

Strategies for Affordable Housing

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What is Affordable Housing?

- ▶ **Housing and Urban Development (HUD) Definition:** *In general, housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.*
- ▶ **Area Median Income (AMI):** *The area median income adjusted for Family size, as determined yearly by HUD. Uses Metropolitan Statistical Area (MSA)*
- ▶ FY2022 Phoenix-Mesa-Scottsdale – Median Family Income (family of four):
 - ▶ \$88,800/year
- ▶ What affordable housing looks like using HUD definitions:
 - ▶ Affordable @ 100% AMI (\$88,800/year): \$2,220/month
 - ▶ Affordable @ 80% AMI (\$71,040/year): \$1,776/month
 - ▶ Affordable @ 60% AMI (\$53,280/year): \$1,332/month
 - ▶ Affordable @ 40% AMI (\$35,520/year): \$888/month

What is Affordable Housing?

Housing and Urban Development (HUD) Definition: *In general, housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.*

Using ACS Census Data for Mesa alone

- ▶ Mesa Median Household Income (in 2020 dollars), 2016-2020:
 - ▶ \$61,640/year
- ▶ What affordable housing looks like in Mesa:
 - ▶ Affordable @ 30% Mesa Median Household Income:
 - ▶ \$18,492/year, or \$1,541/month.
- ▶ Median Gross Rent, 2016-2020:
 - ▶ \$1,105/month.
- ▶ RentCafe average rent in Mesa \$1,520 (as of February 2022)
- ▶ Median Monthly Mortgage, 2016-2020:
 - ▶ \$1,497/month.

Strategies

- ▶ Government Property Lease Excise Tax (GPLET)
 - ▶ Used in neighboring Cities to support affordability through job creation and retention, subsidized transit, and housing fund supplement
- ▶ Small Lot Single Residence (RSL) Development
 - ▶ Increased density in appropriate areas.
 - ▶ Efficiency of Infrastructure.
 - ▶ Provide missing middle housing.
- ▶ Adaptive Reuse
 - ▶ Hotel/motel and office space conversion to apartments
 - ▶ Efficiency of infrastructure and use of existing amenities.
 - ▶ Encourages redevelopment and reinvestment in aging areas.