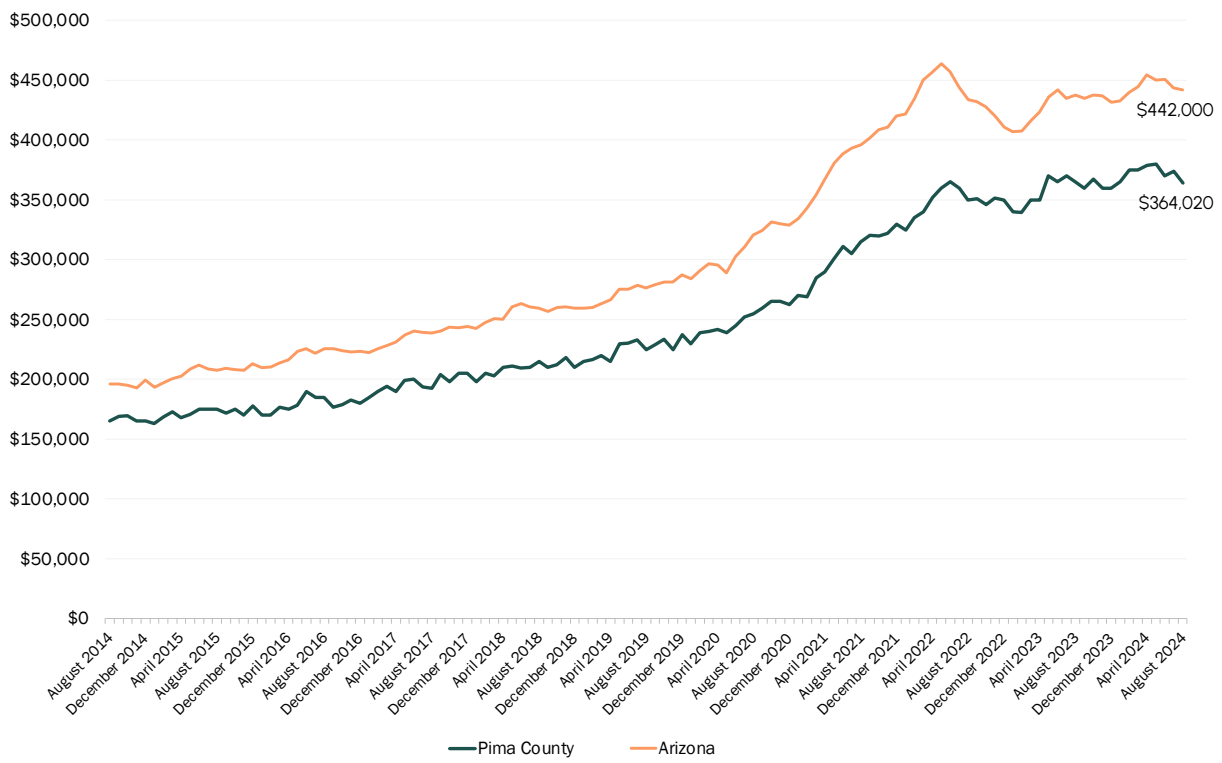
Source: HUD, 2024

Source: Costar, Market-Rate only, pulled October 2024

Sale Price

Median home sales prices has more than doubled since 2014

Median Home Sale Prices, Pima County and Arizona, 2014 to 2024 YTD



In August 2014, the median sales price was $165,000 compared to $364,020 in August 2024, more than doubling over the last decade. Pima County and Arizona, like many communities across the West, saw sharp increases in housing sales prices during the pandemic.

Source: Realtor Data Center, 2014 – 2024 YTD, pulled October 2024

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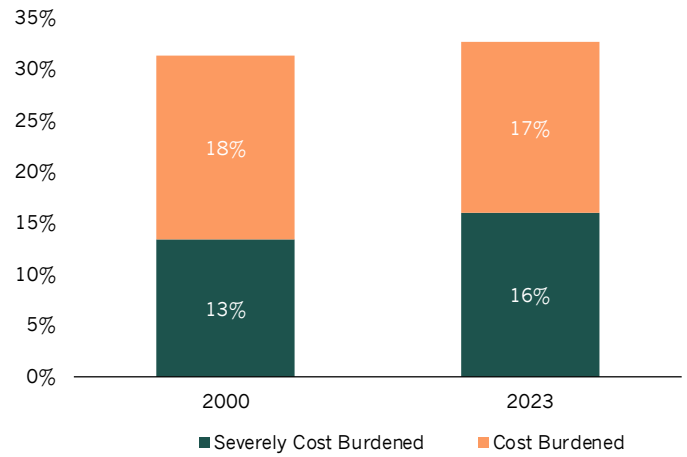
Cost Burden

The share of households that are severely cost- burdened has increased since 2000.

Overall Cost Burden, Pima County, 2023



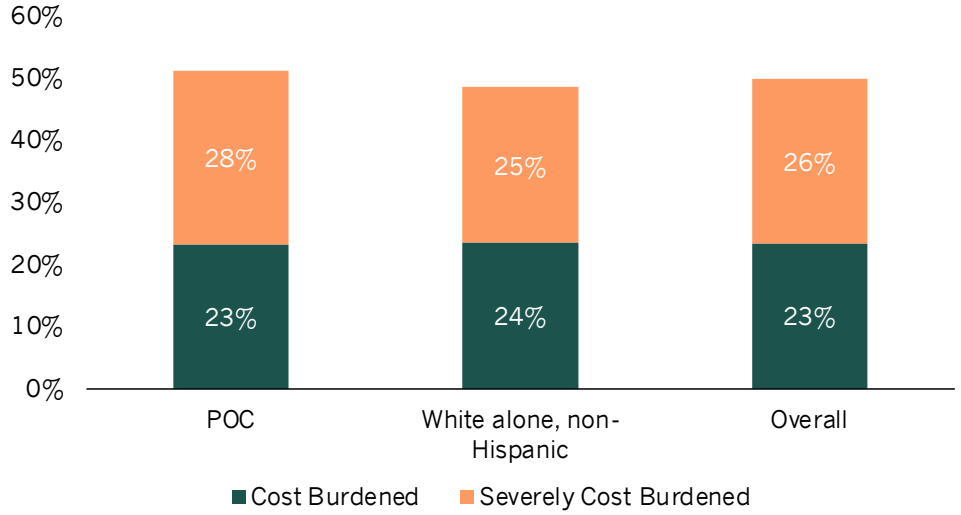
A household is defined as cost burdened if their housing costs exceed 30% of their gross income. A household that spends 50% or more of their gross income on housing costs is considered severely cost burdened.

The share of severely cost burdened households in Pima County has increased from 13 percent to 16 percent since 2000.

Source: 2000 Summary Files H069001 and H094001, 2023 1-Year ACS B25091 and B25070

BIPOC households are more likely to be severely cost-burdened

Cost burden by Race, Pima County, 2023



Overall BIPOC households are more cost-burdened than white households. This disparity is especially true for the share of households that are severely cost burdened. 28 percent of BIPOC households are cost burdened compared to 25 percent of white households.

Source: 2023 1-Year ACS B25091 and B25070

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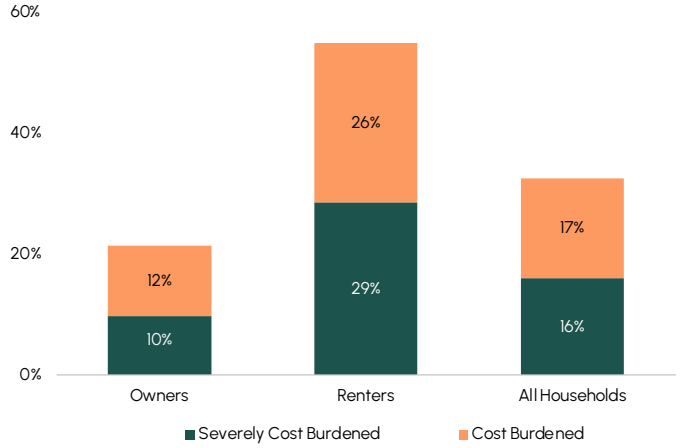
Cost Burden by Tenure

Renters are significantly more cost burdened

Cost Burden by Tenure, Pima County, 2023

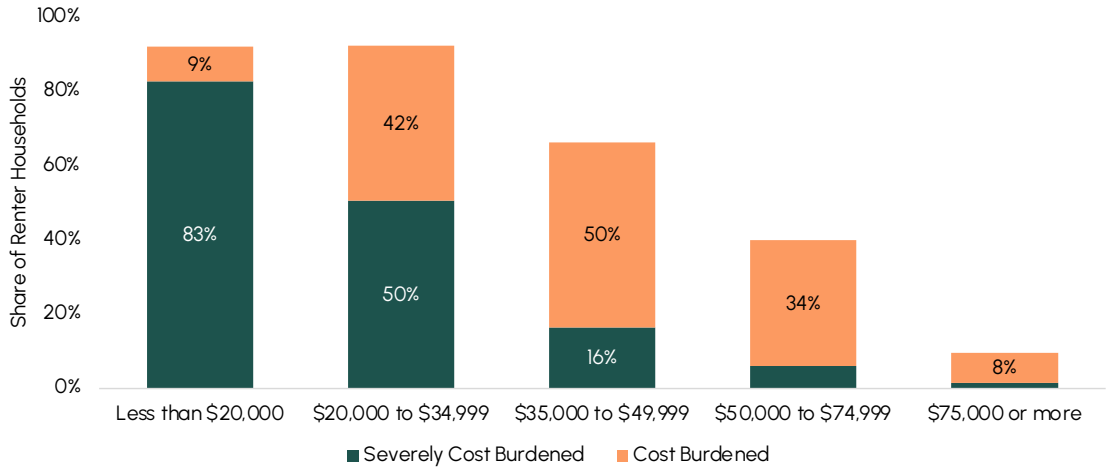


About 55 percent of renters are cost-burdened compared to 22 percent of owners.

Source: 2023 1-Year ACS B25091 and B25070

Cost burden affects a large portion of renter households until reaching annual income of $75,000 or more

Cost Burdened Renter Households by Household Income, Pima County, 2023



Over 90 percent of renter households with income under $35,000 are cost burdened. The share of cost burdened renters decreases from 40 percent to 9 percent at the $75,000 threshold.

Source: US Census Bureau, 2023 ACS Table B25074.

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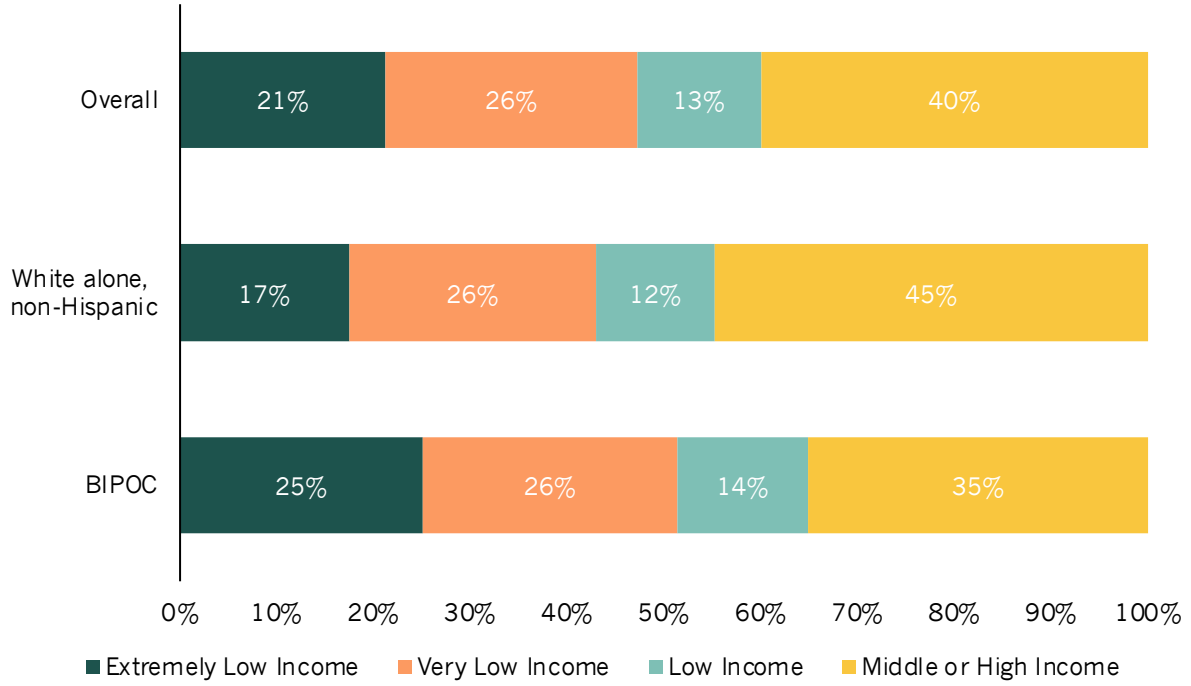
Tenure by Income by Race

BIPOC renters have lower incomes than the county's average incomes

Renter Income by Race, Pima County, 2023



65 percent of BIPOC renters fall into the income categories of extremely low, very low, and low income compared to 55 percent of white renters.

Source: US Census, PUMS, 2023

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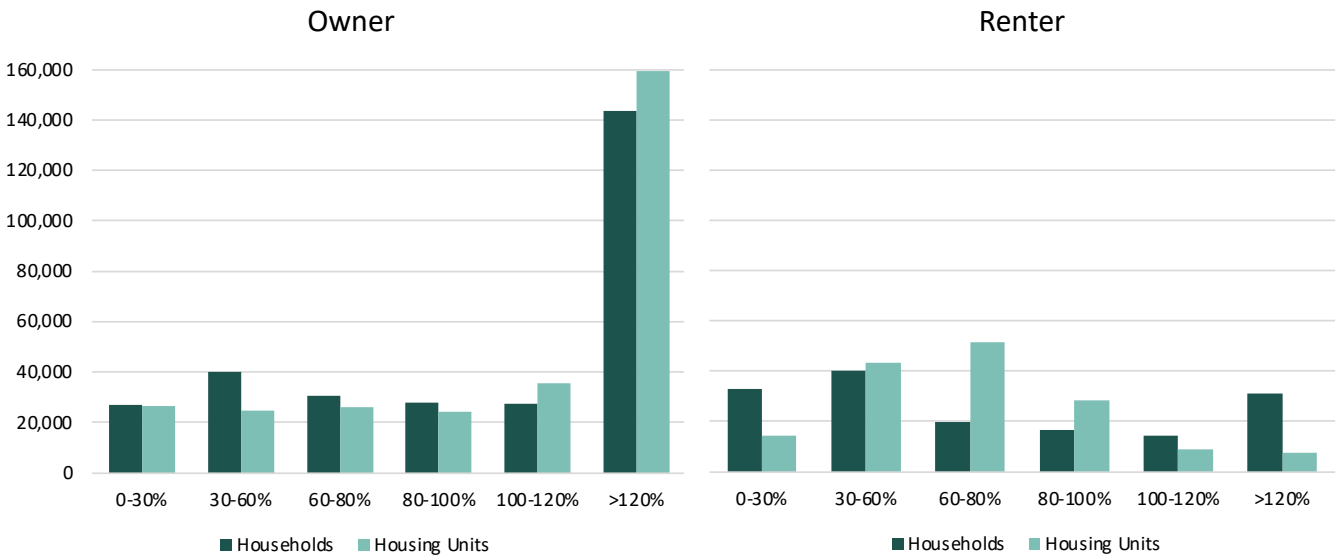
Unit Affordability & Attainability

Household affordability levels and needs do not match the current supply of units

Household AMI by Tenure and Number of Units Available in that AMI Range, Pima County, 2023



This chart counts households with a household income within the AMI range, and housing units with an affordability of that AMI range. Many households do not live in the same AMI range as the affordability of their house, causing a mismatch.

Owners: There is an undersupply of ownership units available to the 30 – 100% AMI households though homeownership below 80% AMI can make securing a loan difficult.

Renters: There is an undersupply of units available to extremely low income (0-30% AMI) and (100% AMI +) higher income households which indicates that higher income renters are renting down while lower income renters are renting up.

Source: US Census, PUMS, 2023

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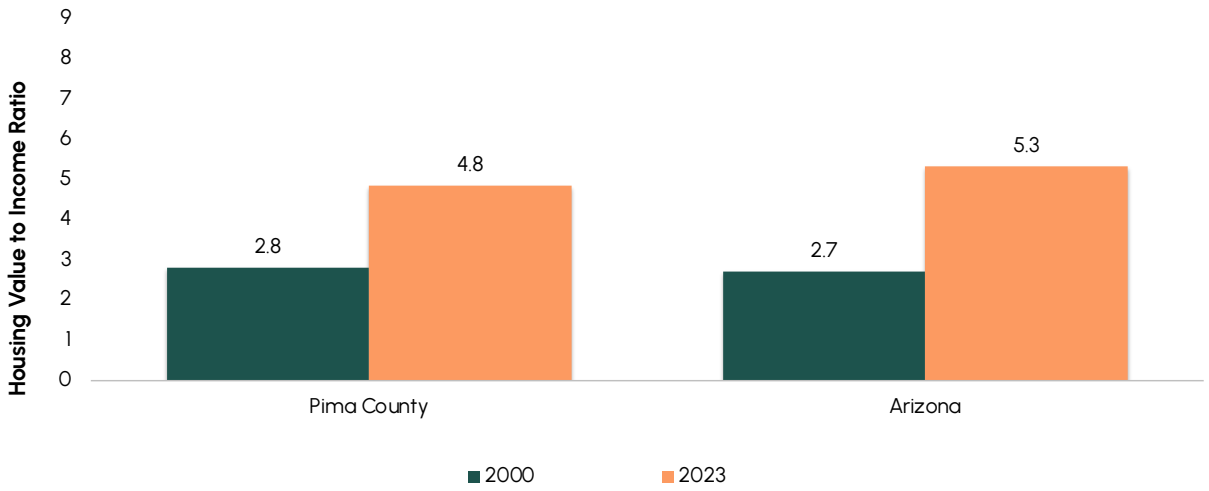
Income to Housing Ratio

Incomes are increasing slower than housing values.

Ratio of Housing Value to Income, Pima County and Arizona, 2000 vs 2023

Indicator	Pima County		Arizona	
	2000	2023	2000	2023
Median HH Income	$60,270	$69,758	$66,632	$77,315
Median Owner Value	$169,269	$337,800	$180,488	$411,200
Ratio of Housing Value to Income	2.81	4.84	2.71	5.32



Housing values have increased faster than household incomes, causing the ratio of housing value to income to increase. While median owner values increased by 100 percent, incomes only increased by 16 percent.

Source: HCT012 Year 2000, B19013 1-Year 2023, H085 Year 2000, B25077 1-Year 2023

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Houselessness

Over 2,000 were experiencing homelessness in 2024

PIT Count, Pima County, 2024

Since 2020, unsheltered homelessness has increased. Although the count has been trending downward in recent years, it still remains higher than pre-COVID numbers.

Tucson Pima Collaboration to End Homelessness reported potential weather-related effects on the 2024 PIT count, including flooding and freeze warnings.

Source: Tucson Pima Collaboration To End Homelessness

Because we know PIT counts underestimate the total need for supporting individuals who are experiencing homelessness, we have integrated data from the Southwest Institute for Research on Women which provides the number of people who are considered to be "actively homeless". Using this approach, ECOnorthwest is integrating a need of 8,000 units to address current needs for individuals experiencing homeless across Pima County.

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Subsidized Housing

Less than 4 percent of housing units are subsidized

Subsidized Housing Units, Pima County, 2023

249,788	8,560 (3.4%)
Total housing units	Subsidized housing units

Of the nearly 250,000 total housing units across Pima County, approximately 3.4 percent (8,560 units) were subsidized as of 2023. There are likely additional affordable units not captured in the HUD data due to an alternative affordability mechanism such as deed restrictions

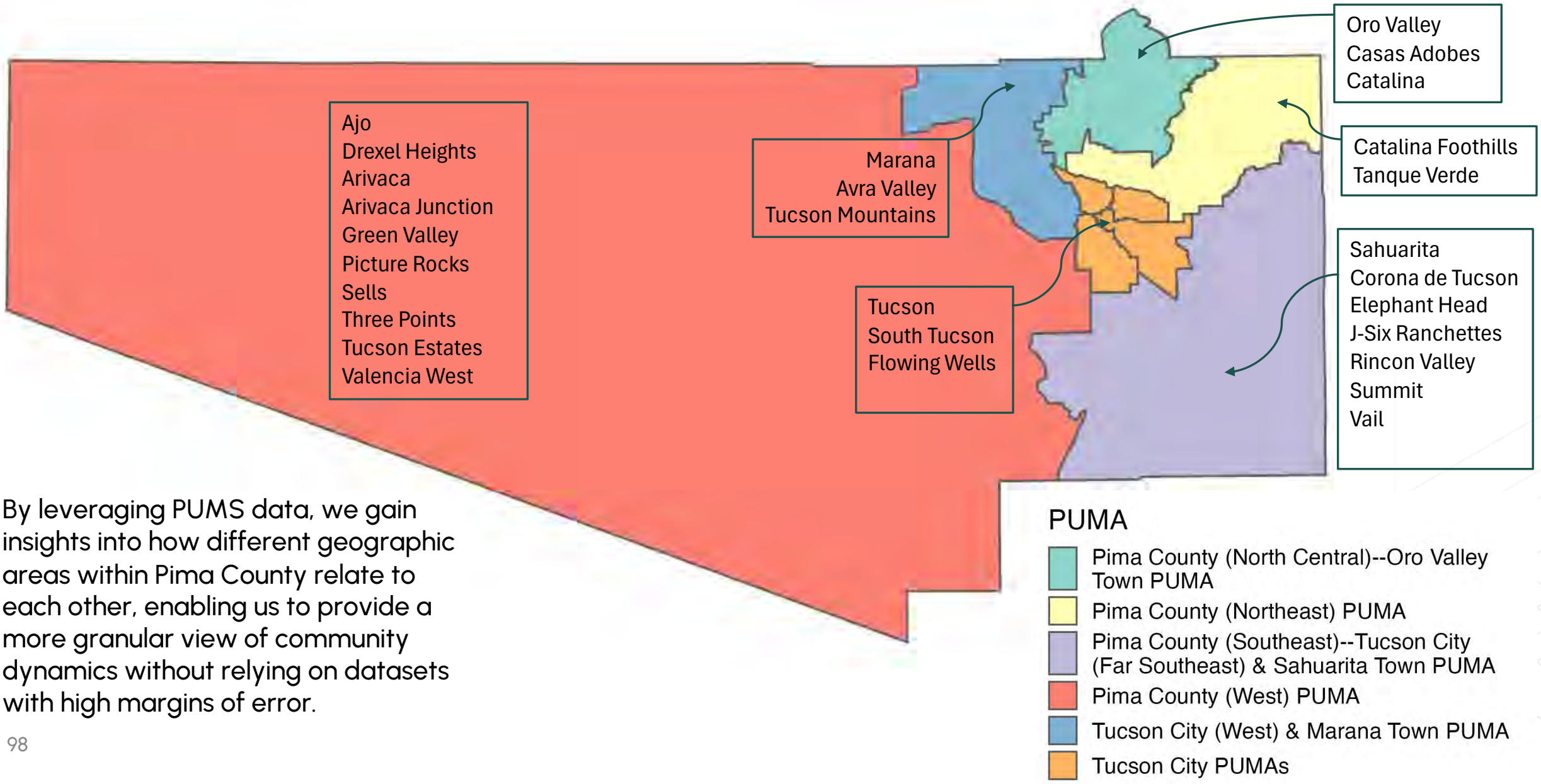
Source: Census 2022 –Year Estimates and HUD Picture of Subsidized Households, 2023

Localized Data

Using PUMS

ECOnorthwest
IMPACT THROUGH INSIGHT

More Localized Data Using PUMAs

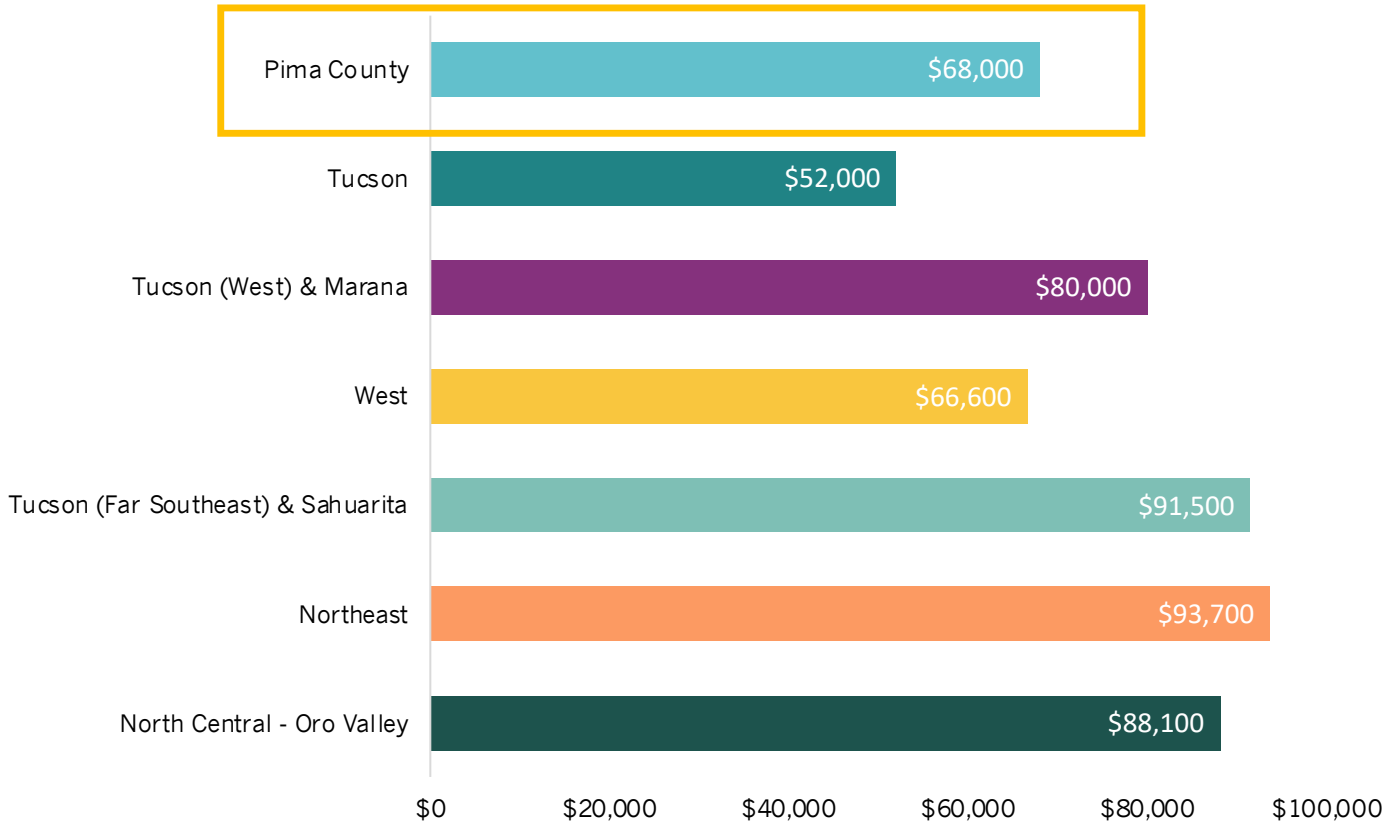


By leveraging PUMS data, we gain insights into how different geographic areas within Pima County relate to each other, enabling us to provide a more granular view of community dynamics without relying on datasets with high margins of error.

Median Household Income

Eastern portions of Pima County have higher median incomes

Median Household Income, Pima County PUMAs, 2023



- Pima County's median household income was $68,000 in 2023.
- The geographies east of Tucson have higher median incomes, ranging from $88,100 to 93,700.
- Tucson and the western part of Pima County have median incomes below the countywide median.

Source: Census PUMS data, 2023

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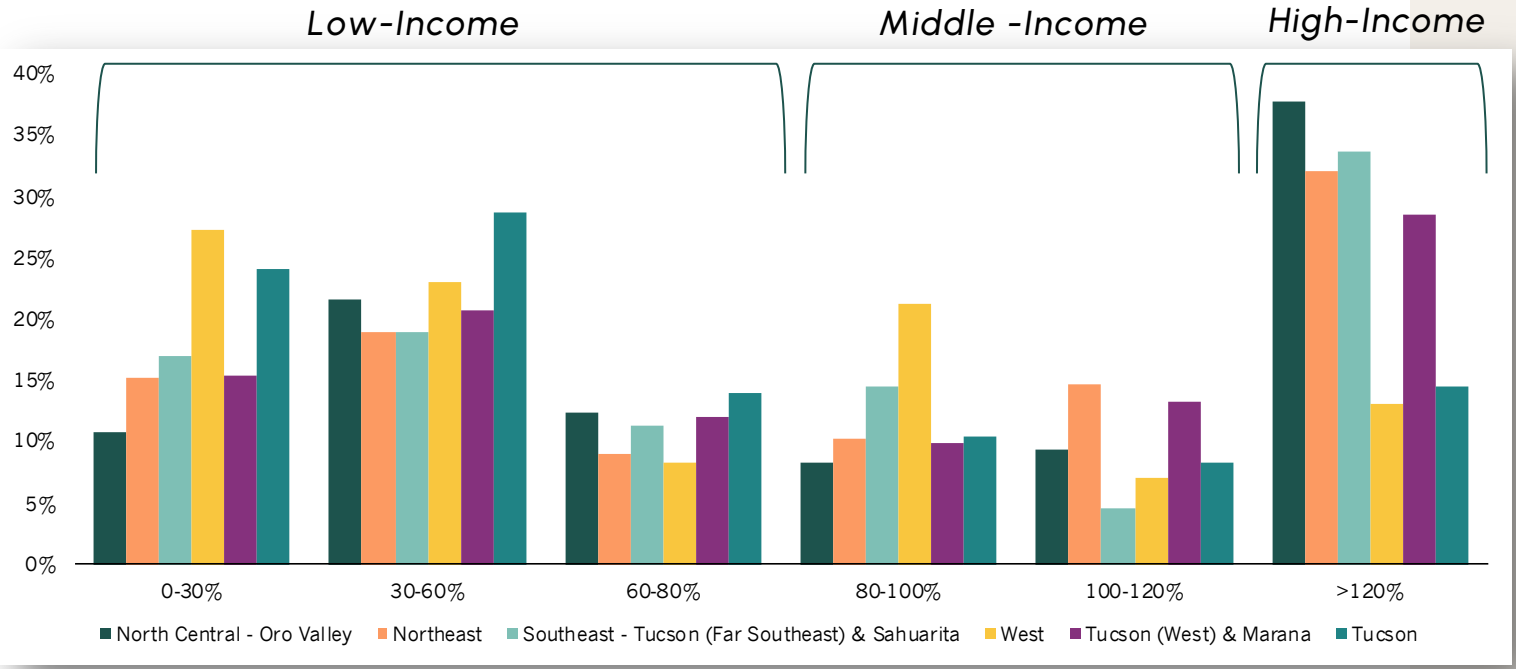
Area Median Income x Renters

Income distributions vary across Pima County

Share of Renters by Area Median Income, Pima County PUMAs, 2023



- Over half of renters earn less than 80% AMI in Tucson (67%) and West Pima County (59%).
- There are more than double the number of high-income renter households in the geographies outside of Tucson and West Pima County.

Source: Census PUMS data, 2023

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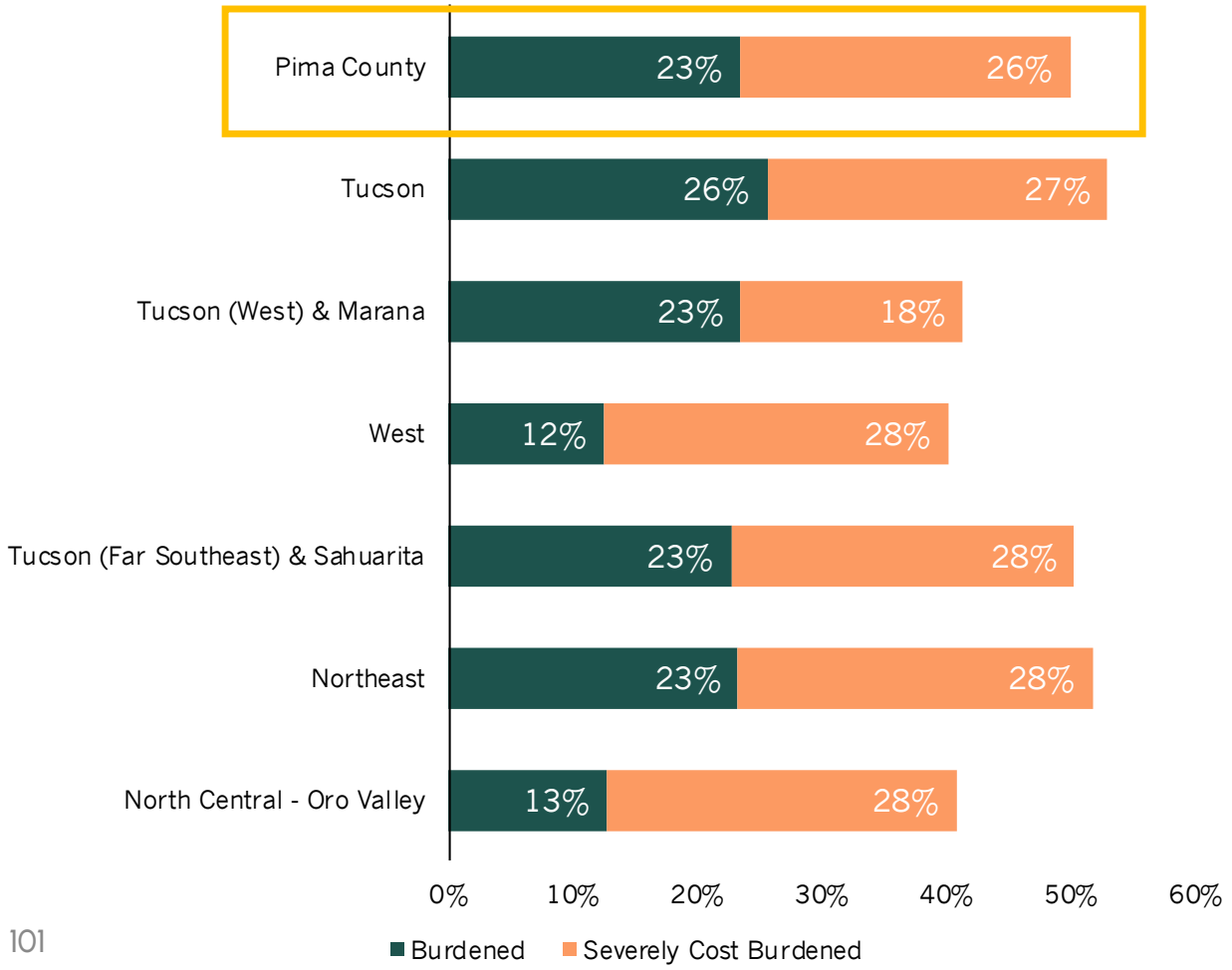
Renter Cost Burden

Over 40% of renters are cost burdened across all geographies

Share of Cost Burdened Renters, Pima County PUMAs, 2023



- The share of overall cost burdened renters ranges from 40 – 53% across Pima County's PUMAs.
- Tucson, Far Southeast Tucson & Sahuarita, and Northeast Pima County have higher levels of cost burden than the county's average levels.
- The majority of cost burdened renters are severely cost burdened in all geographies except Tucson (West) & Marana.

Note: A household is defined as cost burdened if their housing costs exceed 30% of their gross income. A household that spends 50% or more of their gross income on housing costs is considered severely cost burdened.

Source: Census PUMS data, 2023

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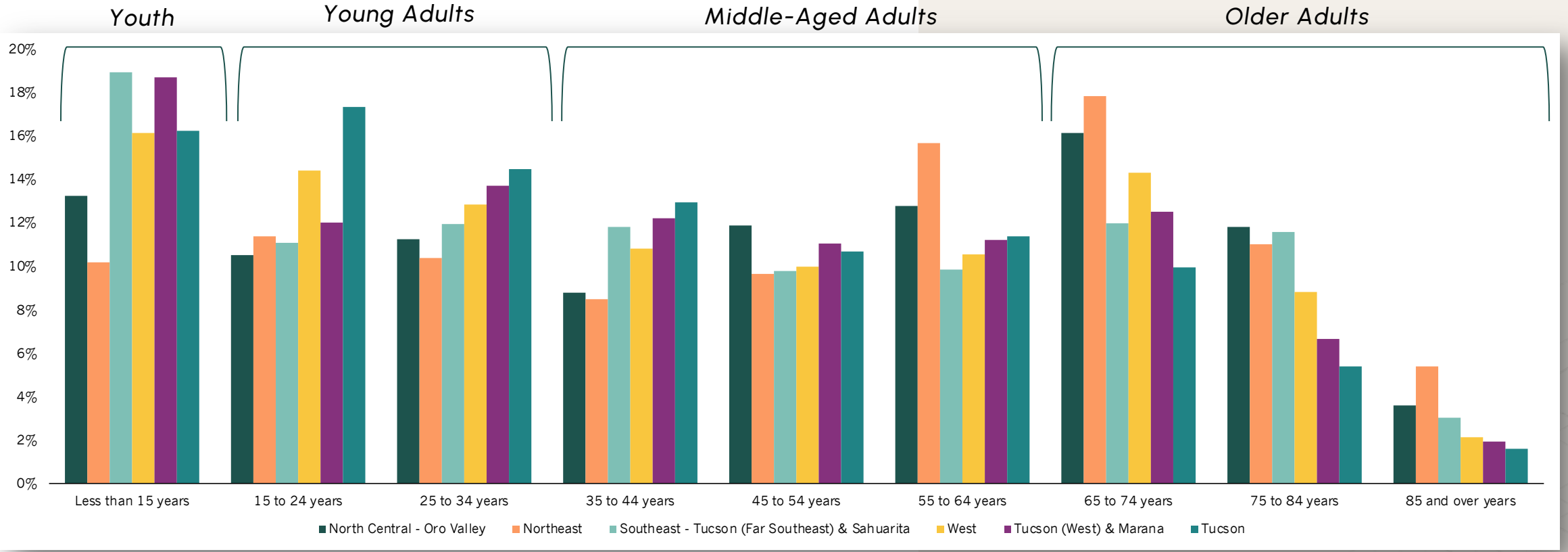
Age

Age distributions vary by geography

Share of Population by Age, Pima County PUMAs, 2023

- 2/3 of Tucson's population is young and middle-aged adults.
- 1/3 of North Central and Northeast's population is older adults



Source: Census PUMS data, 2023

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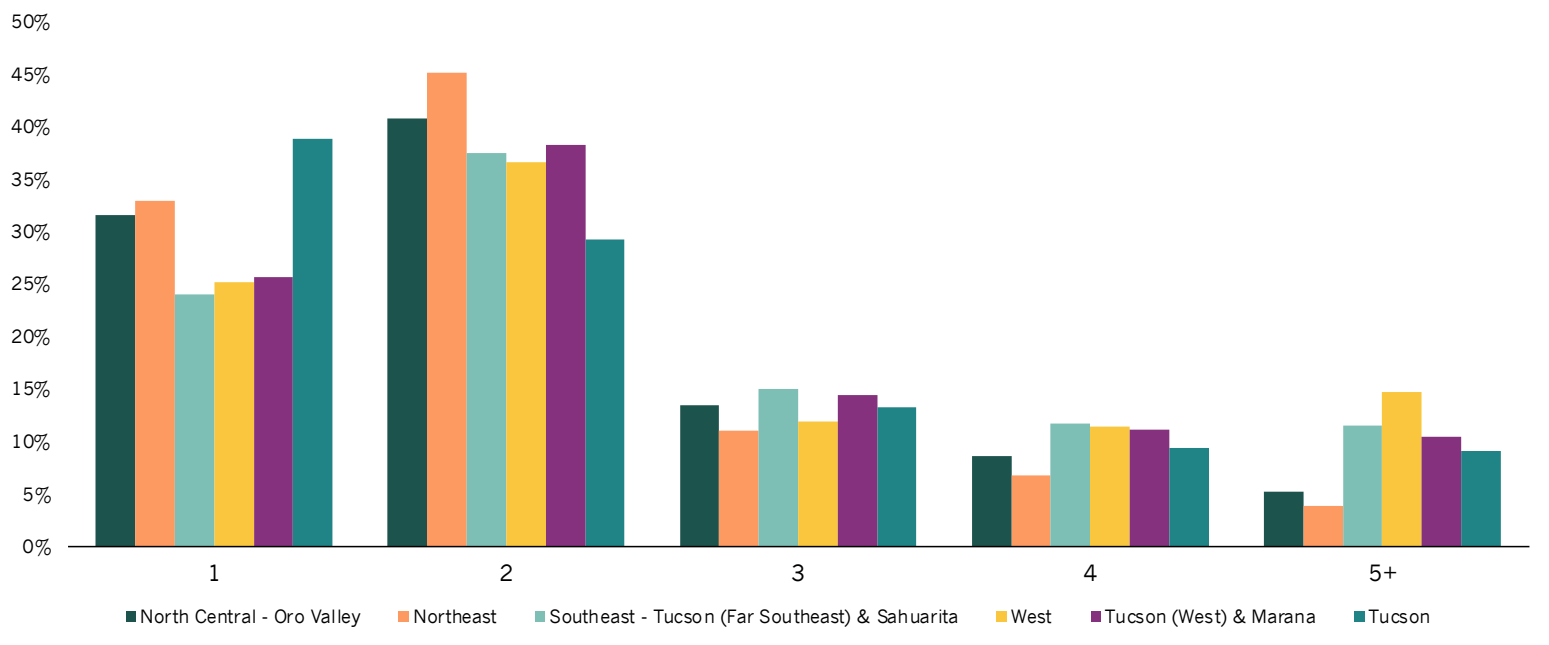
Household Size

Household sizes vary across geographies

Household Size, Pima County PUMAs, 2023



- North Central and Northeast have a higher share of 1 and 2-person households compared to other Pima County PUMAs.
- Tucson has the highest share of 1-person households.
- The western parts of Pima County have the highest share of 5+ person households.

Housing needs vary by household size and composition. The housing needs of a single-person household are different than those of a multi-generational family.

Source: Census PUMS data, 2023

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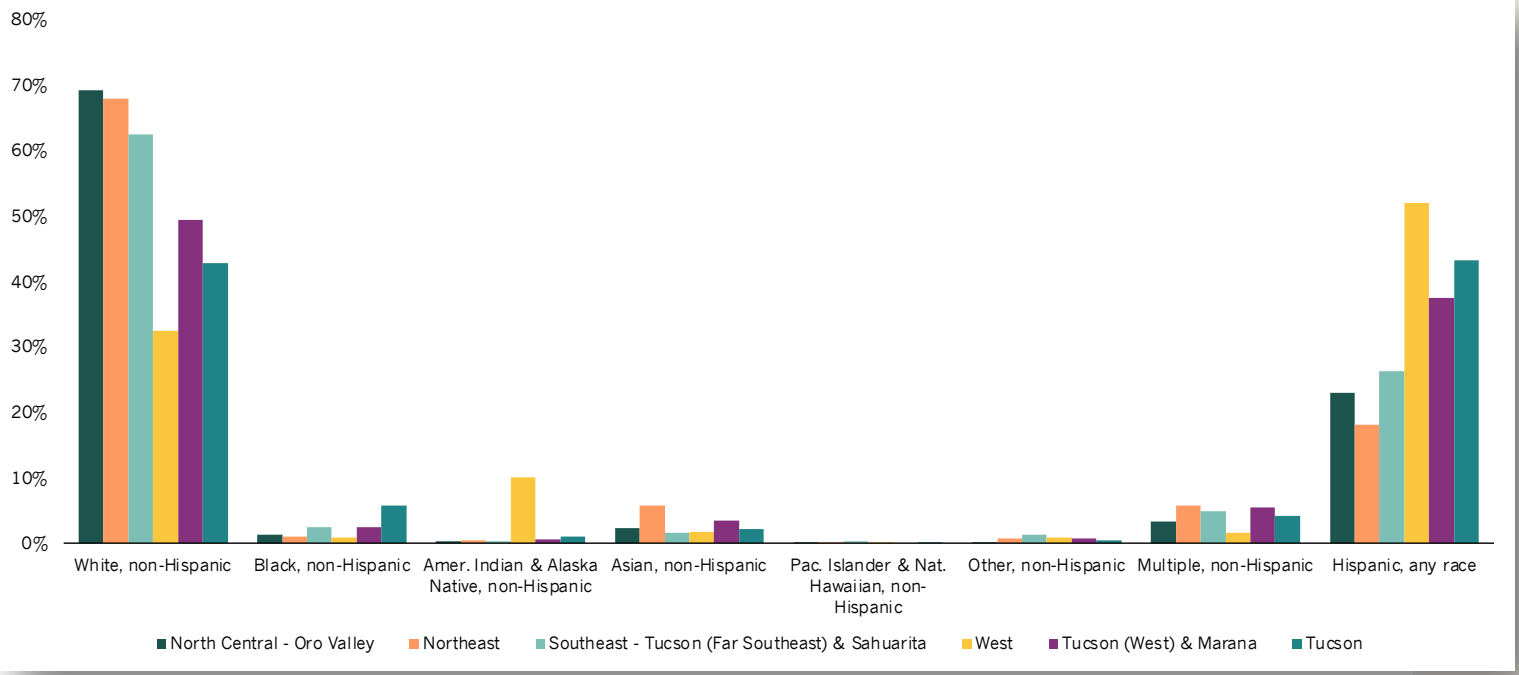
Race & Ethnicity

West Pima County a higher share of People of Color

Share of Population by Race & Ethnicity, Pima County PUMAs, 2023



*The U.S. Census Bureau considers race and ethnicity as two distinct concepts. The Census considers Latino as an ethnicity and not a race, meaning individuals who identify as Latino may be of any race.

The distribution of racial demographics is notably different across the geographies, with more People of Color in West Pima County, Tucson, and Tucson (West) & Marana.

- Overall, 68 percent of West Pima County residents identify as BIPOC.
- 10 percent of West Pima County's population identifies as American Indian and Alaska Native.
- 52 percent of West Pima County's population identifies as Hispanic of any race.

Source: Census PUMS data, 2023

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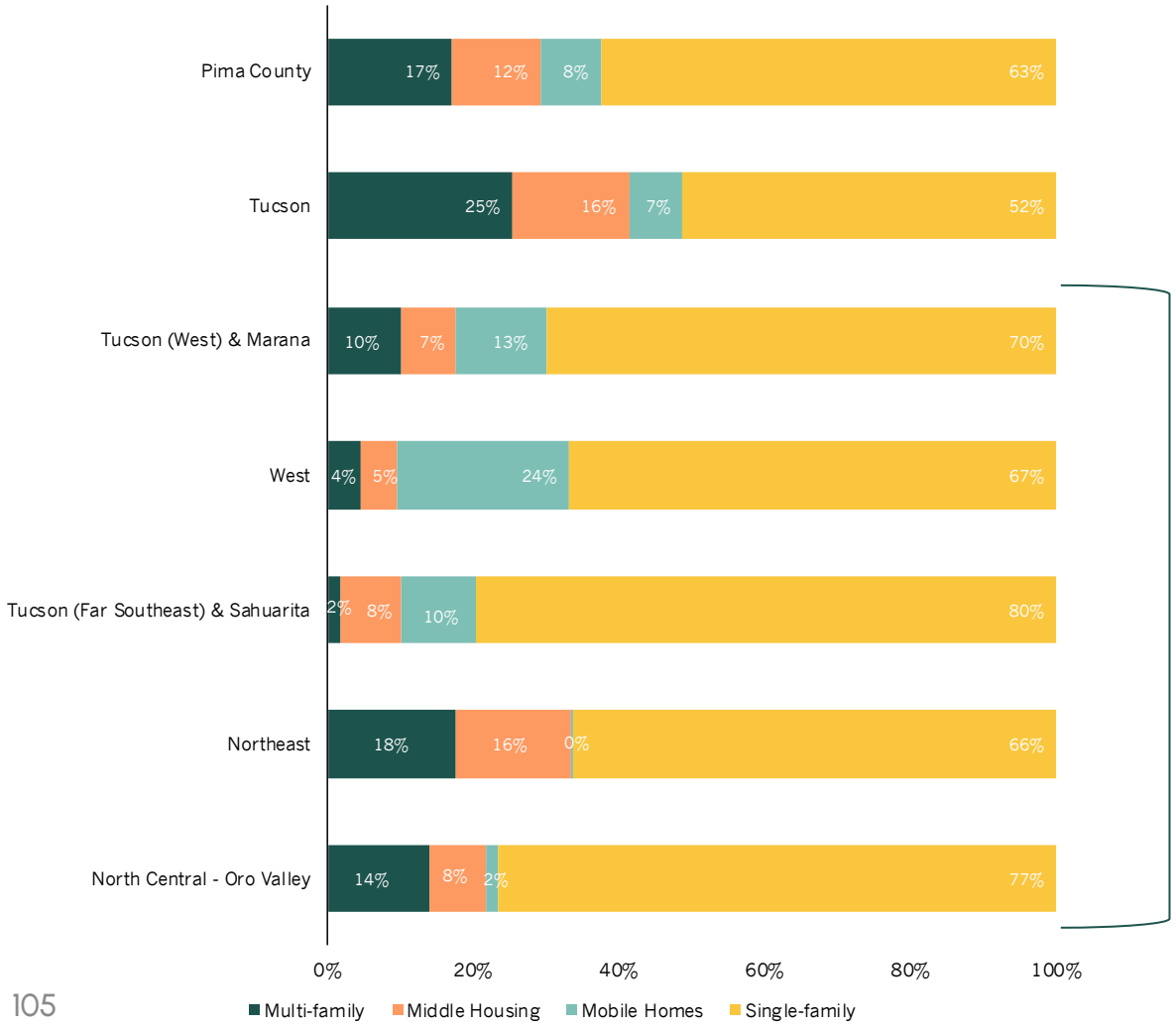
Housing Stock

The diversity of local housing stocks vary

Housing Stock by Type, Pima County PUMAs, 2023



Single family homes tend to be more expensive and have less land efficiency than other housing types. The availability of more attainable housing types (multi-family, middle, and mobile housing) varies widely across the PUMAs. Outside of Tucson's urban core:

- Single family homes make up a higher share of the housing stock in Tucson (Far southeast) & Sahuarita and North Central (77 – 80 percent of the housing stock).
- Single family homes make up a lower share of the housing stock in West, Northeast, and Tucson (West) and Marana (66 – 70% of the housing stock.
  - *One-quarter of West Pima County's housing stock is mobile homes*

Source: Census PUMS data, 2023

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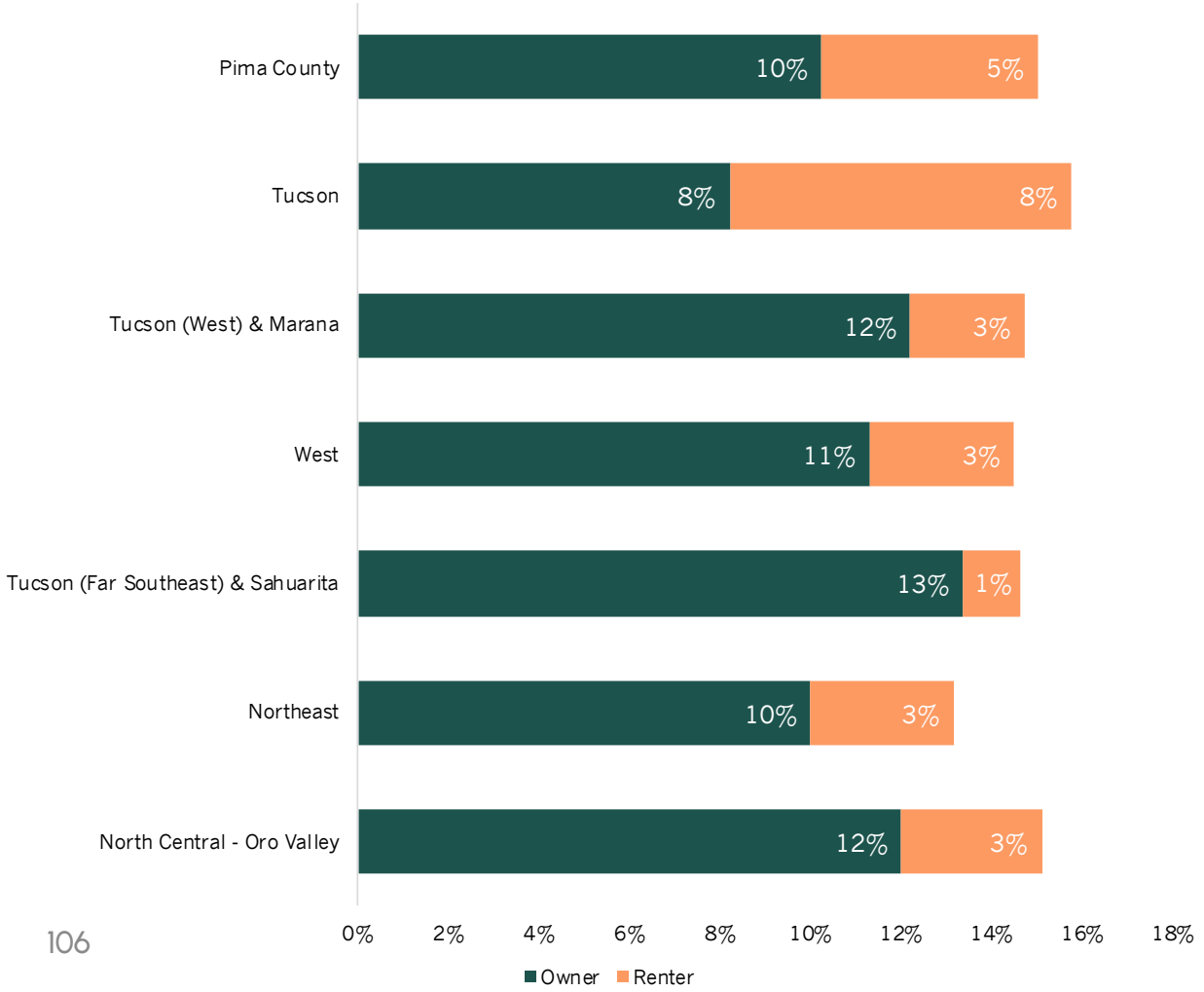
Disability x Tenure

On average, 15 percent of Pima County's Population has a disability

Share of Population with a Disability by Tenure, Pima County PUMAs, 2023



- People with disabilities tend to own their homes, except in Tucson where there is a more even split between owner and renters with disabilities.
- Tucson has a slightly higher share of people with disabilities compared to the Pima County average.

People with one or more disabilities might have special housing needs because they may need housing that is physically accessible, housing that meets the needs of people with cognitive disability, or housing with specialized services.

Source: Census PUMS data, 2023

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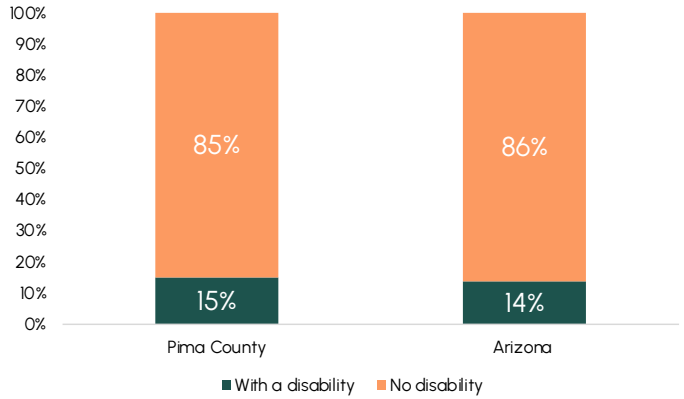
Disability

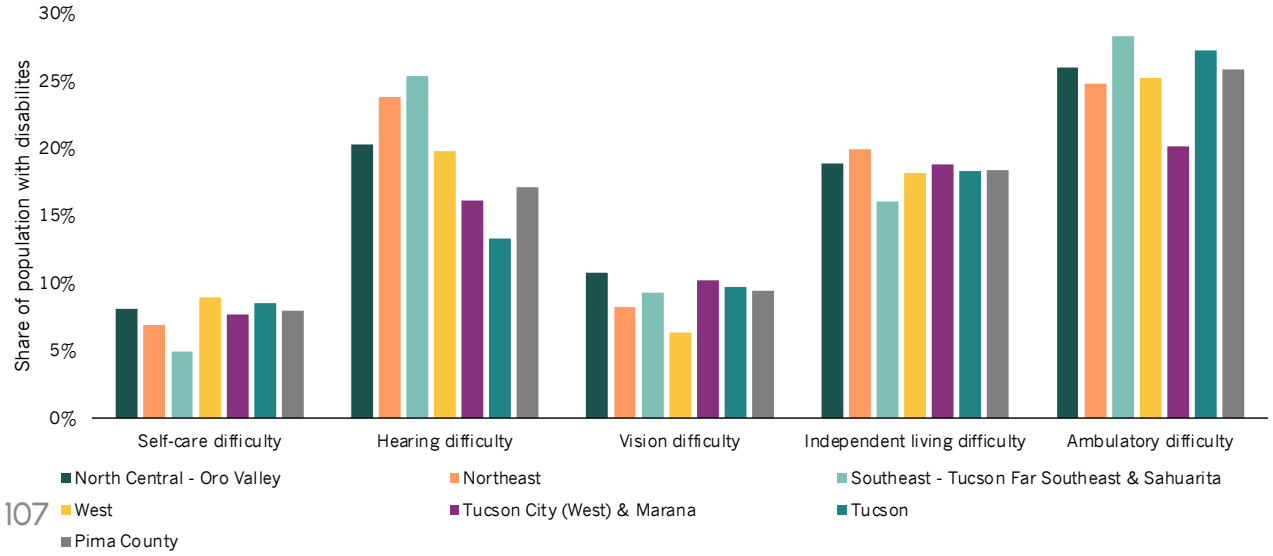
Fifteen percent of residents live with a disability

Persons living with a disability, Pima County, 2023



Prevalence of disability types vary by region.

Persons Living with a Disability by Type, Pima County PUMAs, 2022



Fifteen percent of Pima County residents have one or more disabilities, consistent with the statewide demographic data.

People with one or more disabilities might have special housing needs because they may need housing that is physically accessible, housing that meets the needs of people with cognitive disability, or housing with specialized services.

Hearing difficulties stand out for being more common disability types in areas outside of Tucson and Marana.

U.S. Census Bureau 2022 ACS and PUMS, Table K201803.

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Current & Future Housing Needs

Preliminary Results

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IMPACT THROUGH INSIGHT

Component Parts of Housing Need

Current Need

UNDERPRODUCTION

This component accounts for the housing shortage in Pima County, or the number of housing units needed to meet the current demand from existing households in the county, as well as "missing households" – those that would exist under Pima County's Pre-Recession headship rates. Like future need, a 7 percent target vacancy rate is used. Underproduction is calculated as a regional total and then allocated into income bins based on the Pima County distribution of cost-burdened renter household incomes to reflect demand and supply mismatch across a regional housing market.

HOUSING FOR THE HOMELESS

Units needed for the population currently experiencing homelessness, who are often not captured in foundational datasets derived from the Census. The analysis uses data from the Tucson-Pima Collaboration to End Homelessness to estimate the number of households experiencing homelessness in Pima County.

Future Need

FUTURE NEED

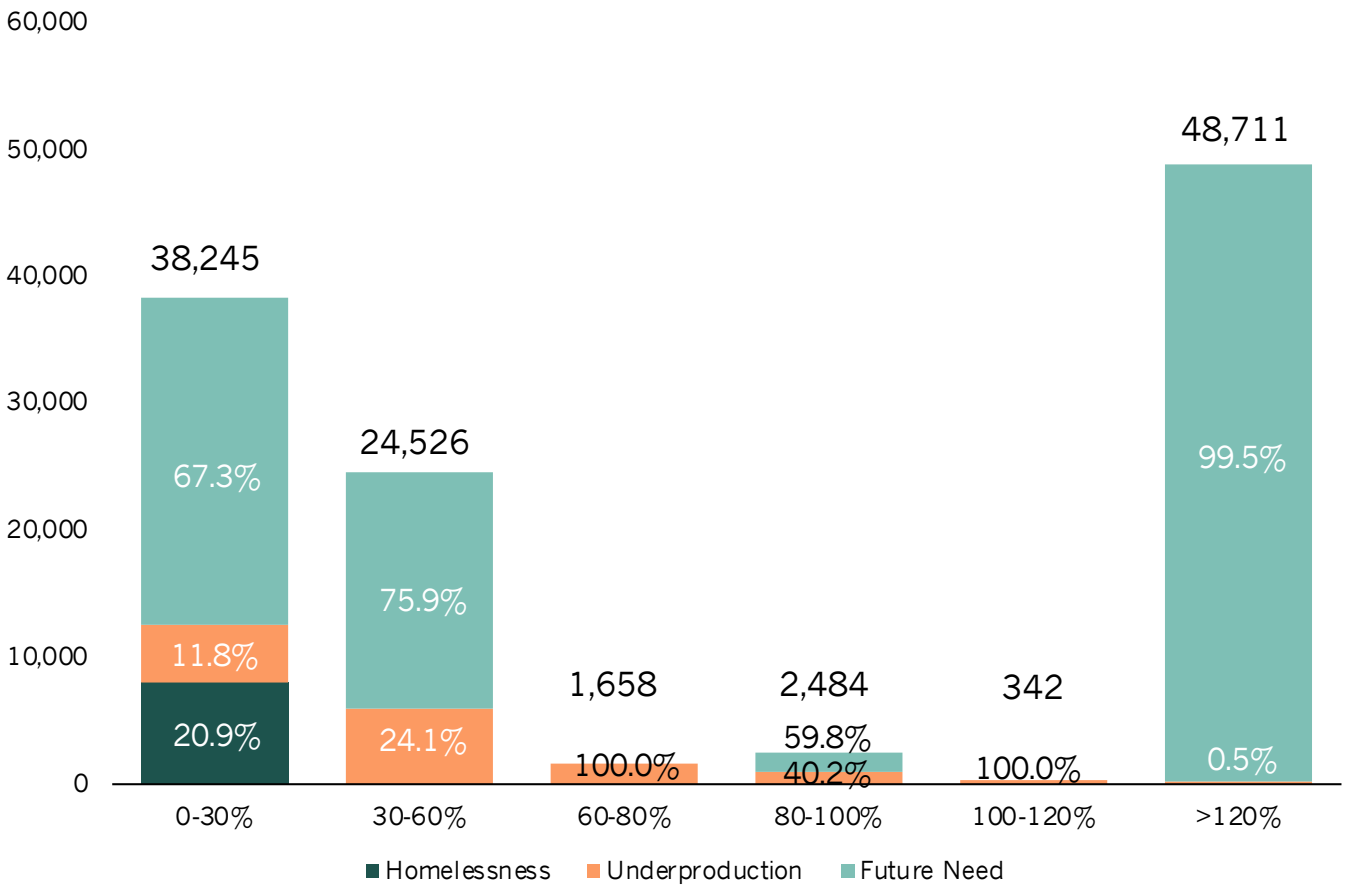
Units needed to accommodate future population growth over 20 years. The analysis uses population projections for 2045 from the Arizona Office of Economic Opportunity and household data from the U.S. Census Bureau's American Community Survey 2023 1-Year Public Use Microdata Sample. This analysis converts population projections by age cohort to household projections by income and compares these estimates to the current housing supply by affordability level. For each income bracket (0–30 percent, 30–60 percent, etc.), this analysis estimates future housing demand, including a regional 7 percent vacancy goal, and adjusts supply based on expected unit losses and rent/value changes over 22 years.

ECOnorthwest

Preliminary HNA Results

116,000 additional units are needed countywide by 2045

Current Need by Component



The bulk of future housing needs in Pima County are concentrated on opposite ends of the income spectrum. Of the 116,000 units of housing needed by 2045, over 50% of housing is needed for households earning below 60% AMI and around 42% of housing is needed for households earning more than 120% AMI.

While there is less housing need in the "middle income" categories, that reflects generally a large current supply of housing across the county affordable to those income levels. In order to maintain affordability at these "middle income" levels, new housing will be needed at market rates to mitigate for downward pressure on these affordability levels.

Current Housing Needs: 21,700 units are needed to address current housing needs

- 8,000 units to address homelessness
- 13,700 units to meet underproduction

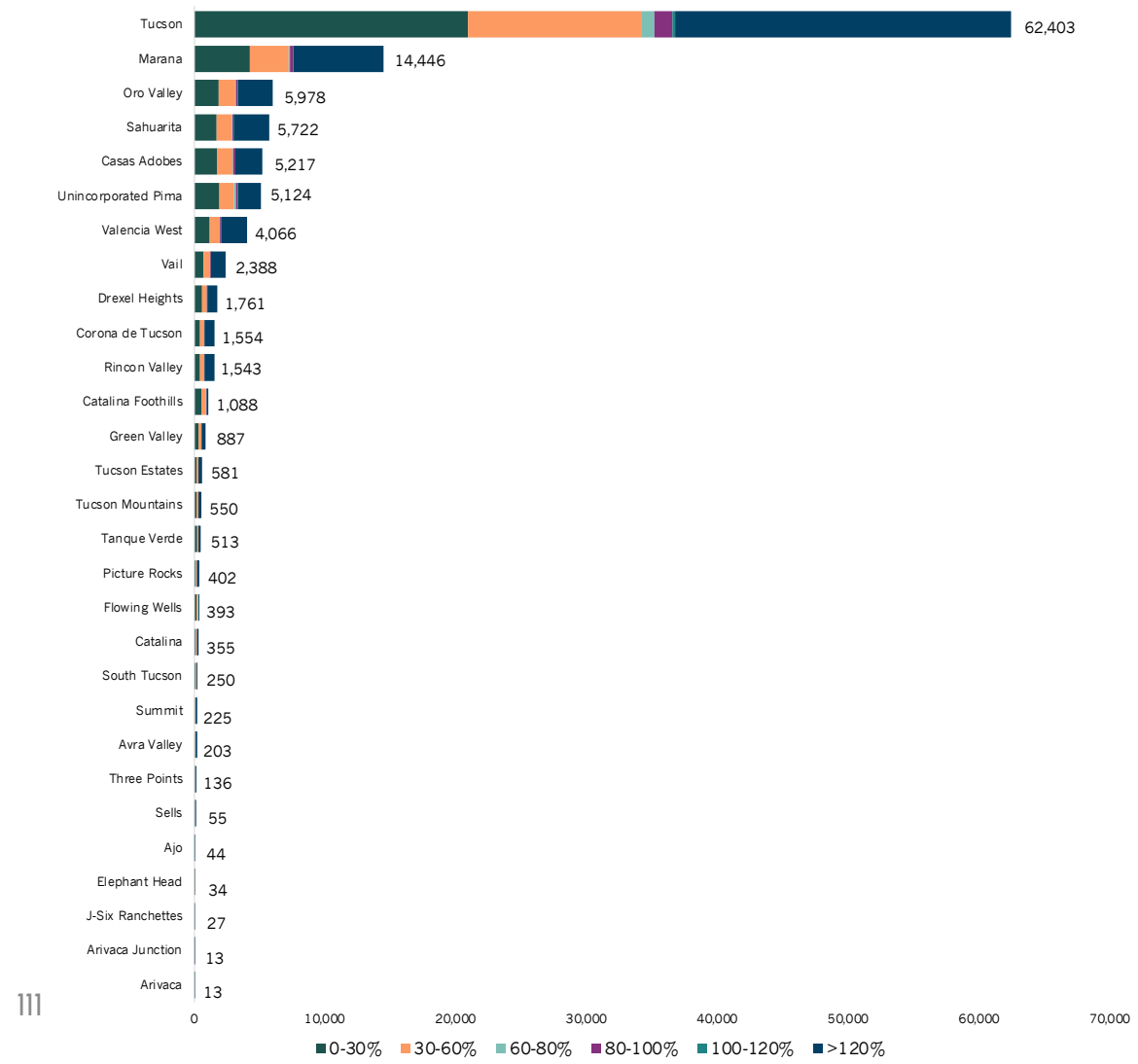
Future Housing Needs: 94,300 units are needed to meet future housing needs driven by population growth and matched with housing affordability over the next 20 years

Source: ECOnorthwest Housing Need Model US Census, Arizona Office of Economic Opportunity Forecasts

Preliminary HNA Results

Tucson makes up over half of the county's needed units

Local Allocations of Unmet Need by AMI



Housing is needed across most income categories in all cities and census designated places across Pima County, but at varying rates.

Housing targets are identified at the Pima County level and then distributed to local jurisdictions based on projected population growth, projected employment growth, current population, and current jobs at the local level.

Source: ECOnorthwest Housing Need Model, US Census, Arizona Office of Economic Opportunity Forecasts

ECOnorthwest

Preliminary HNA Results

Each jurisdiction is allocated a range of housing units across the income spectrum

Housing Targets by Income Category

JURISDICTION	0-30%	30-60%	60-80%	80-100%	100-120%	>120%	TOTAL
Tucson	20,920	13,281	978	1,371	202	25,651	62,403
Marana	4,276	2,936	84	261	17	6,872	14,446
Oro Valley	1,891	1,245	65	120	13	2,644	5,978
Sahuarita	1,714	1,168	38	105	8	2,689	5,722
Casas Adobes	1,790	1,121	92	118	19	2,077	5,217
Unincorporated Pima	1,916	1,139	130	132	27	1,780	5,124
Valencia West	1,163	816	14	69	3	2,001	4,066
Vail	723	489	18	45	4	1,109	2,388
Drexel Heights	577	371	24	38	5	746	1,761
Corona de Tucson	456	315	8	28	2	745	1,554
Rincon Valley	446	311	6	27	1	752	1,543
Catalina Foothills	560	279	66	44	14	125	1,088
Green Valley	341	200	25	24	5	292	887
Tucson Estates	201	125	11	13	2	229	581
Tucson Mountains	191	119	10	13	2	215	550
Tanque Verde	207	118	17	15	3	153	513
Picture Rocks	143	88	8	10	2	151	402
Flowing Wells	199	100	23	15	5	51	393
Catalina	129	78	8	9	2	129	355
South Tucson	105	58	9	7	2	69	250
Summit	77	49	4	6	1	88	225
Avra Valley	74	44	5	5	1	74	203
Three Points	55	32	5	4	1	39	136
Sells	31	15	4	3	1	1	55
Ajo	24	12	3	2	1	2	44
Elephant Head	11	8	0	0	0	15	34
J-Six Ranchettes	9	6	1	0	0	11	27
Arivaca	6	3	1	0	0	3	13
Arivaca Junction	7	3	1	1	0	1	13

All cities and census designated places across Pima County need to plan for addressing current and future needs across a range of household income levels. While nearly 94% of housing needed by 2045 is located in the top 10 jurisdictions listed in the table, even smaller and low-growth jurisdictions have housing needs that span the household income spectrum.

Source: ECOnorthwest Housing Need Model, US Census, Arizona Office of Economic Opportunity Forecasts

Appendix B: Housing Needs Assessment Technical Memo

DATE:	January 14, 2025
TO:	Pima County; Sofia Blue, Cassie Lundin, & Andy Flagg
FROM:	ECOnorthwest; Justin Sherrill, Tyler Bump & Lee Ann Ryan
SUBJECT:	Pima County House Needs Assessment Technical Memo

Pima County is conducting a regional housing study, with a core task of developing a comprehensive understanding of regional housing needs. This technical memo outlines the methodology and key assumptions used to estimate Pima County's regional housing need through 2045. The analysis is designed to provide a baseline assessment that informs local planning efforts, supports regional coordination on housing production and affordability, and guides effective policy development throughout the housing study and beyond. Given the complexity of housing market dynamics, the methodological approach is as important as the findings themselves.

This memo is technical in nature and intended for an audience familiar with demographic forecasting, housing market function, and the data typically used to assess and project housing need. A presentation featuring extensive demographic and housing market data, along with the results of this housing needs assessment, has been prepared for Pima County staff to use when engaging broader audiences throughout the housing study. Additionally, a final report, to be delivered in the later stages of the study, will summarize key findings from the needs assessment for local and regional government staff, decision-makers, industry stakeholders, and the broader community.

Measuring Regional Need

This regional housing needs assessment estimates the number of households across Pima County in each income category that will need dwelling units that are affordable to them, now and through 2045. This memo summarizes the project team's methodology for accomplishing this goal, with a focus on the primary methodological decisions and key assumptions used.

The methodology describes the source data, components of the assessment, and the analytical steps to calculate housing need.

Data Sources

ECOnorthwest evaluated available data sources, including national, state, and regional sources, and built on experience with regional housing needs assessments. We determined that the most appropriate primary data source is 1-year Public Use Microdata Sample from Census (PUMS), as it provides annually updated data that is more accurate and reliable than

other options available at the regional level. PUMS provides more current data than other sources we considered, such as the Comprehensive Housing Affordability Strategy (CHAS) or the 5-year sample of the American Community Survey (ACS). The Census Bureau produces the PUMS files so that data users can create custom tables that are not available through pre-tabulated (or summary) ACS data tables. PUMS are available for geographies of about 100,000 people, called Public Use Microdata Areas (PUMAs). Pima County has 9 PUMAs.

ECOnorthwest supplemented PUMS data with several other sources:

- **Arizona Office of Economic Opportunity** population forecasts (2025-2045) for Pima County, its constituent jurisdictions and unincorporated areas.
- **Tucson Pima Collaboration to End Homelessness (TPCH)** provided a baseline estimate for the number of households experiencing homelessness in the region utilizing coordinated entry data for those who are considered to be "actively homeless"[1] and the January 2024 Point-in-Time count.
- U.S. Census Bureau's **Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES)** from 2022 to allocate regional housing need to local communities based, in part, on concentrations of jobs.
- Rental market data from **CoStar** to inform assumptions about price filtering of multifamily housing over time.
- U.S. Census Bureau's **Building Permit Survey** and HUD's **Components of Inventory Change** (CINCH) reports to inform assumptions about the rate of residential building demolition.

Key Metrics

In addition to demographic and housing stock data, the methodology uses measures of housing market function, such as vacancy and affordability, throughout the process. The details of these metrics are described below.

VACANCY MEASURES

This analysis uses different measures of vacancy throughout the process, depending on context and intended comparison.

- **Target Vacancy Rate:** The *target ratio* of 1.072 housing units per household—or roughly 7 percent vacancy—comes from the fundamental assumption that adequate vacancy is needed to support a more robust housing market that can accommodate residents wishing to move up and down the affordability ladder, as well as provide added price stability over time. ECOnorthwest used this ratio, based on the national vacancy rate when adjusting for 2nd and vacation homes, when calculating future housing demand so as not to project a constrained housing market into the future.

[1] An individual or household has completed the coordinated entry process with TPCH, is still experiencing homelessness, and has had a system touch with 90 days

HOUSING AFFORDABILITY

Matching households to available housing units based on income requires a crosswalk from household income to reported prices for both owned and rented housing.

- **Owned Units:** The affordability of owned units is calculated using a price-to-income ratio of 3.36, where the income needed to afford a home is 3.36 or more of the home's reported value. U.S. HUD uses this ratio to measure housing affordability in its Comprehensive Housing Affordability Strategy (CHAS) data and is based on underwriting requirements for the Federal Housing Administration's loan insurance programs.[2]
- **Rented Units:** We use U.S. HUD's standard of rental affordability, where housing costs cannot exceed 30 percent of a household's gross income.[3]
- **Adjusting for unit size:** By default, AMI measures assume a four-person household. To better match units to households by income, ECOnorthwest adjusts the affordability of a unit based on the number of bedrooms using U.S. HUD's adjustment factors, summarized in Exhibit 27. This adjustment prevents an overestimation, for example, of one-bedroom units affordable to a four-person household that could not comfortably occupy that unit. ECOnorthwest applies these adjustment factors to each housing unit observation in the PUMS data to determine the income needed to afford that unit. For a one-bedroom unit, the household income that could afford the unit is 75 percent of the income needed to afford the nominal rent, assuming U.S. HUD's affordability standard of 30 percent of gross income.

Exhibit 27. HUD Multipliers to Adjust Housing Affordability

Number of Bedrooms	0	1	2	3	4	5
Adjustment Factor	0.70	0.75	0.90	1.04	1.16	1.28

Source: U.S. HUD

Components of Housing Need

The estimation of total regional need derives from three component parts: future need, underproduction, and units to address homelessness. The details of these components are described below.

FUTURE NEED

In this analysis we calculate the total units that will be needed to accommodate the population in 2045. Population forecasts provided by the OEO account for natural population changes from birth rates (fertility) and death rates (mortality) and migration-related population changes from people moving in and out of a region.

[2] Paul Joice, "CHAS Affordability Analysis." U.S. HUD, working paper, May 20, 2013.
[3] U.S. HUD programs include utility costs in total housing costs. Our analysis considers only reported rental prices.

We compare the estimate of the total households that will need housing in 2045 to the current supply of housing. We assume that the current supply will carry forward, with some loss due to demolitions as buildings age out of their useful life. This approach does not assume a rate of housing production or number of units that will be built over the planning horizon based on past trends. Because this needs assessment is intended to support housing planning and policy, understanding current and future need in total is crucial. Assuming a rate of production results in discounting or underestimating that future need in ways that can perpetuate underproduction and an overall shortage of housing.

Future need is calculated using the following steps:

- **Future households.** The project team uses data from OEO for Pima County's projected population levels by age cohort in 2045. ECOnorthwest uses 2023 1-year PUMS data to calculate headship rates (persons per household) and household income distributions (in percent of Area Median Income "bins" – 0-30 percent, 30-60 percent, 60-80 percent, 80-100 percent, 100-120 percent, >120 percent) for each age cohort. We then apply these headship rates and income distributions to the age cohort population projections, converting them to total Pima County 2045 households by income level.
- **Future housing gap.** We project the current supply of housing into 2045, with adjustments to account for units that cannot be occupied and those that will be lost over time. The assessment of occupiable units—or the current housing supply—removes homes designated in Census data as second or vacation homes and homes lacking complete plumbing, since those units are not available for long-term occupancy. The project team uses HUD's CINCH reports on housing unit loss trends in the Western US to arrive at our assumption that 0.125 percent of Pima County's base year housing units will be lost each year (due to demolition, dilapidation, natural disaster, and other common causes of housing stock decline). We used CINCH report data on housing costs of lost units to allocate Pima County's lost units (about 12,900 units over 22 years) into our percent AMI affordability bins. Finally, we multiplied future (2045) households by a target ratio of households to housing units of 1.072 (or roughly 7 percent vacancy) to arrive at the target supply of housing units. The difference between the target supply and the projected future supply is the total future housing need.

ECOnorthwest adjusted the affordability of Pima County's existing units to account for market filtering over time. Based on an internal analysis of regional housing stock using PUMS rent and home value data, ECOnorthwest assumed that housing units reduce in price by 0.12 percent of AMI per year of housing unit age (e.g., a unit affordable at 50 percent AMI today will be affordable at 49 percent AMI in 10 years). The end result of this filtering adjustment is that Pima County's housing stock in the horizon year (2045) will be decreased in some affordability bins more than others, leading to an "uneven" distribution of future housing need where some income levels will see significantly more housing need than others.

UNDERPRODUCTION

Underproduction, or the lack of enough units to meet demand, is a key reason that housing markets experience rising prices. Accounting for current underproduction is a key feature of the methodology. This component accounts for the number of housing units that are not available but should be if the region had produced enough units each year to match the target vacancy rate of 7 percent. If the region has not met this threshold, housing is likely too scarce, and prices will rise. Households with the lowest incomes will struggle most to find scarce units, cost burdening will increase, and rates of homelessness may also increase. In other words, underproduction leads to cost burdening.

There are a few approaches to identifying a housing shortage. One way that is commonly used because it can be completed at the city-level given available data sources, is to identify all households that are cost burdened in each geography, with an assumption that each cost-burdened household needs a unit that is affordable to them. Yet simply summing the number of cost-burdened households and calling it a "housing shortage" projects an oversupply of housing in the market, because cost-burdened households do have existing units, even if they are not sorted into those units by income in ways that they can afford. This is the reason that the needs assessment does not use this method to identify the shortage of housing. The cost-burden method is a useful way to understand the shortage of affordable units in a market and adds helpful information to inform housing production policies. It is not, however, a satisfactory way to understand the number of units that are needed in an entire housing market.

ECOnorthwest's methodology takes a different approach to the shortage analysis: it identifies the number of units that would be needed to achieve a sufficient balance of units to current residents—including households that have not formed due to limited housing options—and then categorizes those units across the current distribution of household income. This approach recognizes that underproduction in a housing market results in greater cost burdening for lower-income households. The analysis of underproduction and housing for people experiencing homelessness serves the purpose of estimating housing needed to meet immediate housing needs, primarily for the lowest-income residents.

Current underproduction is calculated using the following steps:

- **Current households.** The current number of households is calculated using ACS 1-year 2023 PUMS data and an analysis of missing households. Missing households represent residents who are currently sharing housing—for example, young adults living with parents or adults living with roommates—who would otherwise occupy their own units if there were additional housing supply that they could afford. ECOnorthwest calculated the number of missing households for age cohorts using a baseline measure of headship rates in 2000. These 2000-era householder rates are calculated for each 10-year age cohort using decennial Census data. The rates are then applied to the 2023 PUMS-derived population of the same age cohorts to calculate the estimated number of households the region *would* have today under pre-recession economic conditions. This hypothetical estimate is then compared

against the actual total number of households by age cohort. Where the actual number of households is less than the hypothetical target, the difference is the number of missing households.

» **Target supply.** The region's current number of households, combined with missing households, is multiplied by a historic national vacancy rate of 7 percent to arrive at the target supply of housing units. Underproduction occurs when the total number of occupiable units in a region is less than the target supply. Units that represent current underproduction are subtracted from the total future need calculated for the future need component.

» **Unit income distribution.** Because underproduction leads to cost burdening in the market, the effects of underproduction are most acutely felt by those with lower incomes who need access to affordable housing now, in today's market. In this analysis, underproduced units are distributed into percent-of-AMI income bins proportionate to the income distribution of cost-burdened renter households in the region, as reported in PUMS data.

HOMELESSNESS NEED

The second component of regional need is the calculation of units needed for the population currently experiencing homelessness. This is a key feature of the methodology. Populations experiencing homelessness are generally not captured in foundational datasets derived from the Census because the Decennial Census and the American Community Survey rely on counting and sampling people with addresses, which those struggling with homelessness may not have. These populations are also not accounted for in estimates of underproduction that rely either on a target vacancy rate or a national ratio of housing units to households—nationally, many communities struggle with homelessness despite having an average vacancy rate of 7 percent or an overall ratio of 1.072 housing units for every household.

Determining unit need for homeless residents requires particular attention, because available datasets have many limitations, most importantly undercounting homeless populations. We relied heavily on the research that is available on this topic, namely from the Tucson Pima Collaboration to End Homelessness.

Housing to address homelessness is calculated using the following steps:

» **Total homeless households.** ECOnorthwest uses estimates provided by TPCH to determine the total number of housing units needed to accommodate households experiencing homelessness.[4]

[4] TPCH provided ECOnorthwest with a baseline estimate for the number of households experiencing homelessness in Pima County utilizing a combination of the coordinated entry data collected by service providers in the region and the January 2024 PIT county. The coordinated entry data used includes an estimate of those considered "actively homeless" as of January 2024 (2,704). The PIT data used accounts for 60 percent of the number of unsheltered folks encountered in the PIT count to avoid double counting those included in the coordinated entry data of "actively homeless". In the January 2024 PIT there were 1,281 people experiencing homelessness. Therefore TPCH's baseline estimate is as follows: 2,704 + (1281*.6) = 3,472. TPCH stressed that this estimate is extremely conservative and that the estimate is likely 1.75-2 times higher than this baseline estimate, so ECOnorthwest scaled the baseline estimate to 8,000 households to avoid severely undercounting the population.

» **Unit income distribution.** There is no existing, quality dataset with information about the incomes of people who are experiencing homelessness, but we know that many households that are experiencing homelessness have incomes and still cannot find an available home that is affordable to them. Based on the literature and ECOnorthwest's experience assessing housing needs in other regions, the project team distributed all units needed to address homelessness to the lowest income segment of 0–30 percent of AMI.

Combining Components of Need

The calculation of total housing need occurs in stages relating to the three components. First, the total future housing supply is calculated, using our assumptions for market filtering and unit loss over time. Next, Pima County's total underproduction is calculated and distributed by income levels based on the income distribution of Pima County's cost-burdened renter households. These underproduction units are then "added" to the future stock, modelling a total future housing supply under the assumption that Pima County would build enough units to "solve" for underproduction, leaving only future need and units to accommodate homeless households. We then calculate the gap, for each percent AMI bracket, between this underproduction-adjusted future housing supply and the target number of housing units. Lastly, units to accommodate homeless households are added in as the third component to arrive at total regional housing need.

Scaling Housing Need to 5- and 10-year Targets

Because SB 1162 requires certain Arizona jurisdictions to publish a Housing Needs Assessment starting on January 1, 2025, and every five years thereafter, scaling long-term housing need projections to shorter timeframes, such as 10 years, is helpful for jurisdictions needing to meet bill requirements and for developing near-term policies that better align with current market conditions. For those reasons, ECOnorthwest scaled down the 22-year housing need total into a 10-year target as well.

The scaling process prioritizes components of housing need based on urgency. Homeless households face the most immediate need for short-term housing, so we assume that all units addressing homelessness should be constructed within a 10-year timeframe. Similarly, addressing underproduction is a high priority, so we also assume that these units should be built within the same period. The remainder, units needed for future growth, are simply calculated as the 10-year annual subtotals of the 22-year total need as follows:

- 10-year Target:
  - 100 percent of units for homeless households (5/5 years)
  - 100 percent of units for underproduction (10/10 years)
  - 45 percent of total future need (10/22 years)

Results

The following exhibits present the results of the housing needs assessment for a time horizon of 2024–2045 and a 10-year scaled estimate (2024-2033).

Exhibit 28. Summary of Housing Need by Component, 2024–2045

FUTURE NEED	UNDERPRODUCTION	HOMELESSNESS NEED	TOTAL UNITS
94,296	13,671	8,000	**115,967**
81 percent	12 percent	7 percent	**100 percent**

Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Exhibit 29. Housing Need Components by Income, 2024–2045

COMPONENT	0–30 PERCENT	30–60 PERCENT	60–80 PERCENT	80–100 PERCENT	100–120 PERCENT	>120 PERCENT	TOTAL
Future Need	25,721	18,622	-	1,486	-	48,467	94,296
Homelessness Need	8,000	-	-	-	-	-	8,000
Underproduction	4,524	5,904	1,658	999	342	244	13,671
Total	**38,245**	**24,526**	**1,658**	**2,484**	**342**	**48,711**	**115,967**

Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Exhibit 30. 10-Year Scaled Estimate of Housing Need, 2024-2033

FUTURE NEED	UNDERPRODUCTION	HOMELESSNESS NEED	TOTAL UNITS
42,862	13,671	8,000	**64,533**
67 percent	21 percent	12 percent	**100 percent**

Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Exhibit 31. 10-Year Scaled Estimate of Housing Need Components by Income, 2024-2033

COMPONENT	0–30 PERCENT	30–60 PERCENT	60–80 PERCENT	80–100 PERCENT	100–120 PERCENT	>120 PERCENT	TOTAL
Future Need	11,691	8,465	-	675	-	22,031	42,862
Homelessness Need	8,000	-	-	-	-	-	8,000
Underproduction	4,524	5,904	1,658	999	342	244	13,671
Total	**24,215**	**14,369**	**1,658**	**1,674**	**342**	**22,275**	**64,533**

Source: ECOnorthwest analysis; OEO Population Projections by County, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH.

Distributing Regional Need Among Local Jurisdictions

ECOnorthwest created a model for distributing the housing needs assessment results among the 19 local communities (incorporated and unincorporated) based on criteria that reflect both current and expected future conditions needs. At a high level, the categories and rationale behind the criteria are as follows:

- **Current population and "added population"**: Housing need corresponds directly to population size.
- **Current jobs and "added jobs"**: Employment is a driver of housing demand. Better matching of job and housing locations creates more options for housing, shortens commute times and distances, and eases congestion and vehicle travel on the region's transportation systems.

Exhibit 32 summarizes the criteria included in the model, the method of calculating and applying each criterion, and the data source for each input.

Exhibit 32. Summary of Distribution Criteria for Submarket Share of Total Housing Need

CRITERION	METHOD	DATA SOURCE
Current Conditions		
Share of regional population, 2025	Positive weight	OEO City-level Forecasts (2023)
Share of regional jobs, 2022	Positive weight	LEHD
Future Conditions		
Share of added regional population, 2025-2030	Positive weight	OEO City-level Forecasts (2023)
Share of added regional jobs, 2025-20	Positive weight	PAG/Sun Cloud TAZ Forecasts, ECONW Calculations

Broadly, the inputs that reflect current conditions distribute the units of the housing needs assessment that represent current needs—those for underproduction and homelessness. Inputs that reflect future conditions distribute the future needs component of the results. The model weights each of the current and future conditions inputs equal relative to one another and distributes units to local communities based on each community's share of each input.

Results

Exhibit 33. Summary of Local Jurisdiction Share of Regional Need by Component, 10-Year Scaled Estimate

COMMUNITY	FUTURE NEED	UNDERPRODUCTION	HOMELESSNESS NEED	TOTAL UNITS
Tucson	22,557	8,060	4,717	35,334
Marana	6,066	694	406	7,166
Unincorporated Pima	1,557	1,071	627	3,255
Oro Valley	2,329	539	315	3,183
Casas Adobes	1,824	759	444	3,027
Sahuarita	2,372	316	185	2,873
Valencia West	1,767	112	65	1,944
Vail	979	149	87	1,215
Drexel Heights	656	200	117	973
Catalina Foothills	102	545	319	966
Corona de Tucson	658	67	39	764
Rincon Valley	664	51	30	745
Green Valley	255	205	120	580
Tanque Verde	133	139	81	353
Flowing Wells	42	190	111	343
Tucson Estates	201	89	52	342
Tucson Mountains	189	85	50	324
Picture Rocks	133	69	40	242
Catalina	113	66	39	218
South Tucson	60	75	44	179
Summit	77	34	20	131
Avra Valley	64	38	22	124
Three Points	33	38	22	93
Sells	-	35	20	55
Ajo	1	25	15	41
Elephant Head	14	4	2	20
J-Six Ranchettes	10	4	2	16
Arivaca Junction	1	7	4	12
Arivaca	2	5	3	10
Total	**42,859**	**13,671**	**7,998**	**64,528**

Source: ECOnorthwest analysis; OEO Population Projections by County, OEO/PAG Population Projections by Jurisdiction, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH, LEHD 2022, Sun Cloud Employment Projections.

Exhibit 34. Summary of Local Jurisdiction Share of Regional Need by Income, 10-Year Scaled Estimate

COMMUNITY	0–30 PERCENT	30–60 PERCENT	60–80 PERCENT	80–100 PERCENT	100–120 PERCENT	>120 PERCENT	TOTAL
Tucson	13,537	7,936	978	944	202	11,738	35,335
Marana	2,290	1,498	84	146	17	3,130	7,165
Unincorporated Pima	1,406	770	130	103	27	820	3,256
Oro Valley	1,129	693	65	76	13	1,207	3,183
Casas Adobes	1,193	688	92	84	19	951	3,027
Sahuarita	937	605	38	60	8	1,225	2,873
Valencia West	584	397	14	36	3	910	1,944
Vail	404	258	18	26	4	506	1,216
Drexel Heights	362	216	24	25	5	341	973
Catalina Foothills	527	255	66	41	14	62	965
Corona de Tucson	241	159	8	15	2	339	764
Rincon Valley	228	153	6	14	1	342	744
Green Valley	257	139	25	19	5	135	580
Tanque Verde	164	86	17	12	3	71	353
Flowing Wells	185	90	23	15	5	25	343
Tucson Estates	136	78	11	10	2	105	342
Tucson Mountains	130	74	10	9	2	98	323
Picture Rocks	99	56	8	7	2	69	241
Catalina	92	51	8	7	2	59	219
South Tucson	85	44	9	6	2	32	178

Summit	53	30	4	4	1	40	132
Avra Valley	52	29	5	4	1	34	125
Three Points	44	23	5	3	1	18	94
Sells	32	15	4	3	1	-	55
Ajo	23	11	3	2	1	1	41
Elephant Head	7	4	-	1	-	7	19
J-Six Ranchettes	7	4	1	-	-	5	17
Arivaca Junction	7	3	1	1	-	1	13
Arivaca	5	3	1	-	-	1	10
Total	**24,216**	**14,368**	**1,658**	**1,673**	**343**	**22,272**	**64,530**

Source: Source: ECOnorthwest analysis; OEO Population Projections by County, OEO/PAG Population Projections by Jurisdiction, U.S. Census Bureau, ACS 1-year 2023 PUMS estimates; TPCH, LEHD 2022, Sun Cloud Employment Projections.

Appendix C: Displacement Risk Assessment Technical Memo

DATE:	May 8, 2025
TO:	Pima County
FROM:	ECOnorthwest
SUBJECT:	Equity Analysis — Methods and Results

Pima County is conducting a regional housing study, with a core task of developing a comprehensive understanding of regional housing needs. As part of this work, ECOnorthwest conducted an equity analysis to identify areas of the county where current residents may be more likely to experience conditions and pressures that can lead to displacement.

The purpose of this analysis is not to predict whether displacement will or will not occur in specific areas of Pima County. Instead, this model helps highlight areas with elevated risk of displacement by considering displacement risk factors at the neighborhood (Census tract) level. The results of this assessment can help the County, and its jurisdictional partners prioritize places for deeper investigation and community engagement and develop more tailored strategies to stabilize residents and foster equitable development in the process of planning for community growth.

This memo describes the methodology and findings of the equity analysis, and is primarily technical in nature. It is intended for an audience familiar with housing market function, statistical analysis, and using Census data. A presentation contextualizing and summarizing the results of this equity assessmenthas been prepared for Pima County staff to use when engaging broader audiences throughout the housing study. Results of the equity assessment will also be summarized in the final housing study, which will be made available for local and regional government staff, decision-makers, industry stakeholders, and the broader community.

What is residential displacement?

Displacement occurs when residents are no longer able to remain in their neighborhood or community—whether due to rising costs, loss of housing, or changing conditions that make it difficult to stay. Displacement can happen in any neighborhood. Every community is home to people with diverse incomes, backgrounds, and life circumstances, all of which shape their ability to access housing that meets their needs and to remain in place as long as they choose. Generally, three different types of displacement describe the challenges that existing residents may face, including:

» **Direct** displacement pressures include redevelopment, eminent domain, lease non-renewals, evictions, and other pressures that have the immediate effect of forcing residents to move. Redevelopment (including substantial renovation) may cause the long-term displacement of existing residents especially if they cannot afford the higher rents or

choose not to return due to the burden and disruption of moving, even when the option to return is offered. Redevelopment or remodeling may also render previously accessible units inaccessible to people with disabilities. Displacement can also be a result of disinvestment, such as when housing becomes uninhabitable due to neglect or insufficient repairs.

» **Economic** displacement pressures include rising rents, loss of income, and other factors that affect housing affordability. Housing shortages, especially in high-demand neighborhoods, create displacement pressures for existing residents as rising demand drives up property values and market rent. Residents with lower incomes or less financial stability may not be able to absorb higher costs for rents or property taxes.

» **Cultural** displacement pressures include neighborhood change, loss of cultural assets, language barriers, and other factors that affect a sense of belonging to a place and a community. If the displacement of culturally specific institutions and small businesses occurs, then residents who were being served by such community institutions may be affected by cultural displacement.

While these three forms of displacement often coexist and amplify one another, this analysis is focused on identifying places at risk of direct and economic displacement.

How we define displacement risk

Because every community has people that are vulnerable to displacement pressures, household-level displacement can occur anywhere. To identify the risk of direct and economic displacement at the *neighborhood level*, we look for places where household vulnerability and market activity intersect—essentially, where people most at risk of displacement are facing economic pressures that may imminently push them out of their homes and neighborhoods.

Household characteristics

In analyzing displacement risk, we often see that factors like income, housing tenure, race, and educational attainment overlap, meaning that many people experience multiple layers of vulnerability. This co-linearity (or overlap) does not mean that these characteristics are interchangeable for the purposes of statistical analysis. Each plays a distinct role in a household's ability to access safe, stable and affordable housing in the place they want to live, and they interact in complex ways. Understanding these dynamics is critical for equitable planning processes and is a necessary first step for deeper engagement.

While several characteristics can contribute to displacement vulnerability, two factors have the greatest effect on a household's ability to navigate economic shocks or chronic stressors: being a renter and having a low income. Renters with lower incomes face the highest risk of displacement as they have the least ability to absorb an increase in rent, navigate an eviction, or find adequate replacement housing in their current neighborhood. They are also statistically more likely to be cost burdened and severely cost burdened than higher income households, particularly when compared to homeowners. While homeowners can also experience cost burdening, those housing expenses help homeowners build wealth over time

in ways that unaffordable rents do not. For this reason, our approach focuses on very low-income renters, defined by HUD as households earning less than 50 percent of the Area Median Income (AMI).

However, it is also important to acknowledge that displacement risk is not limited to low-income households. In very high-cost areas, even households with median or above median incomes may face displacement pressures, particularly when costs rise quickly, or supply is constrained.

Market activities

Displacement is more likely to occur when housing market conditions change in neighborhoods that have a higher share of vulnerable households. However, tracking those changes can be difficult using widely available public data. To better understand market pressures, we focus on two key indicators of real estate investment: new rental construction and home sales activity.

It is important to highlight that new rental construction is needed and can mitigate displacement pressure by adding more housing supply to meet growing local and regional demand. This additional supply can alleviate pressure on the existing housing stock. We use new rental construction as an indicator to identify areas with a higher share of real estate investment overall, which can include investments that redevelop existing housing. This kind of redevelopment or repositioning activity usually targets more affordable housing and converts it into higher cost housing.

Rising competition in the for-sale housing market signals growing demand for limited housing stock. Rising prices can encourage the conversion of existing rentals into ownership housing, increase rents, and can prefigure other kinds of real estate investments and redevelopments that contribute to rising prices that current low-income renters cannot absorb.

How we assess displacement risk

ECOnorthwest's methodology for assessing displacement risk identifies Census tracts with a higher share of low-income renters and where current market activities compound the risk of displacement for those households.

Data sources

To synthesize data on households, the housing stock, and housing market activity, we combine data from three sources.

- **Comprehensive Housing Affordability Strategy** (CHAS) estimates of renter households earning 50 percent or less of Area Median Income. (Table 12).
- **American Community Survey (ACS)** 5-year estimates of the number of renter-occupied housing units built since 2010 (Table A10059B).

- **Federal Housing Finance Agency (FHFA)** Uniform Appraisal Dataset. This dataset includes standardized property appraisal data from mortgage transactions at the Census tract level. This analysis utilizes the Enterprise dataset (2017–2022), which focuses on single-family home appraisals. We use three variables from this dataset:
    - **property_value_trend:** Categorical variable of appraiser-specified trend of single-unit property values in the subject's neighborhood. The appraiser evaluates whether home prices in the area are increasing, stable, or declining based on market conditions, recent sales data, and other economic factors.
    - **demand_supply:** Categorial variable of appraiser-specified state of market demand relative to supply in the neighborhood. This refers to the appraiser's assessment of the balance between market demand and the available housing supply in the neighborhood. If the market is over-supplied, there are more homes available than there are buyers, typically leading to longer selling times and potential price declines. If the market is in balance, the number of buyers and available homes are roughly the same, leading to stable prices. If the market is undersupplied, there are more buyers than available homes, causing faster sales and potential price increases.
    - **appraisal_to_contract_trend:** The ratio (as a percentage) of the subject property's appraised value to its contract price. This ratio indicates whether the appraisal supports the agreed-upon purchase price. A ratio of 100 percent means the appraisal matches the contract price, while a lower ratio suggests the property is appraised for less than the purchase price, which may affect financing. A higher ratio indicates the appraised value exceeds the contract price.

Methodology

Displacement risk, as assessed by this methodology, is based on three key components:

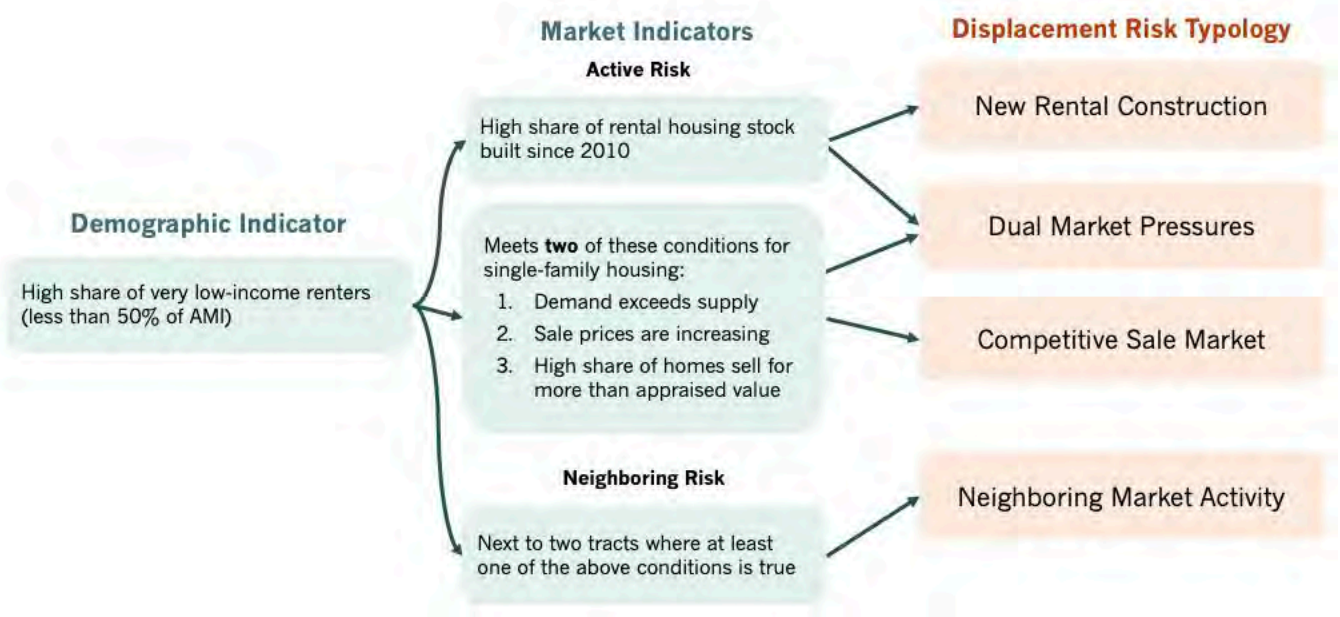
- **High share of low-income renters:** The tract must fall in the top quartile (top 25 percent) for share of low-income renters (relative to all urban tracts in the County).
- **High share of new rental housing:** The tract must fall in the top quartile (top 25 percent) of tracts whose share of rental housing has been built since 2010 (again, benchmarked to other urban tracts).
- **Competitive for-sale market:** The tract must meet two out of three indicators of a competitive single-family sales market:
    - A shortage of housing relative to demand;
    - Increasing property values; and
    - Home purchases above their appraised value.

We layer these components to designate four displacement risk typologies to help focus additional investigation and engagement, as well as strategies and policy interventions best suited to address the different conditions of displacement risk and pressure.

The steps to combine these components is summarized in **Exhibit 35**, and described below.

1. The baseline condition that any tract must meet is being in the top quartile for low-income renter households as a share of the total population.
2. We also identify all Census tracts that meet our thresholds for new rental construction or a competitive sale market. This step also assigns these categories to tracts that do not meet our baseline condition.
3. We also identify tracts that meet our baseline demographic condition that share borders with two tracts that meet our threshold for market activity.

Exhibit 35: Diagram of displacement risk assessment method



Source: ECOnorthwest

Displacement risk typology

» **New Rental Construction**: The tract is in the top quartile of tracts ranked by the share of households with incomes below 50 percent AMI **AND** the tract is in the top quartile of regional tracts ranked by new rental unit production.

» **Competitive Sale Market:** The tract is in the top quartile of tracts ranked by the share of households with incomes below 50 percent AMI **AND** the tract has a competitive single-family for-sale market.

» **Dual Market Pressures**: The tract is in the top quartile of tracts ranked by the share of households with incomes below 50 percent AMI **AND** the tract is in the top quartile of regional tracts ranked by new rental unit production **AND** the tract has a competitive single-family for-sale market.

» **Neighboring Market Activity:** The tract is in the top quartile of tracts ranked by the share of households with incomes below 50 percent AMI **AND** it is adjacent to at least two other

tracts where at least one of the two market activity conditions is met (even if those tracts do not have a high share of low-income renters).

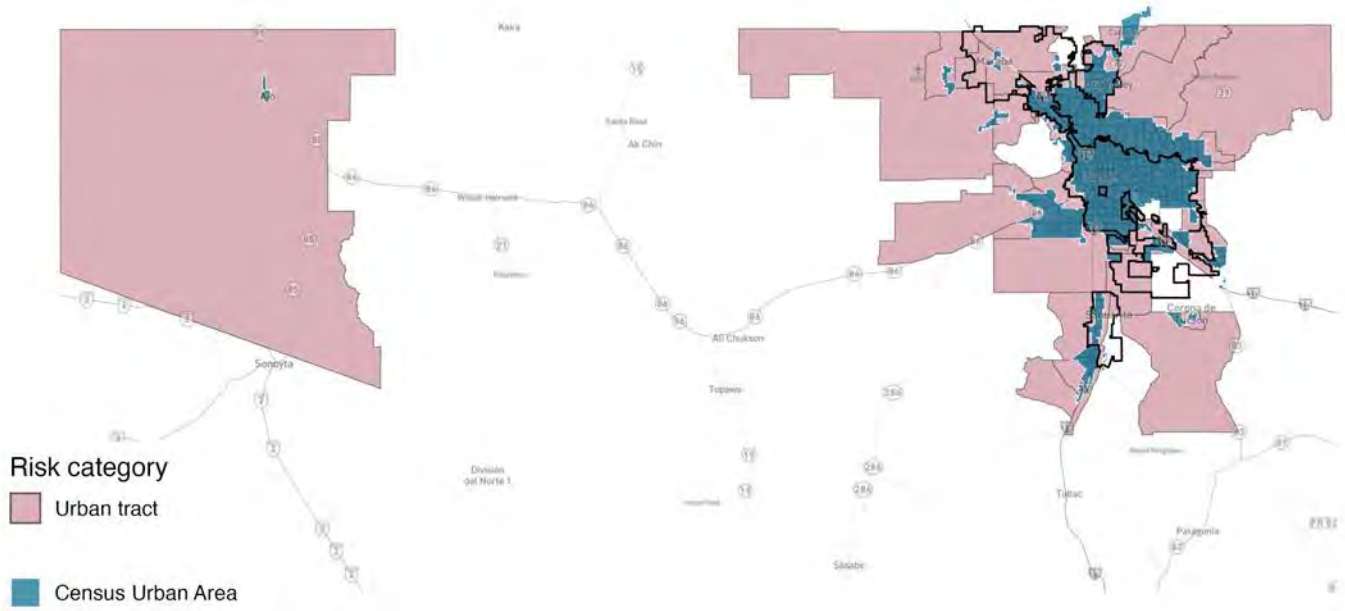
Additional considerations for Pima County

Focus on urban tracts

This analysis is focused on urban areas of Pima County. Dynamics of vulnerability and displacement can be very different in rural communities, where new development might be limited, there may be less rental housing, or the housing market could be centered around an anchor employer. These conditions can be particularly difficult to assess using Census data, which is less reliable in communities with smaller populations.

Pima County's rural areas also have unique demographic and market dynamics and include tribal nations with their own land use and development programs that shape their local housing markets. To account for differences between urban and rural contexts in Pima County, we classify Census tracts as "urban" if at least 25 percent of the tract's 2020 population resides within a Census Designated Urban Area. **Exhibit 36** highlights the tracts classified as urban under this definition, primarily concentrated in the more densely populated eastern side of Pima County, along with one tract on the western side that contains Ajo.

Exhibit 36: Urban tracts of Pima County

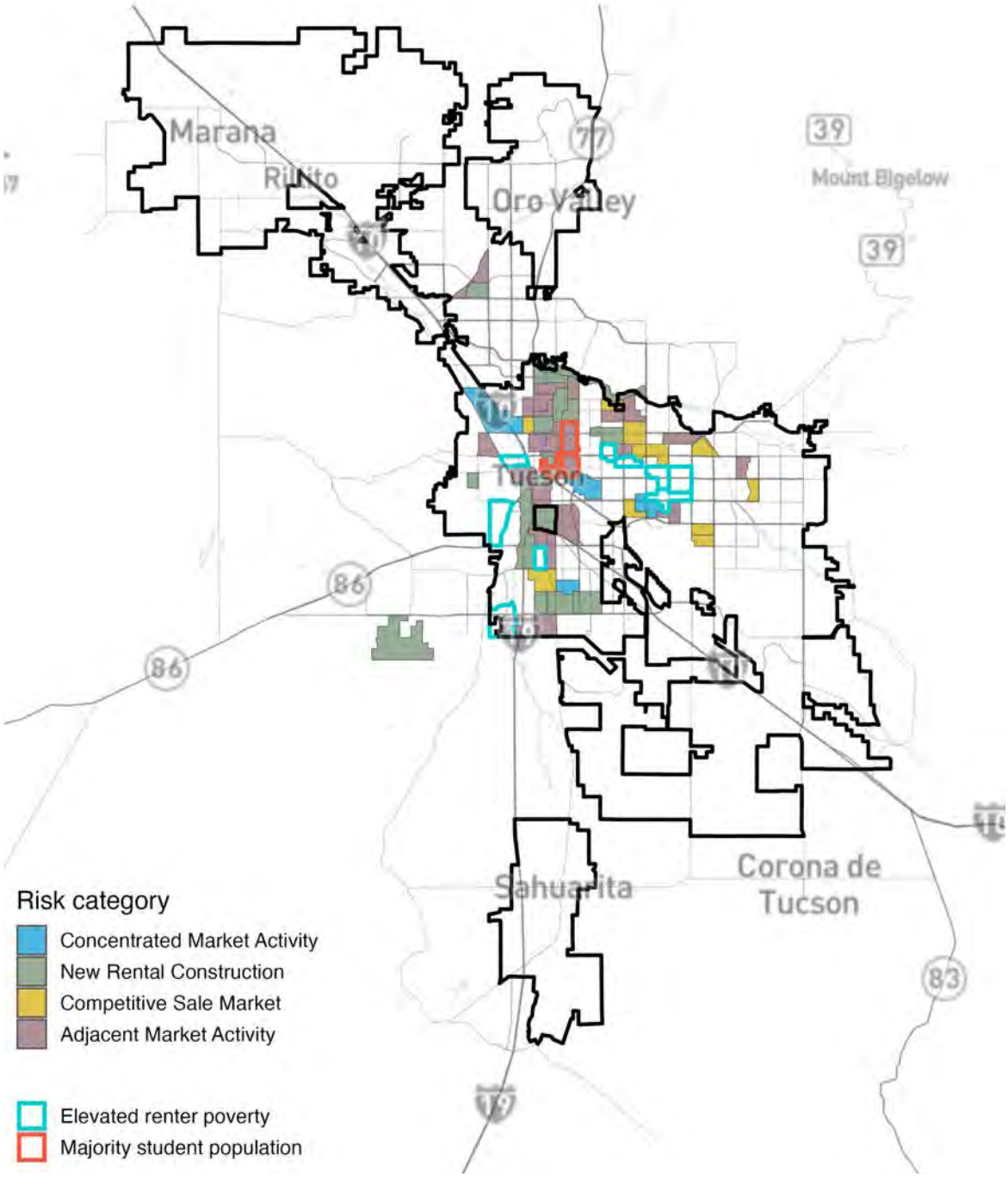


Source: ECOnorthwest

Results

Exhibit 37 shows the tracts identified by displacement risk typology in urban Census tracts of Pima County, all of which are concentrated in the eastern part of the County, in the Tucson metro area.

Exhibit 37: Displacement risk equity analysis results



Only four tracts in Pima County match the conditions for dual market pressures, a confluence of new rental construction and a competitive for-sale market. These tracts are mostly near the edges of all tracts showing displacement risk, including west of the Flowing Wells neighborhood in Tucson, in the Cherry Avenue neighborhood in southern Tucson, and around 29th Street north of the Air Force Base. One tract with this dual market pressures is more centrally located, east of downtown Tucson.

The most common conditions for tracts with elevated displacement risks are those with newer rental housing and tracts that neighbor areas with market activity. Tracts with a

competitive for-sale market are concentrated in eastern parts of Tucson. We discuss additional context for these results below.

North-south corridor

Most of the tracts identified as having active or neighboring displacement risk are concentrated along the north-south corridor around Oracle Road, Stone Avenue, and Sixth Avenue. These tracts are primarily being flagged because these areas have seen a larger share of new rental construction and also have larger shares of low-income renters. Neighborhoods in the north end of this corridor contain smaller, single-story homes that have historically been more affordable than other areas of Tucson.

In downtown Tucson, the concentration of jobs, amenities, and public investments in the streetcar and through the Rio Nuevo District have spurred new commercial and residential development. Because downtown Tucson is primarily commercial, newer market-rate residential projects make up a larger share of the housing stock, which contribute to how these areas are identified as having displacement risk. Older residential buildings in and around downtown are likely more affordable for lower-income renters.

Neighborhoods along the southern end of this corridor have similar dynamics to those in the north. The areas just south of downtown Tucson have historic, smaller homes with access to the amenities of downtown Tucson. Areas farther south have seen more greenfield development of vacant land, including low-rise multifamily rental construction, subdivisions of detached for-sale housing, as well as commercial and industrial facilities. The development of more for-sale housing in new neighborhoods in southern Tucson is reflected in some tracts being flagged as having a competitive for-sale market.

West University

Several tracts in the West University neighborhood around the University of Arizona are identified as areas with low-income renters that are adjacent to tracts that have active market pressures. Many of the low-income renters in these tracts are students. **Exhibit 37** shows the tracts where students make up a majority of the low-income renter population, outlined in red.

Concentrated student populations create a unique rental housing market. Even though individual student households may be shorter-term residents, students as a whole create consistent and relatively high demand for rental housing, especially in the areas closest to campuses. This demand can create more competition for non-students looking for housing in these neighborhoods.

Supports for low-income student renters may be different than what is needed to stabilize longer-term renter households in neighborhoods near the University. Understanding the needs of both student and non-student households in these areas will support planning to prevent displacement and address housing needs in these areas.

East Tucson

The tracts in eastern parts of Tucson flagged for displacement risk are primarily showing signs of competitive for-sale market or adjacency to areas where for-sale housing is in high demand. This dynamic likely reflects the current pattern of detached residential housing and a lack of new infill development offering more and more diverse housing options. As housing becomes more expensive in neighborhoods closer to downtown, neighborhoods in eastern Tucson with more affordable prices are seeing more demand and competition.

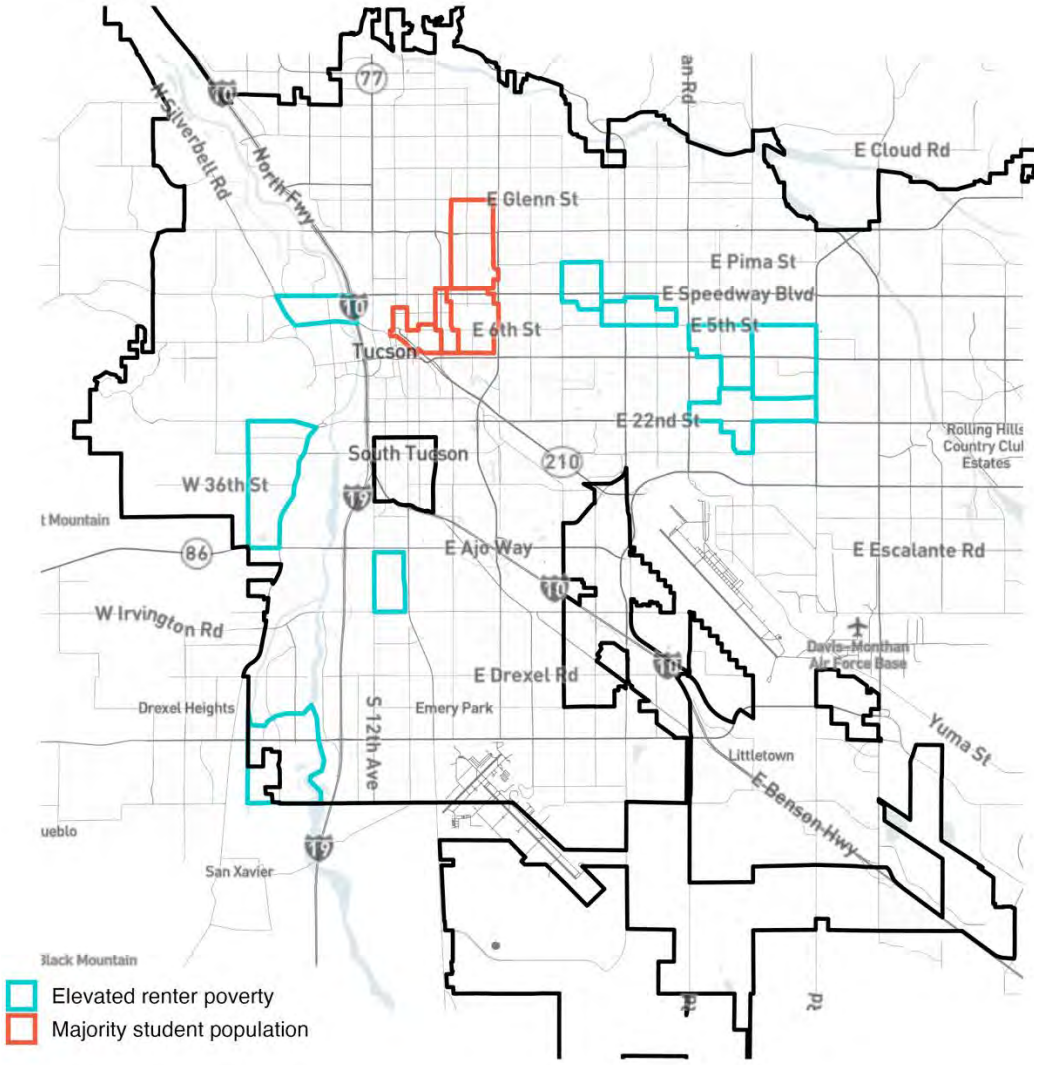
Unincorporated County

A cluster of two tracts appears in unincorporated Pima County between Tucson and Oro Valley. One of these tracts includes both the Tucson National Estates subdivision and a large older apartment complex. This area also includes new rental housing built around Foothills Mall.

Areas of elevated renter poverty

While the displacement risk assessment primarily focuses on areas experiencing current and neighboring market activity, it is also important to highlight and monitor tracts with concentrations of elevated renter poverty—even if they do not currently indicate signs of increased housing market pressures. These areas include a population of vulnerable renters who may face displacement in the future if nearby market trends begin to shift. Monitoring these tracts can create an opportunity for jurisdictions to be proactive rather than reactive and implement early intervention strategies to help stabilize households.

Exhibit 38: Areas of Elevated Renter Poverty



Supplementary analysis

Our primary method focuses on identifying areas with high concentrations of low-income renter households living in places with market activities that can increase displacement pressure. We also conducted a secondary analysis to identify areas where there are vulnerable renter households in neighborhoods that are predominantly owner-occupied. The goal of this analysis is to highlight places that might face unique displacement pressures or where a single redevelopment project or rezoning application could cause direct displacement, such as redevelopment of an older rental property or manufactured home park.

Under this supplementary analysis, we change the parameter for identifying tracts in the top quartile of low-income renters. Specifically, the tract must be in the top quartile (top 25 percent) of urban tracts for share of *renter households* at or below 50 percent of AMI. These tracts must also not have already been identified through the primary analysis.

This analysis identifies an additional 12 tracts for Pima County, shown in **Exhibit 39**, to consider as part of its regional housing strategy. These tracts include parts of Marana that

have seen new subdivision development but also include neighborhoods with a large share of manufactured housing. The large Census tract at the southern end of the county identified in the supplementary analysis is sparsely populated but includes Summit and borders tracts that are seeing new market-rate subdivision construction.

Exhibit 39. Supplementary tracts with elevated displacement risk