

TEMPE HOUSING INVENTORY REPORT ADDENDUM



The City of Tempe “Housing Inventory and Affordability Analysis” report 2024 was presented to City Council on December 12, 2024. Pursuant to Senate Bill 1162, now state statute Arizona § Section 3. Title 9, Chapter 4, Article 6.4 Section 9-469 Municipal housing needs assessment; annual report, the following pages are being provided as an addendum to the City of Tempe Housing Inventory Report for the beginning of year 2025.

The following additional information to the document is provided to comply with the mandates of the Bill. Data provided is an extrapolation from data provided within the Housing Inventory Report, Tempe General Plan 2050, Maricopa Association of Governments (MAG) and records obtained from the Planning and Building Safety Divisions of Community Development to address elements required by the State of Arizona. The annual report data is required to be submitted to the Arizona Department of Housing by January 1, 2025, and every year thereafter. The housing assessment growth projections and the annual report data are published online and available to the public.

1. Total Population Growth Projected in 2030	219,300 MAG data
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2. Total Job Growth Projected in 2030	233,700 MAG data
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3. Total amount of residentially zoned land with detail on land zoned as single-family	
Below is an itemized list of the number of acres and the total number of maximum potential dwelling units by zoning district:	
<u>Single-Family Zoning Districts</u>	<u>Multi-Family and Mixed-Use Zoning Districts</u>
AG - 1,924.6 ac = 1,925 units (1 du/ac)	R-2 - 514.7 ac = 5,147 units (10 du/ac)
R1-15 - 380.9 ac = 914 units (2.4 du/ac)	R-3R - 114.8 ac = 1,722 units (15 du/ac)
R1-10 - 144.5 ac = 405 units (2.8 du/ac)	R-3 - 1,086.0 ac = 21,720 units (20 du/ac)
R1-8 - 146.0 ac = 489 units (3.35 du/ac)	R-4 - 556.1 ac = 13,902 units (25 du/ac)
R1-7 - 1,169 ac = 4,384 units (3.75 du/ac)	R-5 - 31.8 ac = 954 units (30 du/ac)
R1-6 - 5,011.1 ac = 20,044 units (4 du/ac)	RMH - 195.5 ac = 1,369 units (7 du/ac)
R1-5 - 19.1 ac = 115 units (6 du/ac)	MU-2 - 3.9 ac = 59 units (15 du/ac)
R1-4 - 516.8 ac = 4,134 units (8 du/ac)	MU-3 - 45.3 ac = 1,133 units (25 du/ac)
R1-PAD 18.4 ac = 247 units (13.4 du/ac average over all PADs)	

4. The total need for additional residential housing units for rent and for sale in the municipality to meet:	
a. Any deficiencies in housing the existing population	Rental Housing Gap: 14,642 Owner Housing Gap: 8,288 Total Housing Gap: 22,930
b. Any deficiencies in housing the existing workforce.	see pages 75-76 and Tables 21 and 22
c. Population Growth Projections (2030)	219,300 MAG data
d. Job growth projections (2030)	233,700 MAG data
e. Housing needs across all various income levels (2030)	13,694 General Plan 2050 projection

Metric	Details	July 1, 2023 to	Notes
Number of Housing Units in New Projects Submitted	Proposed submitted (initial units based on zoning)	1302	
	Net new submitted single family final plat and multi-family	722	
	Entitled	3569	
	Platted	44	
Number of Housing Units (may be overlapping data with previous section)	Building Permits Issued	2061	Building Permits Issued # excludes the following: 26 Ready to Issue 11 Corrections Required 89 Expired Permits
	Certificate of Occupancy	702	CofO is not included in the Building Permits Issued #

Metric	Details	July 1, 2023 to June 30, 2024		Notes
		Single Family	Multi Family	
Housing Development Applications	Number of projects received	8	11	
	Number of total units (SF and MF) received	49	1253	
	Number of units approved (SF and MF)	73	3540	Total number of units approved
	Number of Units disapproved (SF and MF) by denial of project	0	0	
	Number of Units (SF and MF) otherwise not approved	1	579	Note: Projects expired or not
Residential zoned land use	Acres of Single-family and Multi-family Zoned land use	9330	3081	
	Acres of undeveloped Single-family and Multi-family land use	31.14	109.57	
	Single-family units yield range (using density in zoning)	32,657		
	Multi-family units yield range (using density in zoning)	99,266		
	Multifamily units as percentage of total residential units (calc in cell)	75%		

Threshold Requirement	Current deficiency of housing need	22,930	<p>In 2022, Tempe had 84,909 dwelling units, inclusive of all forms of housing (page 26 of the Housing Inventory Report).</p> <p>From January 2023 to September 2024, Tempe issued Certificates of Occupancy on 1,512 housing units, bringing the available housing stock to 86,421. General Plan 2050 (p. 99) projects the total housing need to be 97,454 in 2030. Based on this information, it is estimated that in 2030 there would be a need for 11,033 additional dwelling units.</p> <p>Tempe has averaged 934 permits issued per year according to the housing analysis provided on page 31 of the Housing Inventory Report. Using this average Tempe would add a projected 4,670 units before 2030, bringing the housing supply to 91,091 units of the 97,035 projected need, or a 5,944-unit gap without the inclusion of dormitories for students and without the loss of units to short-term rentals and/or the demolition of existing housing units.</p>
	Projected housing needs for next 5 years (2029)	11,033	
	Sum of housing yield from current density (calc in cell)	131,923	
	Does the current yield meet demand for deficiency and projected 2029 need?	YES	
	If NO then please add details below:		
	<i>Additional Multifamily zoned land needed to meet demand</i>		
	<i>Additional Single-family zoned land needed to meet demand</i>		
<i>Multifamily zoned land as percentage of total residential land needed to meet demand for deficiency and projected 2029 need</i>			

Housing Needs Progress (Year 1: Baseline)	Total Housing Units in Pipeline (permitted, entitled and platted)	5,674
	Additional yield from available undeveloped residential zoning	8,376

Comments:

What is not accounted for in housing provision
Housing in Tempe include short-term rentals and student housing. Short term rentals remove existing dwelling units from housing stock and substitute commercial hotel uses. Student housing provides housing to a specific population group and relies on private housing to meet the needs.

The number of housing units removed from permanent housing availability varies from year to year, there are approximately 809 short-term rental establishments registered with the City of Tempe's Tax and Licensing Department. The housing inventory does not account for housing stock that is removed from housing availability and is not used principally for housing but is rather used for transient lodging.

Currently, ASU has 16,896 student beds housed in dorms on campus. ASU Dormitories are outside of Tempe's housing inventory calculations. As the dorms are often multiple bed occupancies, an assumption could be made that one dorm unit = 2 student beds; 16,896 student beds provide 8,448 units of housing. Only a portion of the ASU student population is housed in dorms. The remaining students occupy single-family residences and apartments which are a part of the Tempe housing inventory and impact the housing market available for employees seeking to live in Tempe. Private sector market rate student housing has stepped up to help meet demand, providing additional demographic-specific housing. The census accounts for students, who also impact the income level and projections for affordable housing needs. Note the densest populated census tracts in Arizona are also among the lowest income levels in Tempe and surround the ASU campus.

Strategy	Status*	Comments:**
Offering Financial Incentives for Affordable Housing	In Use	Parcels are purchased by the City of Tempe using multiple
Offering Regulatory Incentives for Affordable Housing	In Use	
Offering Financial Incentives for Workforce Housing	In Use	Parcels are purchased by the City of Tempe using multiple
Offering Regulatory Incentives for Workforce Housing	In Use	Apache Boulevard Redevelopment Area offers 50%
Using GPLET to aid the construction of Housing (General)	In Use	By DDA developers make contributions to Hometown for
Using GPLET to aid the construction of Housing (Workforce)	In Use	By DDA developers provide a percentage of workforce or
Using GPLET to aid the construction of Housing (Affordable)	In Use	By DDA developers provide a percentage of workforce or
Offering Financial Incentives for Adaptive Reuse	Not in Use	
Offering Regulatory Incentives for Adaptive Reuse	In Use	Adaptive reuse program allows reductions in parking, and
Waiving or Reducing Permit Fees (General)	In Use	Residential rebate program for homeowners doing
Waiving or Reducing Permit Fees (Affordable)	In Use	
Waiving or Reducing Permit Fees (Workforce)	In Use	Apache Boulevard Redevelopment Area offers 50%
Self Certification	Not in Use	
Administrative Approval of Plats and Amended Plats	In Use	Preliminary Plats and Final Plats with 3 or fewer lots are processed administratively.
Administrative Approval of Site Plans	In Use	Up to
At-Risk Grading Program	In Use	Applicants may initiate grading prior to entitlements or permits at risk to expedite construction schedule.
Concurrent Regulatory Processes	In Use	Entitlement processes can be run concurrently to expedite schedule.
Expedited Approval Timeframes (General)	In Use	For additional fee, when reviewed by city staff (not 3rd party review)
Expedited Approval Timeframes (Affordable)	In Use	For additional fee, when reviewed by city staff (not 3rd party review)
Expedited Approval Timeframes (Workforce)	In Use	For additional fee, when reviewed by city staff (not 3rd party review)
Adopting an Accessory Dwelling Unit policy beyond state requirements	In Use	Had ADU code prior to state, modifying to meet state,
Adopting an Adaptive Reuse policy beyond state requirements	Not in Use	
Adopting middle housing policies beyond state requirements	Under Review	
Offering Incentive to Convert Short-Term Rentals to Long-Term	Not in Use	

*** Please Use One of the Following Options:**
Not Applicable - This strategy does not apply to
Not In Use - This strategy is not currently in use in
In Use - Your community has already adopted this
Approval In Progress - Your community is actively
Under Review - Your community is exploring the

****Please use this column to provide additional commentary specific to the corresponding strategy.**

General Comments:

Hometown for All: Established in 2021, this innovative program serves as a dedicated funding source for affordable housing in Tempe. To date, developers have contributed or pledged \$22.3 million to the initiative. The city has invested an additional \$9.4 million into the program via redirected permitting fees.

Affordable Housing Strategy: Adopted by the City Council in 2019, this comprehensive document proposes recommendations for improving the affordability and availability of housing in Tempe. Key recommendations were incorporated into Tempe Tomorrow: General Plan 2050.

See page 69 of the Housing Inventory and Availability Analysis for the strategies used to meet the needs for additional housing units.

Tempe Coalition for Affordable Housing: This 501(c)(3) nonprofit, referred to as The Affiliate, relies primarily on Hometown for All, and HUD's Community Development Block Grant funds to purchase permanently affordable single-family homes, townhomes, and apartments. It also operates an Emergency Unit program serving people experiencing homelessness and victims of domestic violence. The Affiliate currently owns about 60 units, but thanks to a recent acquisition, this figure is set to nearly double.

Community Housing Partnerships: Habitat for Humanity, Newtown CDC and Chicanos Por Le Casa have partnered with Tempe in developing unique housing opportunities to serve community needs including attached and detached single family homes on fee simple lots and on community land trust properties to assure long term affordability through financially sustainable housing models.

Please refer to the Housing Inventory Report for details regarding the plan specifics intended to satisfy housing needs in Tempe.