

## **ORDINANCE NO. O2026-006**

### **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, APPROVING CERTAIN TRANSACTIONS IN CONNECTION WITH THE ACQUISITION, DEVELOPMENT AND OPERATION OF AN AFFORDABLE HOUSING APARTMENT RENTAL COMPLEX TENTATIVELY KNOWN AS VISTA APARTMENTS**

WHEREAS, the Housing Authority of the City of Yuma, Arizona (“HACY”) seeks to acquire, develop and operate a three phase, 200-unit affordable housing apartment rental complex (the “Project”) on 7.64 acres of real property located at the former Vista Alternative High School site, 221 E. 26<sup>th</sup> Place (the “Property”); and,

WHEREAS, HACY’s desired structure for undertaking this Project is to establish a 501(c)(3) non-profit corporation which will then form a managing member entity which will then seek to secure low-income housing tax credits from the Arizona Department of Housing and form an “Owner Entity” for the Project; and,

WHEREAS, the Owner Entity will enter into long term lease of the Property from HACY with an affordable housing covenant on the Property; and,

WHEREAS, Yuma City Code § 150-002 authorizes HACY to act as agent for the City to construct, maintain, operate and manage housing projects of the City, but requires separate ordinance approval from the City Council in order to acquire and own real property; and,

WHEREAS, the City Code further gives the City Council final authority to decide whether HACY may create any ownership interest in a business entity (or entities), or form a corporation or subsidiary; and,

WHEREAS, City Council believes HACY development and operation of a 200-unit, affordable housing apartment complex will promote community stability through reduction of housing insecurity and displacement, support workforce retention, and lower the burden of housing cost for federally qualifying families; and,

WHEREAS, the City Council finds it to be in the best interest of the City to grant such approvals as necessary for HACY to develop the Project including acquiring and leasing the Property, but desires to only grant authority to do so for this specific Project and location and no other projects or properties at the current time.

NOW THEREFORE BE IT ordained by the City Council of the City of Yuma as follows:

**SECTION 1:** Yuma City Code § 150-002 notwithstanding, the Housing Authority of the City of Yuma is authorized to:

- a. Undertake acquisition and ownership of the 7.64 acre former Vista Alternative High School site located at 221 E. 26<sup>th</sup> Place (the “Property”), subject to an affordable housing covenant;
- b. Form a project-based 501(c)(3) non-profit entity which, together with the Arizona Housing Development Corporation (“AHDC”), will form a managing member entity which will then form an ownership entity for the apartments (“Ownership Entity”);
- c. The managing member entity shall be 51% owned and controlled by HACY’s 501(c)(3) non-profit corporation and 49% owned and controlled by AHDC, a non-profit HACY affiliate whose purpose is to promote the general social welfare of the Yuma community including development of housing for low- and moderate-income families pursuant to federal regulations;
- d. Enter into an option for a long-term ground lease for the Property between HACY as the lessor and the Ownership Entity as the lessee and should the Ownership Entity exercise the option, enter into a long-term ground lease for the Property;
- e. Enter into a Development Consulting Agreement with Gorman & Company through the Ownership Entity, to facilitate development of the Vista Apartments as a proposed three phase, 200-unit, low-income housing tax credit apartment rental project.

**SECTION 2:** This ordinance intends to authorize HACY to create the necessary entity structures and enter into development, ownership, operation, and related agreements that will move the Project forward in accordance with all applicable laws, local ordinances, and adopted housing policies, but only for purposes of the described Project and Property.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

APPROVED:

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Douglas J. Nicholls Mayor

ATTESTED:

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Lynda L. Bushong  
City Clerk

APPROVED AS TO FORM:

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Richard W. Files  
City Attorney