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City of Yuma

Affordable Housing Action Plan

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SECTION I.

INTRODUCTION

SECTION I. Introduction

The City of Yuma is taking proactive steps to address local housing challenges by developing an Affordable Housing Plan. One major obstacle in meeting the community's housing and non-housing needs is the limited availability of funding. In May 2021, the U.S. Department of Housing and Urban Development (HUD) informed the City of Yuma that an error in the allocation formula for the HOME Investment Partnerships Program (HOME) from 2017 to 2020 resulted in an over-allocation of funds to the Yuma County HOME Consortium (YCHC). HUD corrected this formula starting with the 2021 allocation. In 2022, HUD Headquarters announced that the excess funds distributed during the affected years would be recaptured through reductions in the Consortium's future allocations. Consequently, HOME funding for the YCHC for Program Years 2022 to 2025 has been reduced, limiting the resources available to further affordable housing goals in Yuma County.

This report begins with a summary of the current housing challenges in Yuma, based on the most recent Housing Needs Assessment. It then discusses the importance of addressing housing needs and outlines the benefits of investing in affordable housing, emphasizing that housing not only supports lower-income families and individuals but also contributes to the overall well-being of the entire region.

Section II, building upon the community engagement activities and current housing challenges, presents recommendations. Those recommendations are structured around:

- Support for the new construction of affordable housing and the preservation of existing affordable housing;
- Education, communication, and information; and
- Financing for new construction, preservation, and expanding funding sources

The aim is to address Yuma's most pressing housing challenges by increasing the supply of affordable housing, enhancing public understanding and support for varied housing options, and strengthening the financial tools necessary to make housing projects feasible. These strategies, informed by community feedback, are designed to promote long-term affordability and resilience within the housing system.

Lastly, the Appendix summarizes the findings from community engagement activities for this study, which included interviews with housing service providers, property developers, and city staff, a focus group with the Attainable Housing Committee, and an interactive workshop with key stakeholders.

Current Housing Challenges

Recent findings from the Housing Needs Assessment emphasize the need for effective housing strategies.

Rising Housing Costs and Market Mismatches. Rental affordability has declined as low-cost units vanish. In Yuma and Yuma County, the median gross rent requires an income of $39,480 to $42,920 to avoid cost burden. Over one-third of renters earn less than $35,000 annually.

The city's rental units are concentrated in the $875 to $1,875 range, forcing low income renters to occupy units they cannot afford. These units are also occupied by high income renters because of lack of supply, and who may be more competitive in the very tight rental market, further limiting low income renters' options. Figure I-1 shows the number of appropriately priced units to renters by income range, revealing deficiencies for both low and high income renters.

Figure I-1.
Mismatch in Rental Market, City of Yuma, 2023

Renter Income	Maximum Affordable Gross Rent	Rental Demand (Current Renters)		Rental Supply (Current Units)		Gap
		Number	Percent	Number	Percent	
Less than $15,000	$375	1,900	14%	507	4%	(1,393)
$15,000 to $19,999	$500	597	5%	495	4%	(102)
$20,000 to $24,999	$625	825	6%	726	5%	(99)
$25,000 to $34,999	$875	1,331	10%	2,520	18%	1,189
$35,000 to $49,999	$1,250	2,540	19%	4,949	35%	2,409
$50,000 to $74,999	$1,875	2,714	21%	3,805	27%	1,091
$75,000 to $99,999	$2,500	1,542	12%	858	6%	(684)
$100,000 to $149,999	$3,750	1,199	9%	142	1%	(1,057)
$150,000 +	$3,750+	462	4%	54	0%	(408)
Total/Low Income Gap		13,110	100%	14,056	100%	(1,495)

Note: Low Income Gap refers to the total gap for households with income below $20,000.

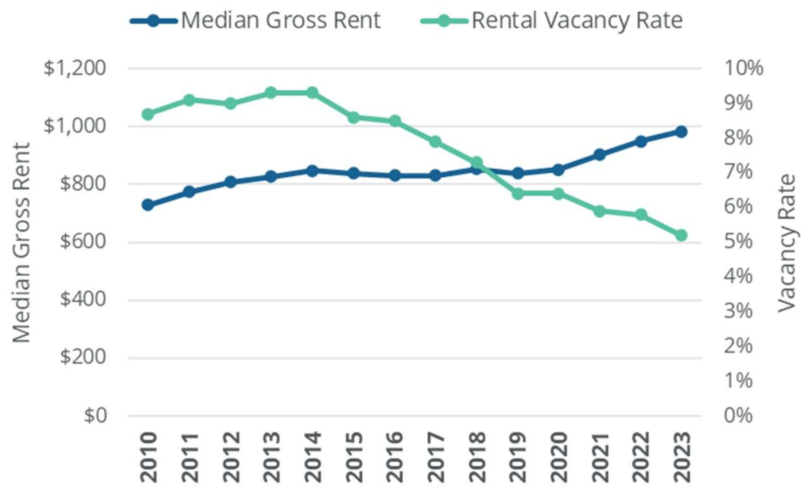
Source: 2023 5-year American Community Survey and Root Policy Research.

The increase in rent over the past years has been matched by a decrease in the rental vacancy rate.

Figure I-2.
Median Gross Rent and Vacancy Rate, Yuma County, 2010-2023

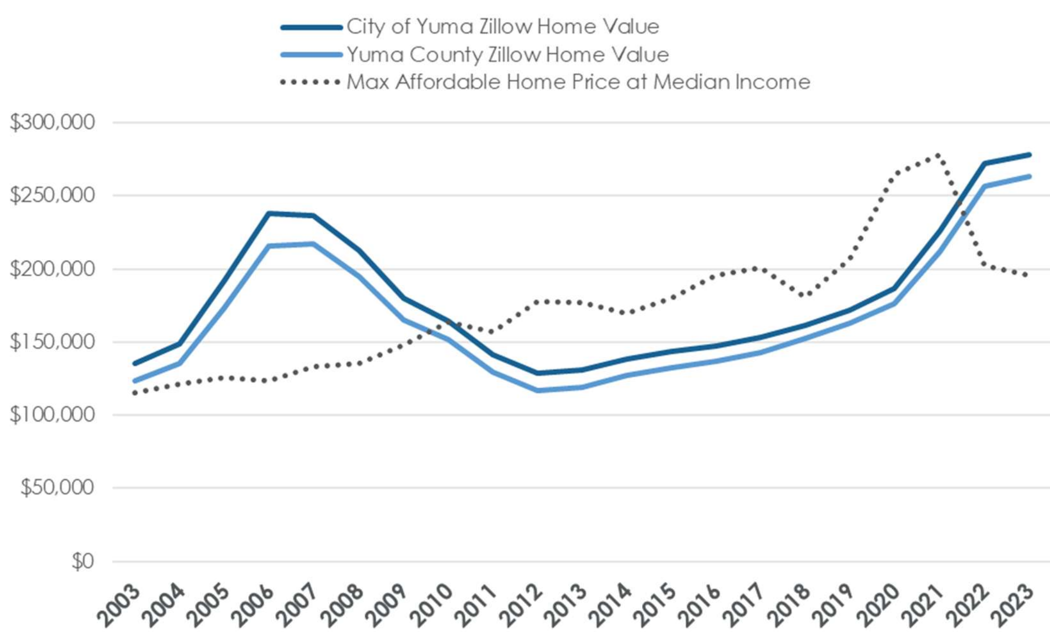
Source:

5-year American Community Survey estimates and Root Policy Research.



If the rise in home prices and interest rates continues to outpace the rise in incomes, homeownership will become out of reach for an increasing number of households.

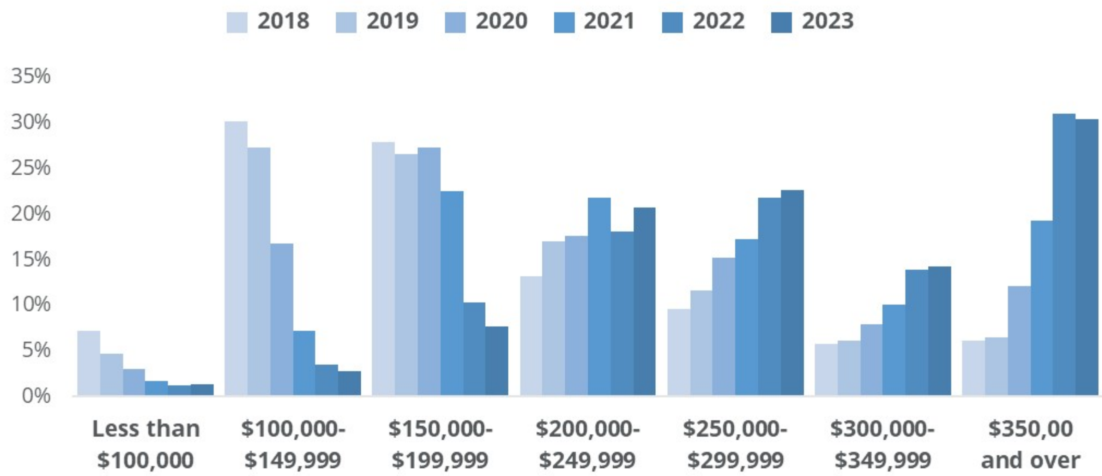
Figure I-3.
Median Home Value and Maximum Affordable Home Price at Median Income, City of Yuma and Yuma County, 2003-2023



Source: Zillow Home Value Index, FRED and Root Policy Research.

Declining availability of affordable homes—In 2018, 65% of homes bought with a mortgage in the city were under $200,000. By 2023, that number dropped to 12%, while homes priced above $250,000 rose from 21% to 67%.

Figure I-4.
Property Value Distribution of Mortgage Loan Originations, City of Yuma, 2018-2023



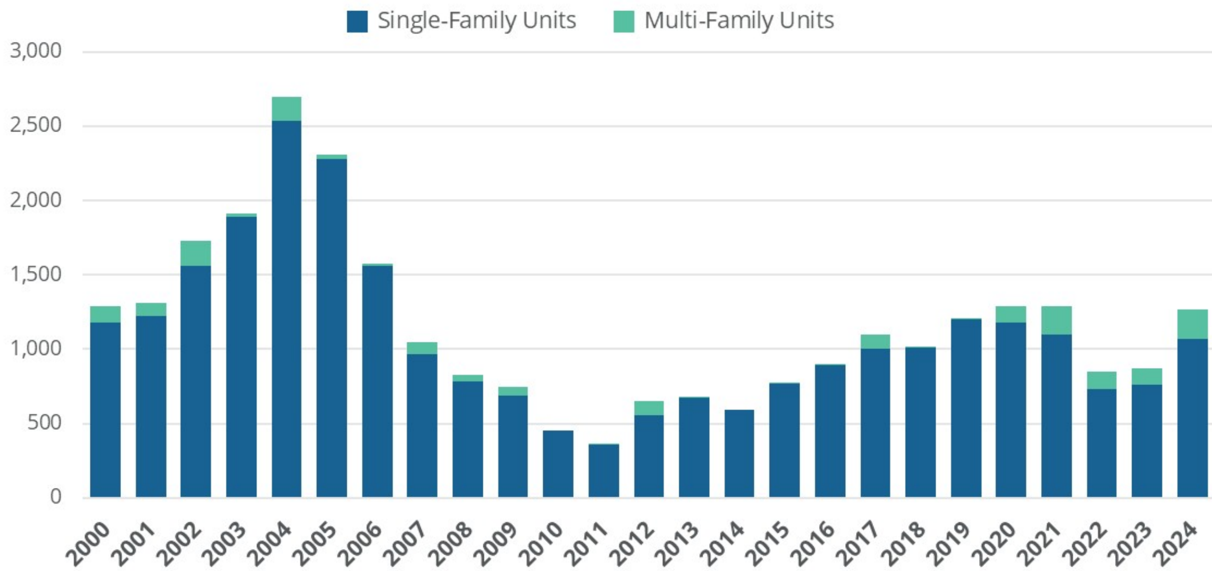
Note: Data restricted to first lien originated loans for home purchase.

Source: Home Mortgage Disclosure Act (HMDA), and Root Policy Research.

From January 2023 to September 2024, MLS data for Yuma, San Luis, Somerton, and Wellton shows that single-family homes had the highest median price at $315,000, making up 63% of sales. In contrast, condos/ townhomes averaged $235,000 and mobile homes $163,000, accounting for only 8% and 29% of sales, respectively. The shortage of lower-priced homes continues to limit opportunities for homeownership.

Lack of Housing Variety. Over the past two decades, single-family units have dominated building permits. Development activity drastically dropped during the financial recession and recently recovered to close to early 2000s levels. Multi-family construction has remained a smaller portion of total permits.

Figure I-5.
Residential Building Permits, Yuma County, 2000-2024



Source: Census Building Permits Survey and Root Policy Research.

Worker Wages Do Not Align with Housing Costs. Figure I-6 illustrates affordable rental and homeownership options for workers earning the average wage by industry in Yuma County in 2023. The average annual wage across all industries was $51,884, which allows for a maximum affordable rent of $1,297 and a maximum affordable home price of $163,977. However, according to Zillow data— which are more comprehensive and have greater geographical granularity than BLS data[1]—the typical market rent was $1,425, and the average home value was $263,280, making housing unaffordable for workers in most industries.

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[1] https://www.kansascityfed.org/research/economic-bulletin/comparing-measures-of-rental-prices-can-inform-monetary-policy/

Figure I-6.
Worker Affordability, Yuma County, 2023

Industry	Average Annual Wage	Max Affordable Rent	Can Afford Typical Market Rent?	Max Affordable Home Price	Can Afford Typical Home Value?	Can Afford Typical Home Value with 1.5 Earners per Household?
Goods Producing	**$47,602**	**$1,190**	**no**	**$150,445**	no	**no**
Natural Resources and Mining	$43,469	$1,087	no	$137,383	no	no
Construction	$50,244	$1,256	no	$158,795	no	no
Manufacturing	$58,024	$1,451	yes	$183,383	no	yes
Service Providing	**$46,444**	**$1,161**	**no**	**$146,787**	no	**no**
Trade, Transportation and Utilities	$47,104	$1,178	no	$148,870	no	no
Information	$47,269	$1,182	no	$149,393	no	no
Financial Activities	$65,989	$1,650	yes	$208,557	no	yes
Professional and Business Services	$54,982	$1,375	no	$173,770	no	no
Education and Health Services	$58,076	$1,452	yes	$183,547	no	yes
Leisure and Hospitality	$27,331	$683	no	$86,380	no	no
Public Administration	$82,291	$2,057	yes	$260,078	no	yes
Other Services	$48,282	$1,207	no	$152,595	no	no
Total Employment	**$51,884**	**$1,297**	**no**	**$163,977**	**no**	**no**

Note: The maximum affordable home price is calculated based on a 30-year mortgage with a 10 percent down payment and an interest rate of 6.81%. It is assumed that property taxes, insurance, homeowners association (HOA) fees, and utilities collectively account for 25% of the monthly payment. For 2023, the typical home value estimate from Zillow was $263,280, while the typical market rent, also from Zillow, was $1,425. The last column assumes 1.5 earners in the same industry.

Source: Bureau of Labor Statistics QCEW, Zillow, and Root Policy Research.

In the goods-producing sector, manufacturing workers, who earn an average of $58,024 annually, can afford the typical market rent. In contrast, workers in natural resources and mining ($43,469) and construction ($50,244) do not meet the affordability threshold. In the service-providing sector, only workers in financial activities ($65,989), education and health services ($58,076), and public administration ($82,291) can afford the market rent. Other service sectors, including trade, transportation, utilities, and leisure and hospitality, fall below the affordability thresholds for rentals.

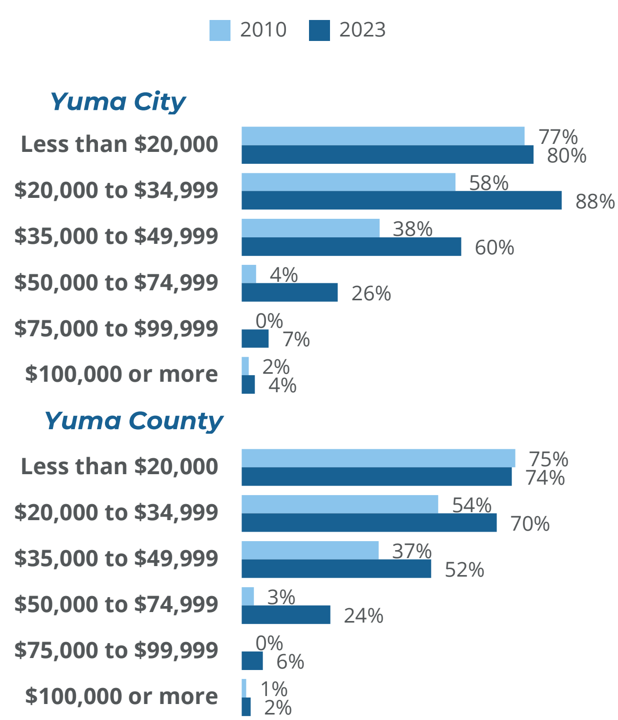
None of the industries allow workers to afford the typical home value at the average annual wage. When considering 1.5 earners per household, workers in manufacturing, financial activities, educational and health services, and public administration are the only sectors where the typical home value is affordable.

Overall, the data underscore a significant affordability gap, showing that most occupations cannot afford both market rent and home prices. This highlights the ongoing housing affordability challenges in Yuma County.

Rising Cost Burdens. In Yuma, renters earning less than $20,000 faced high cost burdens, with 77% paying over 30% of their income in rent in 2010 and 80% in 2023. The $20,000 to $34,999 group saw a significant rise in cost burden from 58% to 88%. The burden for the $35,000 to $49,999 group increased from 38% to 60%. Similar trends were observed countywide.

Figure I-7.
Renter Cost Burden, City of Yuma and Yuma County, 2010 and 2023

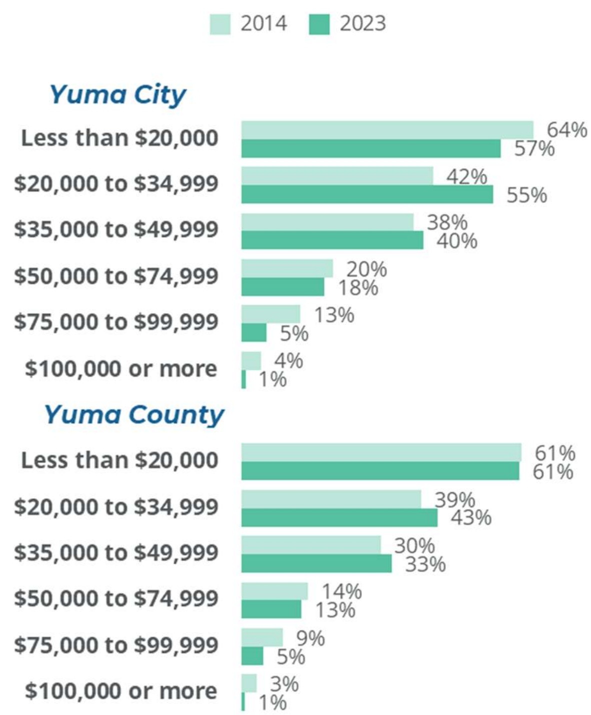
Source:
2010 and 2023 5-year American Community Survey and Root Policy Research.



Lower-income homeowners (earning less than $35,000) experience a significant and often increasing cost burden in both the City of Yuma and Yuma County. Middle-income households (earning between $35,000 and $49,999) have seen slight increases in their cost burden over time.

Figure I-8.
Owner Cost Burden, City of Yuma and Yuma County, 2014 and 2023

Source:
2014 and 2023 5-year American Community Survey and Root Policy Research.



Overcrowding in Yuma. Lack of affordable housing options leads to high rates of overcrowding. Households are classified as moderately overcrowded if they have between 1 and 1.5 occupants per room[2], while those with more than 1.5 occupants per room are identified as severely overcrowded.[3]

Yuma County's overcrowding rates are dramatically higher than the Arizona average—about 3 times higher for owner-occupied and over 4 times higher for renter-occupied homes. Among renters, more than 15% live in overcrowded conditions, with severe overcrowding (1.51+ persons per room) especially concentrated in places like San Luis, Somerton, and Wellton, far surpassing statewide levels.

Places with larger shares of Hispanic residents tend to have higher levels of overcrowding due to a combination of cultural norms and economic need. Hispanic households tend to

[2] HUD's definition of "room" excludes bathrooms, porches, balconies, foyers, halls, or half-rooms.

[3] https://www.huduser.gov/portal/datasets/cp/CHAS/bg_chas.html#:~:text=The%20Census%20Bureau%20also%20tracks, limitation%2C%20and%20independent%20living%20limitation.

have on average lower income, larger households, and are more likely to live in multigenerational households.

Figure I-9.
Overcrowding, by Jurisdiction and Tenure, 2010 and 2023

	Owners			Renters		
	Moderate	Severe	Total	Moderate	Severe	Total
2023						
City of Yuma	3%	2%	5%	5%	10%	15%
San Luis	15%	3%	17%	11%	28%	39%
Somerton	3%	1%	4%	12%	25%	37%
Wellton	1%	2%	3%	0%	32%	32%
Yuma County	4%	2%	6%	6%	14%	20%
2010						
City of Yuma	3%	1%	4%	6%	3%	9%
San Luis	10%	7%	17%	16%	8%	24%
Somerton	8%	2%	9%	8%	8%	16%
Wellton	5%	2%	6%	12%	3%	14%
Yuma County	4%	2%	6%	8%	4%	11%

Source: 2010 and 2023 5-year American Community Survey and Root Policy Research.

Homelessness. The 2024 Point in Time (PIT) Count for Yuma County, conducted as part of Arizona's Balance of State Continuum of Care, provides a snapshot of homelessness in the region.

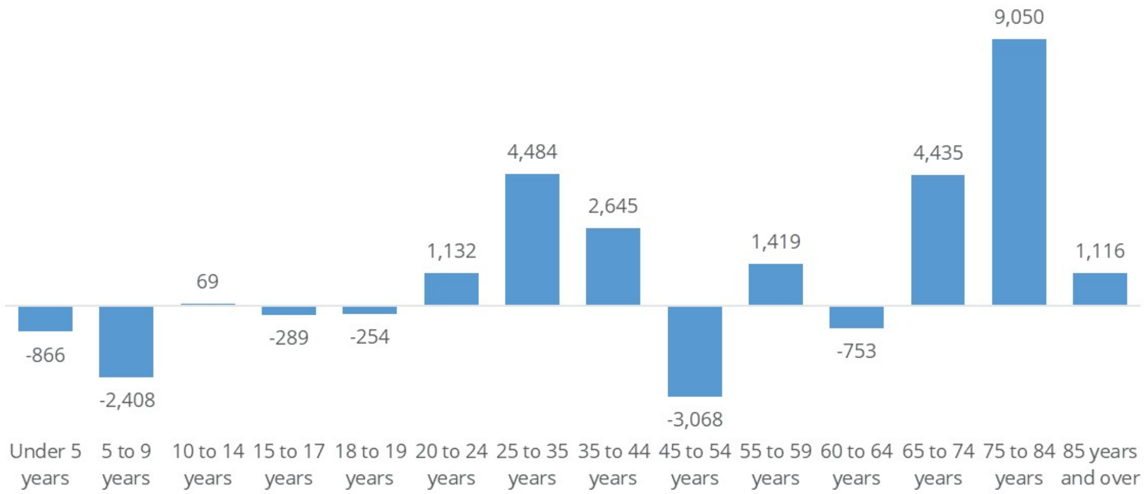
In 2024, a total of 77 households were recorded as homeless during the PIT count in Yuma County. Of those, the majority, 63, were counted in the city of Yuma, 12 in San Luis, and 2 in Somerton.

The Arizona Department of Education reported a count of 379 homeless students in the county enrolled in Arizona Public Schools on October 1, 2024.

What is Ahead? From 2024 to 2029, the city is expected to gain around 8,300 residents, marking an 8% increase. Employment in the city of Yuma is expected to increase by 9.6%, which equates to approximately 4,869 jobs, between 2024 and 2029. This growth represents an annualized percentage change of 1.8%, or about 974 jobs added each year.

The fastest-growing age group in the county is residents aged 65 and older, whose share rose from 16% in 2010 to 21% in 2023. Within that age group, the largest increase was in the 75 to 84 years age category, whose share increased from 5% to 9% of total population. The percentage of households with children has declined, while single-person households aged 65 and older have increased. Average household sizes have decreased across all jurisdictions in the county.

Figure I-10.
Change in Population by Age, Yuma County, 2010 to 2023



Source: 2010 and 2023 1-year American Community Survey estimates, Root Policy Research.

Why Work to Address Housing Challenges?

Despite the numerous benefits associated with an adequate housing supply and stable housing conditions, efforts to expand housing often encounter resistance from current residents, particularly homeowners. This opposition is especially pronounced when it comes to affordable housing and higher-density developments. Homeowners frequently express concerns that such projects may lead to a decline in property values. Their worries typically encompass increased traffic, on-street parking issues, neighborhood crime, and the overall impact on property values.

While these concerns about potential negative effects of higher-density and multifamily housing are understandable, research generally shows that affordable housing does not harm the property values of neighboring homes.

A balanced housing stock fosters a complete "life cycle community," providing affordable housing options for residents at all stages of life—from career starters to seniors. This supports the local economy and enriches the community's culture. Furthermore, studies indicate that a constrained housing market can hinder economic growth, while stable and affordable housing is fundamental to the health of individuals, families, and communities.

Housing is a key part of a community's infrastructure. Housing stability improves child development, leads to better health conditions and outcomes, contributes to economic growth and public sector cost savings, and reduces poverty and increases economic mobility.

Child Development. Housing instability is both a consequence and a cause of poverty. Households without affordable housing often move frequently, leading to lower educational outcomes, job stability, and health for children. Studies show that stable housing improves children's educational and labor market prospects, while frequent movers face increased behavioral issues and lower academic achievement. High mobility rates can negatively impact nonmobile students in the same schools.

Families with children experience high housing discrimination, making them more susceptible to eviction. At its worst, housing instability results in homelessness, which has lasting negative effects on children's well-being, including increased illness and behavioral problems. Research indicates that homeless children are more likely to be in poor health and at risk for developmental delays, compared to their stably housed peers.

Health Outcomes. Studies have shown that individuals who experience eviction often face increased material hardship, higher levels of depression, and greater stress, particularly among vulnerable populations. These adverse effects can persist for years after the eviction, impacting overall well-being and family dynamics.

Living environments significantly impact health. Research indicates that housing is a crucial social determinant of health. For example, children are especially vulnerable to lead exposure, which can cause severe developmental issues. Homes built before 1978 are more likely to have lead-based paint and plumbing.

Indoor allergens and damp conditions—such as water leaks and pest infestations—can worsen respiratory issues like asthma. The role of housing in public health garnered attention during the COVID-19 pandemic. Public health measures, such as social distancing, require safe housing.

Economic Growth and Public Sector Costs. Housing affordability continues to decline as prices and rents increase faster than incomes, leading to significant impacts on low-income households. These cost-burdened households typically spend much less on essentials like food, healthcare, and transportation compared to those with affordable housing. During economic downturns, those spending over 50% of their income on housing face higher risks of material hardship, including food insecurity and inadequate medical care.

High housing costs not only stress individual households but also negatively affect the overall economy. Studies suggest that elevated housing prices can lead to labor misallocations, reducing national economic growth and hindering local employment growth. In fact, increasing housing affordability can attract both workers and businesses, fostering job creation.

Furthermore, housing instability is a major factor contributing to homelessness, impacting health outcomes and increasing healthcare costs. Initiatives like the Housing First model, which provide supportive housing for the chronically homeless, demonstrate significant cost savings and reductions in related social issues, such as police interactions and hospital stays. Overall, investing in affordable housing and supportive services proves to be a fiscally sound approach that benefits both individuals and society.

Poverty, Economic Mobility, and Stability. Employment stability is closely linked to housing stability. For low-income workers, forced moves often lead to job loss, with studies showing that those who experience such moves are significantly more likely to be laid off. This is alarming since prolonged unemployment decreases the chances of finding new work and often correlates with higher crime rates in communities.

Stable housing in better neighborhoods is crucial for economic mobility. Research indicates that children from low-income families who live in less impoverished areas tend to have better outcomes, including higher earnings and college attendance rates. A balanced housing market can reduce poverty concentrations, leading to improved community well-being and lower negative outcomes like crime and school dropouts.

Homeownership is a key factor in wealth-building and economic stability. It provides financial security, particularly for low- and moderate-income households, acting as a shield against inflation and economic shocks. Home equity is an essential source of savings, contributing significantly to retirement security. Studies show that homeowners tend to accumulate wealth more rapidly than renters, and children of homeowners are more likely to achieve homeownership and higher education levels themselves. Overall, homeownership is linked to lower material hardships and greater financial resilience, particularly during economic downturns.

SECTION II.

AFFORDABLE HOUSING ACTION PLAN

SECTION II.
Affordable Housing Action Plan

This section builds upon the community engagement activities and current housing challenges to present recommendations. Recommendations are structured around three objectives:

- **Objective 1. Support for the new construction of affordable housing and the preservation of existing affordable housing.**
- **Objective 2. Increase education, communication, and information on housing affordability to increase support for and access to affordable housing.**
- **Objective 3. Support financing for new construction, preservation, and expand funding sources for affordable housing.**

These objectives aim to help address Yuma's most pressing housing challenges by increasing the supply of affordable housing, enhancing public understanding and support for varied housing options, and strengthening the financial tools necessary to make housing projects feasible. These strategies, informed by community feedback, are designed to promote long-term affordability and resilience within the housing system.

Each objective is accompanied by specific action items tailored to support the overarching goals, categorized by realistic timelines for implementation. These are divided into three phases: short-run actions, achievable within 1 to 2 years; medium-run actions, expected to be completed within 2 to 4 years; and long-run actions, targeting a 4 to 6-year timeline. This structured approach ensures that progress can be made in a timely manner while allowing for ongoing assessment and adaptation to changing community needs.

Objective 1. Support the new construction of affordable housing and preserve existing affordable housing

The goals under this objective are centered on strengthening Yuma's affordable housing landscape through a combination of infrastructure upgrades, preservation efforts, innovation, and regulatory reform. This can include upgrading infrastructure such as roads, sidewalks, water, sewer systems, and lighting in older neighborhoods, while preserving and improving existing housing stock and promoting new affordable infill development.

To ensure long-term affordability and housing stability, this objective seeks to prevent the loss of affordable housing through the strategic acquisition and rehabilitation of naturally occurring affordable housing, including mobile home communities. These efforts aim to improve the safety, quality, and livability of aging housing, while promoting community ownership models to minimize resident displacement.

Additionally, the goals include reducing construction costs and timelines to make affordable housing development more scalable and feasible, diversifying housing types to meet the needs of different populations, and positioning Yuma as a leader in innovative housing solutions. This includes creating targeted opportunities for affordable housing development in high-potential areas and lowering regulatory barriers through tools like zoning overlays to align land use policy with housing affordability goals.

Simplifying and streamlining the development process for Accessory Dwelling Units (ADUs) is also a priority, along with reducing financial and regulatory burdens on homeowners. Promoting ADUs as a flexible housing option supports affordability, aging in place, and multigenerational living.

Finally, reviewing development fee structures to reflect the true infrastructure impact of smaller housing types will reduce financial barriers, promote a more diverse housing stock—such as cottages, townhomes, and ADUs—and support a more equitable and transparent system for encouraging affordable housing.

Action 1.1. Continue investing in redevelopment, revitalization, and infill of older neighborhoods—Direct resources to upgrade infrastructure, housing, and amenities in aging areas to enhance livability and create new affordable housing opportunities.

- Short-run 1-2 years—Identify high-priority neighborhoods based on need, vacancy rates, infrastructure age, and development potential.
- Short-run 1-2 years—Create detailed redevelopment maps to guide public and private investment.
- Medium-run 2-4 years—Continue support for home repair grant/loan programs for low-income homeowners to maintain and modernize aging homes.

- Long-run 4-6 years—Partner with nonprofits and affordable housing developers to build mixed-income or affordable projects within these areas.

Action 1.2. Support the acquisition and/or rehabilitation of naturally occurring affordable housing by nonprofits or mission-driven developers—Support nonprofits or mission-driven developers in purchasing and renovating existing low-cost housing to preserve affordability and prevent displacement.

- Short-run 1-2 years—Monitor aging, unsubsidized rental properties vulnerable to speculative investment or disrepair.
- Short-run 1-2 years—Prioritize properties in areas near jobs, schools, and transit.
- Medium-run 2-4 years—Provide low-cost rehab financing and continue providing grants to upgrade housing conditions (plumbing, HVAC, roofing, ADA compliance).
- Long-run 4-6 years—Collaborate with nonprofits and Community Development Corporations (CDCs) to expand funds that can provide gap financing, low-interest loans, or grants for their acquisition efforts of at-risk properties.

Action 1.3. Explore innovative construction methods, such as modular homes, and tiny homes—Promote and support cost-effective building technologies that can reduce construction time and expenses, making affordable housing development more efficient and scalable.

- Short-run 1-2 years—Explore and research non-traditional building methods such as modular homes and tiny homes. Assess community preferences, infrastructure compatibility, and local zoning constraints.
- Short-run 1-2 years—Research market and regulatory feasibility to identify where modular or tiny homes could be deployed effectively.
- Medium-run 2-4 years—Continue improvement of zoning and building codes to accommodate tiny homes, modular units, and nontraditional building methods. Work with fire, building, and safety officials to create clear permitting pathways.
- Medium-run 2-4 years—Continue working to allow for cluster developments, reduced minimum lot sizes, or flexible setbacks for innovative housing types where feasible.
- Long-run 4-6 years—Host education sessions for residents, elected officials, and builders to increase familiarity and comfort with nontraditional housing.

Action 1.4. Affordable housing zoning overlay—A special zoning district applied over existing zones that offers incentives or relaxed regulations to specific projects on a voluntary basis to encourage the development of affordable housing in targeted areas.

- Short-run 1-2 years—Use data (e.g., access to jobs, transit, schools, vacant parcels, housing need) to identify priority zones for affordable housing overlays. Include both underutilized areas and opportunity zones where affordable housing is lacking.

- Short-run 1-2 years—Host public meetings and stakeholder focus groups to explain the overlay's purpose and gather input.

- Medium-run 2-4 years—Establish a menu of regulatory incentives, such as increased allowable density, height bonuses, reduced parking requirements, etc. Define voluntary eligibility criteria for developments, such as minimum percentage of affordable units.

- Long-run 4-6 years—Draft and adopt overlay zoning regulations through the City's zoning ordinance process.

Action 1.5. Continue removing barriers to the development of Accessory Dwelling Units—Simplify regulations, reduce fees, and ease zoning restrictions to make it easier for homeowners to build ADUs and increase affordable housing options.

- Short-run 1-2 years—Offer marketing, educational resources, and technical support to homeowners regarding the development and new regulations for ADUs to streamline the construction process.

- Long-run 4-6 years—Coordinate with CDFIs to offer low-interest loans or grants for ADU construction, especially for low- and moderate-income homeowners.

Action 1.6. Review tap fees and other development fees to encourage different housing types and the production of smaller footprint homes—Review fees to make smaller, more affordable homes financially feasible and encourage different types of housing options.

- Short-run 1-2 years—Review current water/sewer tap fees, impact fees, and permitting fees to determine how they are applied across different housing types. Identify where fees may disproportionately burden small units compared to their infrastructure demands.

- Long-run 4-6 years—Stay competitive in the market for development by having reasonable tap and utility fees compared to other jurisdictions.

Objective 2. Increase education, communication, and information on housing affordability to increase support for and access to affordable housing

The goals for this objective focus on strengthening public understanding, access, and support around affordable housing in Yuma. A key aim is to foster community-wide recognition of housing affordability as fundamental to economic vitality and quality of life. This includes countering myths and misinformation about affordable housing, density, and the populations who benefit from it, while increasing public support for housing initiatives and policy reforms. Normalizing a broad range of housing types—such as accessory dwelling units (ADUs), duplexes, small multifamily buildings, and modular homes—is also essential to building different housing types to accommodate the household needs.

Another core goal is to centralize and simplify access to housing-related information, ensuring that all residents—renters, homeowners, and those seeking assistance—can easily find and understand the resources available to them. This involves disseminating knowledge of people's rights and responsibilities, promoting awareness of available housing programs.

The plan aims to increase awareness of tenant rights within these communities and prevent displacement by promoting long-term affordability and community stability.

Action 2.1. Promote and build support for affordable housing—through a public relations campaign and/or communications related to density, the need for affordable housing, and myths about affordable housing.

- Short-run 1-2 years—Develop a branded campaign to support affordable housing.
- Short-run 1-2 years—Launch the public relations campaign using social media, local radio, newspapers, and digital ads, posters and signage at public buildings, libraries, transit stops.
- Medium-run 2-4 years—Organize community outreach through conference sessions, panels, or webinars to educate the public about the need for affordable housing in Yuma, what different housing types look like and who lives in them. Invite speakers with lived experience (e.g., teachers, seniors, healthcare workers) who benefit from affordable housing.

Action 2.2. Improve resident access to housing information and resources—for example, tenant rights/responsibilities, resource/program information, affordable housing database, and/or search engine.

- Short-run 1-2 years—Create a comprehensive inventory of regional housing resources.

- Medium-run 2-4 years—Create a dedicated housing website or portal that includes tenant and landlord rights/responsibilities, application guides for housing assistance programs, listings of affordable housing units (searchable by location, eligibility, availability), eviction prevention and emergency housing resources.

- Long-run 4-6 years—Market website and promote resources through libraries, community centers, schools, and churches, nonprofits, health clinics, and legal aid offices as well as local employers and service providers (e.g., utilities, public transit).

Objective 3. Support financing for new construction, preservation, and expand funding sources for affordable housing

The goals for this objective focus on expanding and strengthening the financial foundation needed to support affordable housing development in Yuma. A key priority is to understand the specific financial obstacles that hinder small- to mid-scale or "missing middle" housing projects and to develop new or adapted financing tools tailored to these needs. By doing so, the City can encourage the production of different housing types.

Action 3.1. Work with developers to better understand the financing barriers to missing middle projects and consider partnerships with financial institutions to address such barriers—Collaborate with developers and financial institutions to identify challenges and create tailored financing solutions that support the development of smaller-scale, moderately priced housing types.

- Short-run 1-2 years—Organize meetings with small and mid-sized housing developers, CDFIs, and City staff to discuss challenges such as difficulty accessing capital for small-scale projects, appraisal gaps for non-traditional housing types, underwriting barriers for mixed-income or innovative models, lending practices that inhibit smaller developments, successful tools from other jurisdictions (e.g., predevelopment grants, revolving loan funds, guarantees).

- Medium-run 2-4 years—Collaborate with local CDFIs to pilot flexible loan products tailored to small-scale infill or mixed-type developments, predevelopment financing pools for feasibility studies, site prep, or permitting, and loan guarantees or credit enhancements for high-potential projects in underserved areas.

The housing action plan should be regarded as a living document that is continually influenced by evolving economic conditions, population dynamics, and shifting community requirements. This will ensure the plan remains relevant and responsive to changes.

The plan should receive regular updates and revisions informed by feedback from community stakeholders, including residents, businesses, and government entities. Such collaboration fosters a sense of community ownership and enhances participation in the planning process, increasing stakeholder support for the proposed initiatives.

Periodic evaluation and revision of the plan will facilitate the assessment of ongoing initiatives and their impacts. By documenting successes and challenges, the community can refine strategies to better address housing needs.

To summarize, Figure III-1 presents a table listing all the proposed actions.

Figure II-1.
City of Yuma Affordable Housing Action Plan Summary

Objective 1. Support the new construction of affordable housing and preserve existing affordable housing

Action 1.1. Continue investing in redevelopment, revitalization, and infill of older neighborhoods	
Timeline	**Action Description**
Short-run (1–2 years)	Identify high-priority neighborhoods based on need, vacancy rates, infrastructure age, and development potential.
	Create detailed redevelopment maps to guide public and private investment.
Medium-run (2–4 years)	Continue support for home repair grant/loan programs for low-income homeowners to maintain and modernize aging homes.
Long-run (4–6 years)	Partner with nonprofits and affordable housing developers to build mixed-income or affordable projects within these areas.

Action 1.2. Support the acquisition and/or rehabilitation of naturally occurring affordable housing by nonprofit or mission-driven developers	
Timeline	**Action Description**
Short-run (1–2 years)	Monitor aging, unsubsidized rental properties vulnerable to speculative investment or disrepair.
	Prioritize properties in areas near jobs, schools, and transit.
Medium-run (2–4 years)	Provide low-cost rehab financing and continue providing grants to upgrade housing conditions (plumbing, HVAC, roofing, ADA compliance).
Long-run (4–6 years)	Collaborate with nonprofits and Community Development Corporations (CDCs) to expand funds that can provide gap financing, low-interest loans, or grants for their acquisition efforts of at-risk properties.

Action 1.3. Explore innovative construction methods, such as modular homes, and tiny homes	
Timeline	**Action Description**
Short-run (1–2 years)	Explore and research non-traditional building methods such as modular homes and tiny homes. Assess community preferences, infrastructure compatibility, and local zoning constraints.
	Research market and regulatory feasibility to identify where modular or tiny homes could be deployed effectively.
Medium-run (2–4 years)	Continue improvement of zoning and building codes to accommodate tiny homes, modular units, and nontraditional building methods. Work with fire, building, and safety officials to create clear permitting pathways.
	Continue working to allow for cluster developments, reduced minimum lot sizes, or flexible setbacks for innovative housing types where feasible.
Long-run (4–6 years)	Host education sessions for residents, elected officials, and builders to increase familiarity and comfort with nontraditional housing.

Action 1.4. Affordable housing zoning overlay	
Timeline	**Action Description**
Short-run (1–2 years)	Use data (e.g., access to jobs, transit, schools, vacant parcels, housing need) to identify priority zones for affordable housing overlays. Include both underutilized areas and opportunity zones where affordable housing is lacking.
	Host public meetings and stakeholder focus groups to explain the overlay's purpose and gather input.
Medium-run (2–4 years)	Establish a menu of regulatory incentives, such as increased allowable density, height bonuses, reduced parking requirements, etc. Define voluntary eligibility criteria for developments, such as minimum percentage of affordable units.
Long-run (4–6 years)	Draft and adopt overlay zoning regulations through the City's zoning ordinance process.

Action 1.5. Continue removing barriers to the development of Accessory Dwelling Units	
Timeline	**Action Description**
Medium-run (2–4 years)	Offer marketing, educational resources, and technical support to homeowners regarding the development and new regulations for ADUs to streamline the construction process.
Long-run (4–6 years)	Coordinate with CDFIs to offer low-interest loans or grants for ADU construction, especially for low- and moderate-income homeowners.

Action 1.6. Review tap fees and other development fees to encourage different housing types and the production of smaller footprint homes	
Timeline	**Action Description**
Short-run (1–2 years)	Review current water/sewer tap fees, impact fees, and permitting fees to determine how they are applied across different housing types. Identify where fees may disproportionately burden small units compared to their infrastructure demands.
Long-run (4–6 years)	Stay competitive in the market for development by having reasonable tap and utility fees compared to other jurisdictions.

Objective 2. Increase education, communication, and information on housing affordability to increase support for and access to affordable housing

Action 2.1. Promote and build support for affordable housing	
Timeline	**Action Description**
Short-run (1–2 years)	Develop a branded campaign to support affordable housing.
	Launch the public relations campaign using social media, local radio, newspapers, and digital ads, posters and signage at public buildings, libraries, transit stops.
Medium-run (2–4 years)	Organize community outreach through conference sessions, panels, or webinars to educate the public about the need for affordable housing in Yuma, what different housing types look like and who lives in them. Invite speakers with lived experience (e.g., teachers, seniors, healthcare workers) who benefit from affordable housing.

Action 2.2. Improve resident access to housing information and resources	
Timeline	**Action Description**
Short-run (1–2 years)	Create a comprehensive inventory of regional housing resources.
Medium-run (2–4 years)	Create a dedicated housing website or portal that includes tenant and landlord rights/responsibilities, application guides for housing assistance programs, listings of affordable housing units (searchable by location, eligibility, availability), eviction prevention and emergency housing resources.
Long-run (4–6 years)	Market website and promote resources through libraries, community centers, schools, and churches, nonprofits, health clinics, and legal aid offices as well as local employers and service providers (e.g., utilities, public transit).

Objective 3. Support financing for new construction, preservation, and expand funding sources for affordable housing	
Action 3.1. Work with developers to better understand the financing barriers to missing middle projects and consider partnerships with financial institutions to address such barriers	
Timeline	**Action Description**
Short-run (1–2 years)	Organize meetings with small and mid-sized housing developers, CDFIs, and City staff to discuss challenges such as difficulty accessing capital for small-scale projects, appraisal gaps for non-traditional housing types, underwriting barriers for mixed-income or innovative models, lending practices that inhibit smaller developments, successful tools from other jurisdictions (e.g., predevelopment grants, revolving loan funds, guarantees).
Medium-run (2–4 years)	Collaborate with local CDFIs to pilot flexible loan products tailored to small-scale infill or mixed-type developments, predevelopment financing pools for feasibility studies, site prep, or permitting, and loan guarantees or credit enhancements for high-potential projects in underserved areas.

APPENDIX.

COMMUNITY ENGAGEMENT

Appendix.
Community Engagement

This section presents the findings from the community engagement activities conducted to inform this study. These activities included comprehensive interviews with housing service providers, property developers, and city staff, alongside a focus group discussion with members of the Attainable Housing Committee. Additionally, an interactive workshop was held, bringing together key stakeholders such as housing service providers, developers, and city officials.[1]

The City of Yuma Office of Neighborhood Services and Root Policy Research are grateful to all the stakeholders who shared their perspectives.

Housing Challenges

Stakeholders shared their insights on the housing challenges facing the community. They highlighted significant changes in the housing market, noting that factors such as rising demand, increasing prices, and a shortage of affordable options have exacerbated housing needs. Many participants expressed concern about the impact of these changes on residents, particularly those who are struggling to secure stable and affordable housing. The discussions highlighted the need for collaborative solutions to address these challenges and to support the well-being of all community members.

Voucher holders. Among voucher administrators, rising market rents have surged to levels that exceed Section 8 voucher limits, discouraging landlords from participating in these essential programs. As a result, many low-income families are left without viable housing options.

For voucher users, the number of landlords accepting vouchers has decreased from around 400 before the pandemic to approximately 290. Landlords are now more inclined to take advantage of higher market rents. Previously, it was beneficial for landlords to accept vouchers, but following the pandemic, many have chosen to opt out.

Overall, waitlists for housing assistance have exceeded 4,000 applications, highlighting a significant mismatch between demand and available resources. Overcrowding and cost

[1] Stakeholders represented a range of organizations, including: Attainable Housing Committee, Banner University Health Plans, Bethel Development, Campesinos sin Frontera, Catholic Community Services, City of Yuma Fire Department, City of Yuma Planning & Neighborhood Services, City of Yuma Public Affairs, Gorman & Company, Housing America Corporation, Housing Authority of the City of Yuma, Salvation Army Yuma, Utilities Division, Yuma County Juvenile Justice Center.

burdens among low and middle-income families are becoming increasingly common as they navigate an unaffordable rental market.

During the COVID-19 pandemic, the city received substantial assistance, leading to higher occupancy rates and more funding for homelessness and eviction prevention programs. At that time, it seemed like there was an abundance of vouchers available. However, as this support has diminished, vacancies are on the rise. For two years, individuals facing eviction could go to court, and approximately 75% of them were able to secure funding to avoid eviction. Now, that support has nearly disappeared, with only 1 in 10 receiving help.

The Housing Authority is collaborating with Arizona to establish an affordable housing fund, with plans in place as the fiscal year begins on April 1. Currently, it is extremely challenging to assist individuals in need. Programs like Tenant-Based Rental Assistance (TBRA) have been exhausted, and emergency vouchers that were available during the pandemic are no longer in place. Rents have increased by 20% since the onset of COVID-19, with support that used to be $400-$500 per unit now rising to over $600. The Housing Authority has operated at a deficit to cover these costs. Previously, the authority housed 1,500 households per month, but that number has decreased to around 1,420, and more reductions may be necessary to stay within budget. All the COVID-related subsidies are gone, and ongoing funding is insufficient. While the authority is utilizing available funds, this translates to fewer families being served. The waitlist continues to grow, with hundreds of applications coming in each month, forcing the authority to stop accepting new entries.

Another challenge is that federal funding sources are often designated for specific populations. The Housing Authority is working with the Arizona Housing Development Corporation on the Mesa development project and has recently completed a triplex, utilizing All Access funding for targeted populations, particularly individuals with mental illness. However, funding is limited primarily to construction; without supportive services, it's challenging to help these individuals maintain housing.

Recent incidents of property damage have raised concerns about the effectiveness of funding aimed at housing individuals without adequate supportive services. Approximately 5-10% of those receiving assistance have serious mental illness, with the largest voucher program being managed by HOM Inc. Many of these individuals may not be capable of living independently, but the authority is striving to provide them with a final opportunity. Consequently, the Housing Authority has effectively taken on the role of managing these tenants, with a small group of them causing the majority of the issues.

Among voucher users, the greatest need currently is for one-bedroom units. What used to be public housing is now under the RAD program, with over 2,200 people on the waitlist for a one-bedroom. The typical wait time is 5-7 years.

Homeownership support. Once-effective programs designed to assist families in purchasing homes have sharply declined due to increasing housing costs, higher interest rates, and a limited supply of affordable properties. Historically, these programs aided around 15 families annually in achieving homeownership through self-sufficiency initiatives. In recent years, however, participation has dwindled to 2-3 families, primarily due to escalating home prices and the rising cost of financing.

To alleviate the pressure of escalating home costs, families were initially provided with $20,000 in down payment assistance; however, as affordability challenges mounted, this assistance was increased to $40,000-$50,000 per family. Despite this significant enhancement, families continue to struggle in finding homes within their financial reach, illustrating the disparity between income levels and housing prices.

Compounding the challenge, insurance rates have risen by 35%, making homeownership even more difficult—especially with current interest rates at 7.5%.

Nearby communities that qualify for USDA rural financing present an alternative for buyers priced out of Yuma City. These programs can help residents who no longer qualify for housing vouchers but still cannot afford market-rate housing in the city.

Overcrowding and living conditions. Many low-income families are grappling with overcrowding and cost-burdening. A lack of affordable rental units and well-maintained homes forces numerous families into unsatisfactory living conditions, including overcrowding and units situated far from essential services. This situation is particularly pronounced within the Latino community, where many individuals are effectively homeless. It is alarming that hundreds of residents are either homeless or semi-homeless in the community.

Many U.S. citizens have found themselves living in Mexico because they cannot afford or find housing opportunities in Yuma. This situation is especially pronounced during the summer months when economic activity slows and unemployment rises. Yuma uniquely faces economic downturns every summer[2], which worsen the housing challenges in the community.

Children of immigrants typically lack generational wealth, making it even more challenging for them to afford their own homes. High rents are a barrier to accumulating savings for homeownership.

Needs in rural communities. Stakeholders providing services within rural areas of the county identify seniors as a particularly vulnerable demographic that requires additional support. Many elderly residents face challenges navigating the contracting processes involved in receiving rehabilitation grants, which can sometimes lead to scams. These

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[2] This is largely due to the seasonal nature of agricultural employment and winter visitors. Peak employment is observed in December, while the lowest employment levels occur in July. https://www.yumaaz.gov/home/showpublisheddocument/9682/638714096277500000

individuals, predominantly on fixed incomes, face significant financial constraints, emphasizing the need for support to help maintain their homes in habitable conditions. Many seniors express a desire to age in place, underlining the importance of affordable and accessible housing options.

Common repairs needed among seniors include upgrading air conditioning units, fixing roofs, replacing kitchen appliances with energy-efficient options, addressing leaks, repairing broken windows, resolving electrical issues, and modifying homes for disability access.

Collaborations between organizations have proven beneficial. For instance, merging USDA funds with HOME funds, which can reach up to $50,000, has made a significant impact, transforming living conditions for families. A notable instance recounted by an organization involved a family that barely recognized their own home following extensive rehabilitation efforts.

However, challenges persist. One organization noted that while they previously accessed HOME consortium funds, they have ceased due to the cumbersome application process and excessive restrictions.

Current rental rates hover around $1,200 to $1,300 for modest apartments or small homes, whereas many residents urgently require affordable housing options priced between $500 and $600. Unfortunately, available rentals at these lower price points are frequently in poor condition, often accompanied by exorbitant utility bills that can reach $600 per month. Many families find themselves anxiously awaiting their most substantial utility bill each summer, relying on the Western Arizona Council of Governments (WACOG) for assistance. However, WACOG can typically provide help only once or twice a year, further underscoring the pressing need for ongoing support.

Moreover, some landlords express difficulties in filling vacancies due to stringent USDA farm income requirements; efforts to enhance marketing for available units are underway. Many prospective tenants are not aware of these opportunities, and some prefer mobile homes.

There is a high demand for affordable rentals and homes, especially in South County. This situation is exacerbated by the insufficient housing available for farmworkers and low-income seniors. The most pressing need is for increased funding. Service provider organizations have long waiting lists, and funding is consistently limited. Moreover, construction costs have risen dramatically.

Housing market dynamics. Stakeholders noted the current runup in rental prices, long-time residents noted that young people are finding it challenging to secure housing, and families with a single income face particular difficulties. Townhomes that were renting for about $900 five years ago now go for approximately $1,500 for 1,200 square feet.

Similarly, those townhomes were selling for around $140,000 five years ago, but now sell for between $225,000 and $250,000.

People are forced into overcrowded situations, often needing to get roommates. The recent surge in sale prices can create a spillover into the rental market, incentivizing more fix-and-flip properties. The average sales price had remained around $250,000 for several years, but now $250,000 will only secure a double-wide mobile home. A realtor mentioned that VHA loan requirements can lead to deals falling apart. Adults who wish to downsize are struggling to find affordable inventory that meets their needs.

Stakeholders noted that, as a result, people are moving out of town, and there has been an increase in homelessness. Young adults grow up and leave because they cannot afford to live here. Even in Somerton, prices are rising. This has spillover impacts on the broader economy, including hospitals having difficulty in finding workers, and schools having challenges in attracting teachers.

Traditionally, many people moved to Phoenix, but those prices are also no longer attainable. Stakeholders worry the community may start to see more homeless children, especially among single mothers who are stuck in a situation where they do not qualify for subsidies while still facing high rental costs. People should have the ability to rent a place on a minimum wage salary.

Absentee landlords are difficult to track and can lead to poorly maintained rental properties. It is crucial for landlords to keep up with property maintenance and up to code, as neglect can impact neighboring homes.

Lack of maintenance also contributes to fire incidents. Yuma has experienced clusters of fires in low-income communities, often due to substandard wiring that is not up to code and is completed in a cost-cutting manner that compromises safety. There is a pressing need for resources to assist renters in multifamily buildings, as it is extremely difficult for low-income households to recover from such disasters.

Long-time residents have highlighted the need for housing rehabilitation to address outdated and deteriorating homes, as there is limited access to rehabilitation funding and programs outside the City of Yuma.

Development Barriers

Stakeholders pointed to several significant challenges affecting housing production:

- **Rising Costs**: Construction costs have become increasingly prohibitive. Appraisals frequently fall short of contract prices, and high material costs—combined with rising interest rates—are exacerbating affordability concerns. Land, construction, and financing costs are climbing, with mortgages around $300,000 far out of reach for low-income families. Moreover, permit fees—often ranging from $14,000 to $15,000—add another layer of financial pressure.

- **Lack of Local Capacity**: Some stakeholders have raised concerns about limited municipal staffing, which can delay permit processing and further inflate project costs.
- **Land Constraints**: Developable land is in short supply due to extensive federal, state, and tribal ownership. Minimum lot size requirements further restrict options, and resistance to higher-density housing presents additional barriers.
- **Community Opposition**: While some neighborhood-level resistance to new developments exists—often citing traffic concerns—support from city officials has helped projects proceed. In many cases, these traffic concerns may be overstated.
- **Insufficient Funding**: A lack of funding persists for both new affordable housing development and rehabilitation programs.

Despite these challenges, Yuma has experienced a resurgence in multifamily development. After a 15- to 20-year lull, the past 18 months have seen more multifamily projects emerge. These developments, typically two- to three-story buildings, offer a mix of one-, two-, and some three-bedroom units.

Interest in Accessory Dwelling Units (ADUs) has surged over the past two to three years. According to the Building Department, the City has issued permits for the construction of 49 ADUs over the last four years. This program has become extremely popular in Yuma.

The City of Yuma handles roughly 300 pre-development meetings annually. Its rezoning (5–6 months), variance (6 weeks), and design review (4 weeks) timelines are significantly faster than in larger metropolitan areas in the state. Developers from outside the region frequently express surprise at the city's shorter process. The city is actively working to expedite approvals—completing first reviews in approximately 15 working days and second reviews in about seven. It was noted that the City of Yuma maintains a strong, collaborative relationship with developers.

Although municipal staffing is generally sufficient, there may be a need for more field inspectors to streamline inspections and approvals. Other challenges in the process include incomplete plan submissions, fire suppression plans, and delays from power services.

The city is also seeing a trend toward smaller single-family homes on smaller lots and developments with smaller lots and larger homes.

The pace of development is closely tied to interest rates—lower rates around 4% could catalyze significantly more activity.

In response to some of these pressures, the City's Attainable Housing Committee has enacted targeted reforms to reduce development costs for fourplexes. These include allowing fire sprinklers in lieu of hydrants within greater distances and permitting alternative paving materials in infill areas. The City works to update its codes and requirements to ease the development process.

Stakeholders also noted the importance of preserving critical life-safety standards in multifamily housing. Removing fire safety features like sprinkler systems or setback requirements could lead to higher long-term costs and increased risk.

Recommendations

Stakeholders offered a wide range of strategies to address housing affordability challenges, spanning financial incentives, regulatory reforms, community engagement, and infrastructure considerations:

- **Developer Incentives**: Provide financial incentives and reduce development fees to encourage more affordable housing projects.
- **Reduced Permitting Fees**: Lower permitting fees, specifically for non-profit housing developments, to improve project feasibility.
- **Reduced Land Costs**: Municipalities should explore strategies to allocate land specifically for affordable housing to help reduce development costs.
- **Community Consideration**: Housing strategies must reflect the needs of the broader community. Recognizing the importance of regional planning is essential, as housing has far-reaching effects on the economy, social cohesion, and public safety in the region.
- **Rent Stabilization**: Implement mechanisms to curb rapidly rising rental prices and protect tenants from displacement.
- **Collaboration with Municipalities**: Strengthen coordination between municipalities and non-profits to integrate affordable housing goals into general plans.
- **Advocacy for Funding**: Advocate for increased investment and rural housing programs to address underserved areas.
- **Creative Financing Strategies**: Encourage public-private partnerships and develop innovative financing models to expand affordable housing options.
- **Legislation on Single-Family Homes**: Consider enacting legislation that limits the acquisition of single-family homes by real estate investors, preserving ownership opportunities for residents.

- **Utilization of Existing Housing Stock**: Improve the use of vacant homes, which can otherwise lead to encampments, by reintegrating them into the housing market.

- **Addressing Community Concerns**: Mitigate opposition related to density, crime, and property values through thoughtful neighborhood design and improved street access.

- **Highlighting Successes**: Showcase successful examples such as the Mesa Heights redevelopment to demonstrate the benefits of community investment and beautification.

- **Roommate Vetting Program**: Explore the creation of a roommate matching and vetting program, especially to support the safety of young women.

- **Funding for TRBA**: Increase funding for the TRBA program to enhance housing support.

- **Source of Income Discrimination**: Reform regulations to prohibit discrimination based on source of income. However, stakeholders acknowledge that such changes may have limited effect unless more housing vouchers become available.

- **Preference for Local Residents**: Adjust the voucher system to prioritize local residents. Given that Yuma's program is first-come, first-served, and many families move into the city, a local preference would better serve long-term residents.

- **Increased Density Allowances**: Amend zoning to allow for higher density, and to enable innovative housing types—like container homes—that provide additional income streams and help offset costs.

- **Infrastructure Costs**: Help developers navigate high infrastructure expenses, including impact fees and water meter challenges. In some cases, residential fire systems have supported projects, though compatibility with water and sewer infrastructure remains an issue.

- **Continue Support for Helpful Policies**: Some city policies have already proven effective—such as allowing two ADUs on some lots and not having owner occupancy requirements, reclassifying fourplexes as residential instead of commercial, and enabling faster project timelines. Continue the efforts in this area.

- **Projects with Infill or Existing Sewer**: Support development on parcels where existing sewer infrastructure is in good condition to reduce costs and streamline construction.

- **Impact Fees vs. Alternatives**: Reevaluate the role of impact fees and consider alternatives like property tax waivers, which may be more effective at encouraging development.

- **Fire Hydrant Costs**: Address the significant cost gap between fire hydrants themselves and their installation, which can make or break the viability of certain projects. The cost of a fire hydrant is approximately $600, but the installation expenses can reach around $14,000 due to planning and infrastructure requirements.

- **Reducing Public Opposition**: Combat misinformation and reduce community resistance to new housing through public education. Launch coordinated public education campaigns to build support for affordable housing programs and address safety concerns, such as fire risks from lithium-ion batteries and the absence of smoke detectors. Currently, the Association of Realtors operates at the state level and is active in every county except Yuma. They have been active for 5 to 6 years and are investing millions in various areas, but not in Yuma. It would be beneficial to reach out to them to inquire about potential funding opportunities. The Arizona Housing Fund allows realtors to contribute $100 from each closing to the fund. Through the National Association of Realtors (NAR), communities can receive annual grants, including $25,000 earmarked for education campaigns. The Yuma Association could apply for these grants on behalf of the city, noting that the funds must be used for a new project.

Stakeholders stress that while these recommendations are critical, they represent only an initial step toward addressing the region's substantial housing needs.

Workshop Results

A workshop was conducted with housing stakeholders, allowing them to explore local housing challenges and barriers, vote and comment on potential strategies and solutions, and contribute to shaping local housing strategies. The workshop was held May 5, 2025, in a hybrid format, with 19 stakeholders attending in person and 12 attending through Zoom.

Participants were first asked, **"What do you love about Yuma?"** Figure II-1 presents a word cloud of their responses. The most frequently mentioned words highlight a strong appreciation for family, community, and the people. These themes indicate that the sense of belonging and personal connections are at the core of what makes Yuma special.

Other recurring themes include the weather, sunsets, and seasons, highlighting the natural beauty and climate as key attractions. The river and tranquil environment foster a sense of calm and enjoyment of the outdoors. Attributes like friendliness, safety, location, and a slower pace of life suggest that residents value both security and quality of life. Words like supportive and services point to a place that nurtures growth and offers a strong foundation for individuals and families.

Figure A-1.
What Do You Love About Yuma?

Notes: Number of respondents=21.

Participants were then asked, **"What does affordable housing mean to you?"** Stakeholders described affordable housing as more than just low-cost options, embodying security, dignity, and opportunity. Respondents emphasized that affordable housing should fit within one's budget, ideally not exceeding 30% of income, and should not force individuals or families to sacrifice other essentials such as food, healthcare, or comfort. Many referred to affordability benchmarks, like being below 80% of the Area Median Income (AMI), highlighting the importance of aligning housing costs with local economic realities. Stakeholders noted true affordability also encompasses safety, quality, and decency—housing that is structurally sound, secure, and conducive to better health outcomes.

Stakeholders highlighted that housing should be available to everyone, regardless of income level or household composition, with options that are accessible to individuals, families, seniors, and those with diverse needs and challenges. Additionally, respondents viewed affordable housing as a stabilizing force—one that reduces stress, supports the workforce, and enhances overall community well-being. Safe, affordable housing was seen as fundamental to economic security, physical and mental health, and the ability to thrive.

Stakeholders were asked to explain, **"How does the lack of affordable housing hinder the Yuma you love?"** The responses highlighted the deep and far-reaching impacts of housing insecurity on the community.

A central theme that emerged from responses was displacement and disconnection. Many respondents mentioned that families have been forced to move away or seek housing elsewhere, which weakens community bonds. This instability affects everyone, from young adults struggling to find their first home to seniors living on fixed incomes who cannot afford market-rate rent. The lack of affordable housing creates a ripple effect that undermines the foundation of a thriving community.

Homelessness and the risk of becoming homeless were frequent concerns. Participants described rising numbers of unsheltered individuals, crowded shelters, and a shortage of resources. Many spoke about the stress and fear of being on the brink of homelessness, which harms mental health, lowers confidence, and leaves emotional scars—especially for those living in temporary or substandard conditions.

Responses emphasized that the housing crisis strains public systems by forcing individuals into substandard housing and increasing pressure on local services. It leads to a cycle of poverty for families, limiting educational opportunities and workforce participation. These challenges negatively impact personal growth, well-being, and family stability, while also hindering community economic development and civic morale.

In exploring **housing barriers**, participants were asked to vote on the top five barriers to affordable housing in Yuma

Figure II-2 highlights the top barriers to affordable housing in Yuma, as identified by stakeholders. The most frequently cited challenge is a lack of public funding or resources, with 18 mentions, emphasizing the need for greater financial investment and government support. Close behind were barriers to financing affordable housing, and low wages and income inequality, both cited 17 times, illustrating the intertwined challenges of economic hardship and limited access to development capital.

The loss of existing affordable housing (16 mentions) and high construction costs (15 mentions) rounded out the top five, signaling concern about both preservation and the high expense of building new units. These top barriers suggest that affordability in Yuma is constrained by both financial limitations and broader structural issues that affect housing supply and demand.

Lower-ranked challenges included community opposition or limited public awareness of the benefits of affordable housing (9 mentions), lack of political will (7), and zoning or land use restrictions (6), all pointing to the need for stronger public engagement and policy alignment. Issues like limited infrastructure, land availability, and developer capacity were cited less frequently. Overall, the findings underscore that tackling affordable housing in

Yuma requires a comprehensive approach that addresses funding, economic inequality, and regulatory constraints.

Figure A-2.
What Are the Top Five Barriers to Affordable Housing in Yuma?

Note: Number of respondents=26.

Strategies

Participants were then asked to rate from 1-strongly disagree to 5- strongly agree if the City of Yuma should invest in different types of strategies. The strategies were grouped into five categories, which included:

- Education, communication, and information;
- Dedicated local funding source;
- Technical/direct assistance;
- Preserve existing affordable housing and naturally occurring affordable housing; and
- Support new construction of affordable housing.

Education, Communication, and Information. Specific strategies under this category included:

- **Improve resident access to housing information and resources**—for example, tenant rights/responsibilities, resource/program information, affordable housing database and/or search engine.

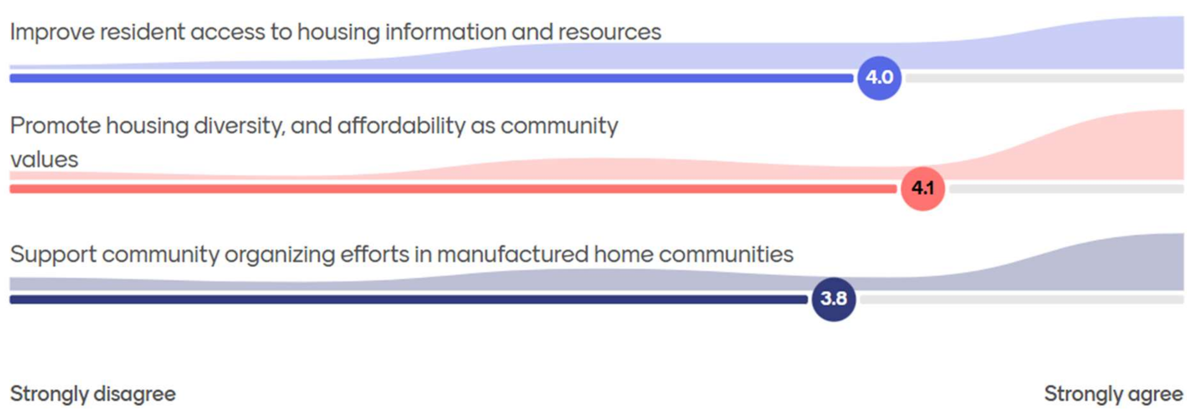
- **Promote housing diversity, and affordability as community values**—through a public relations campaign and/or communications related to density, need for affordable housing, and myths about affordable housing.

- **Support community organizing efforts in manufactured home communities and access to resident rights information**—by providing information on resident-owned community models and resources.

Community feedback indicates strong support for the City investing in education, communication, and information related to housing (Figure II-3). Among the options presented, promoting housing diversity and affordability as core community values received the highest level of support, with an average score of 4.1 out of 5.

Improving resident access to housing information and resources also ranked highly, with an average score of 4.0, highlighting the importance of ensuring that people are informed about available housing options and support. Support for community organizing efforts in manufactured home communities received a slightly lower, but still positive, average score of 3.8. Overall, these results demonstrate public interest in strengthening communication and educational efforts to advance housing equity and awareness across the city.

Figure II-3.
Should the City invest in the following? Education, Communication, and Information



Note: Number of respondents=28.

Dedicated Local Funding Source. Strategies under this category included:

- **Voluntary inclusionary zoning program fee in lieu—**A policy where developers are encouraged, but not required, to include affordable units in new projects; or they may pay a fee ("fee in lieu") to fund affordable housing elsewhere in the community. They do this in exchange for incentives such as density bonuses, expedited permitting, or other development benefits.

- **Raise funds through taxes or bonds—**A strategy where local governments generate dedicated funding for affordable housing by approving taxes (e.g., sales, property, transfer taxes) or issuing bonds, which provide upfront capital to support housing development and preservation.

- **Voluntary real-estate transaction fee—**A fee paid at the time of property sale, typically agreed to by sellers or buyers, with proceeds dedicated to affordable housing or community benefits.

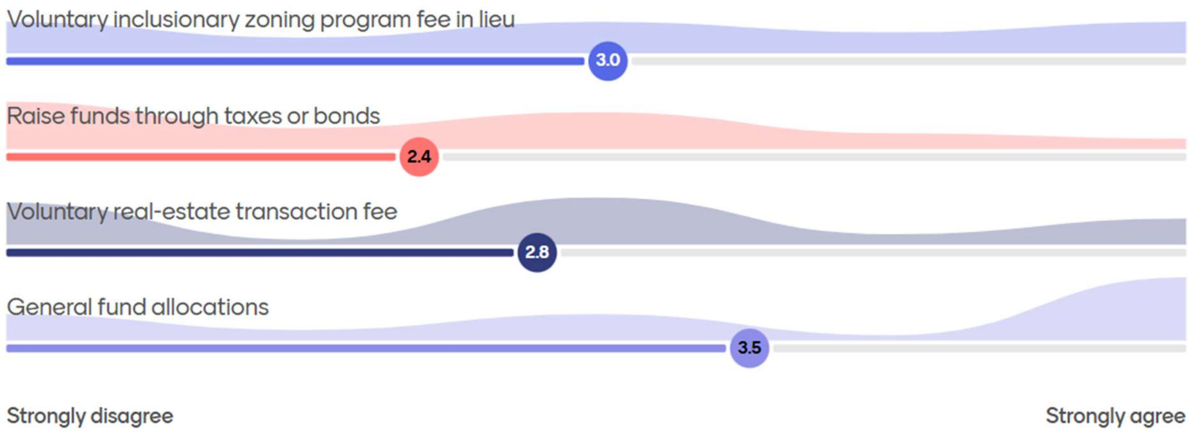
- **General fund allocations—**Direct funding is set aside from a local government's general budget to support affordable housing programs, often approved annually by elected officials.

The responses regarding whether the City should invest in dedicated local funding sources for housing reveal a range of opinions, with some strategies receiving notably more support than others (Figure II-4). General fund allocations emerged as the most favored approach, earning an average score of 3.5, suggesting that respondents are generally comfortable with using existing public resources to support housing initiatives.

In contrast, raising funds through taxes or bonds received the least support, with an average score of just 2.4, indicating significant hesitancy about imposing new financial obligations on residents. Voluntary inclusionary zoning program with a fee-in-lieu and voluntary real-estate transaction fees received scores of 3.0 and 2.8, respectively, suggesting moderate approval but not strong consensus.

Overall, the data shows a clear preference for less intrusive or existing funding mechanisms over new or potentially burdensome revenue sources.

Figure A-4.
Should the City invest in the following? Dedicated Local Funding Source



Note: Number of respondents=27.

Technical/Direct Assistance. Strategies under this category included:

- **Increase funding for financial literacy, credit building, and homebuyer education for residents**—Expand support for programs that help residents improve credit, understand homebuying, and prepare financially, making them better positioned to secure and sustain housing.

- **Foreclosure and eviction prevention and legal representation**—Provide financial assistance, counseling, and legal aid to help residents avoid losing their homes due to foreclosure or eviction, especially during financial hardships.

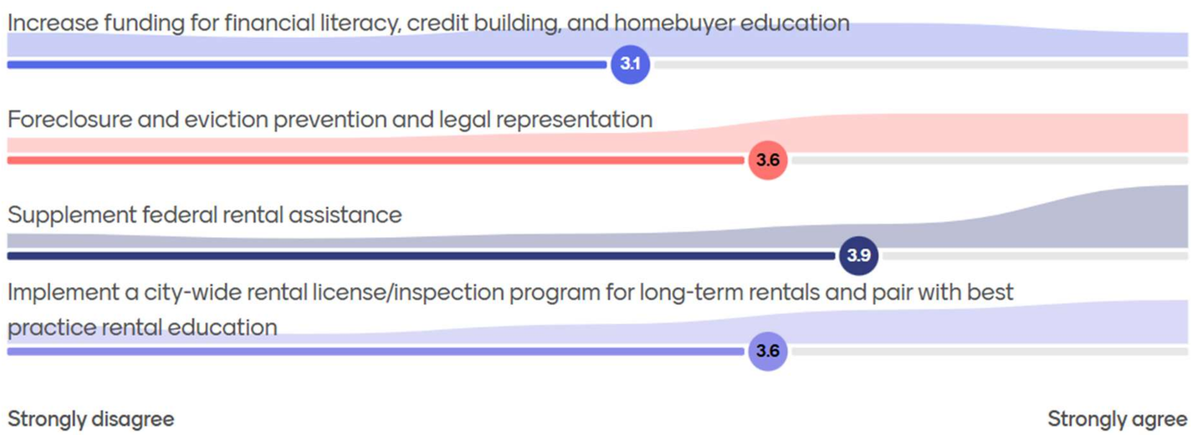
- **Supplement federal rental assistance**—Provide local funding or subsidies to fill gaps not fully covered by federal programs, ensuring households can afford rent and avoid displacement.

- **Implement a city-wide rental license/inspection program for long-term rentals and pair with best practice rental education**—Require or incentivize landlords to register and regularly inspect long-term rental properties while offering education on best practices and tenant rights to improve housing quality and stability.

Stakeholder responses, shown in Figure II-5, indicate support for the City investing in technical and direct assistance strategies related to housing stability. The highest-rated investment was supplementing federal rental assistance, with an average score of 3.9, signaling broad agreement on the need to fill gaps in existing support systems. Close behind, both foreclosure and eviction prevention with legal representation and implementing a city-wide rental license and inspection program paired with best-practice rental education received average scores of 3.6.

Meanwhile, increasing funding for financial literacy, credit building, and homebuyer education received a more moderate but still positive average score of 3.1, suggesting that while important, it may be viewed as slightly less urgent than direct interventions to prevent displacement. Overall, the results demonstrate a clear preference for proactive, supportive measures that help residents remain housed and informed.

Figure A-5.
Should the City invest in the following? Technical/Direct Assistance



Note: Number of respondents=28.

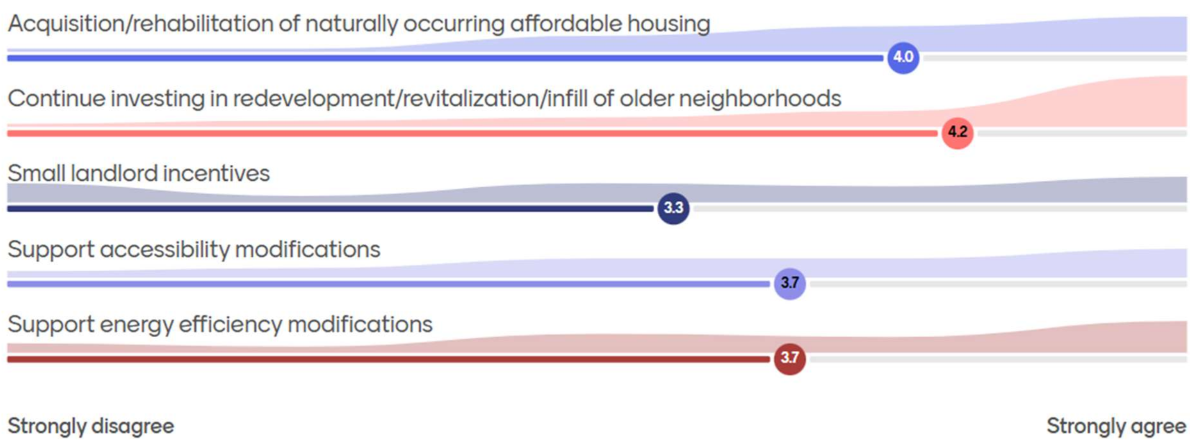
Preserve Existing Affordable Housing and Naturally Occurring Affordable Housing. Strategies under this category included:

- **Acquisition/rehabilitation of naturally occurring affordable housing, including mobile home parks**—Support nonprofits or mission-driven developers in purchasing and renovating existing low-cost housing to preserve affordability and prevent displacement.
- **Continue investing in redevelopment/revitalization/infill of older neighborhoods**—Direct resources to upgrade infrastructure, housing, and amenities in aging areas to enhance livability and create new affordable housing opportunities.
- **Small landlord incentives**—Public sector incentives that encourage small landlords to keep units affordable for a period of time in exchange for subsidized rehabilitation or tax or fee waivers.
- **Support accessibility modifications**—Provide funding or incentives to help homeowners and landlords make homes accessible for people with disabilities, improving safety and independent living.
- **Support energy efficiency modifications**—Offer assistance or incentives for upgrades that reduce energy costs, such as insulation or energy-efficient appliances, helping lower housing expenses and improve sustainability.

Survey responses show strong support for the City investing in strategies to preserve existing affordable housing (Figure II-6). The highest-rated initiative was continuing investment in redevelopment, revitalization, and infill of older neighborhoods, which received an average score of 4.2, indicating a strong community desire to improve and maintain established areas. Closely following, acquisition and rehabilitation of naturally occurring affordable housing received a score of 4.0, reinforcing the importance of preserving housing affordability through proactive ownership and renovation efforts.

Respondents also showed favorable support for accessibility modifications and energy efficiency improvements, both earning average scores of 3.7, suggesting a strong interest in making housing more livable, and sustainable. Small landlord incentives, while still viewed positively, received a more moderate score of 3.3.

Figure A-6.
Should the City invest in the following? Preserve Existing Affordable Housing



Note: Number of respondents=27.

Support New Construction of Affordable Housing. Strategies under this category included:

- **Land banking**—Acquire and hold land for future affordable housing development, ensuring sites are available and affordable when housing projects are ready to proceed.
- **Density bonus or other incentives (voluntary inclusionary zoning)**— Offer developers benefits like additional density, reduced fees, or relaxed zoning rules if they voluntarily include affordable housing in their projects.
- **Affordable housing zoning overlay**—A special zoning district applied over existing zones that offers incentives or relaxed regulations to encourage the development of affordable housing in targeted areas.

- **Continue removing barriers to the development of Accessory Dwelling Units**—Simplify regulations, reduce fees, and ease zoning restrictions to make it easier for homeowners to build ADUs and increase affordable housing options.

- **Calibrate tap fees and other development fees to encourage product diversity and the production of smaller footprint homes**—Adjust fees based on home size or type to make smaller, more affordable homes financially feasible and encourage varied housing options.

- **Explore innovative construction methods, such as modular and 3D printed**—Promote and support cost-effective building technologies that can reduce construction time and expenses, making affordable housing development more efficient and scalable.

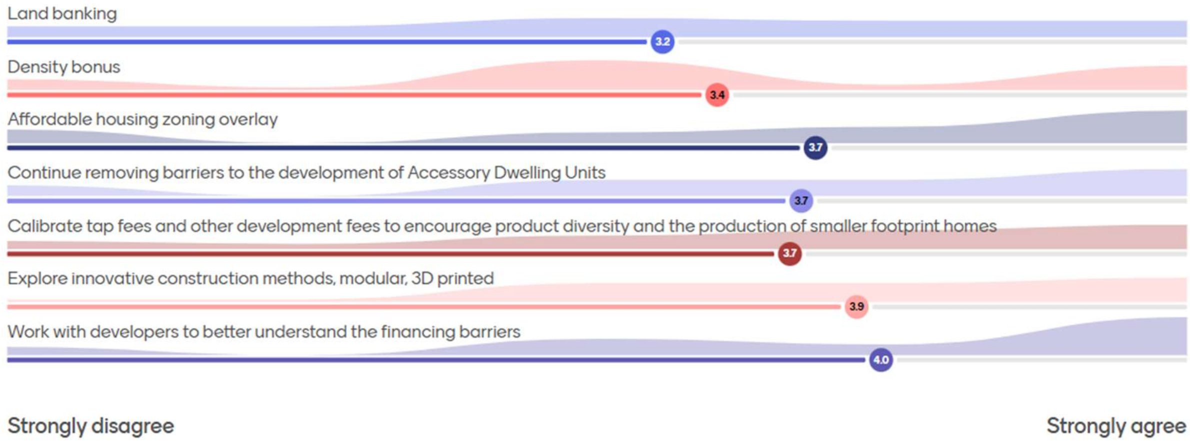
- **Work with developers to better understand the financing barriers to missing middle projects and consider partnerships with financial institutions (CDFI, credit unions, and banks) to address such barriers**—Collaborate with developers and financial institutions to identify challenges and create tailored financing solutions that support the development of smaller-scale, moderately priced housing types.

Stakeholder input (Figure II-7) shows strong support for a variety of strategies aimed at supporting the new construction of affordable housing. The most highly rated initiative was working with developers to better understand financing barriers, which received an average score of 4.0, signaling a strong interest in collaboration to address cost challenges in affordable housing development.

Several other strategies received solid support, including exploring innovative construction methods such as modular or 3D printed housing (3.9), and calibrating tap fees and other development charges to promote smaller, more varied housing options (3.7). Respondents also rated continuing to remove barriers for accessory dwelling units (ADUs) and implementing affordable housing zoning overlays equally at 3.7, reflecting a consistent desire to reduce regulatory and structural barriers to development.

More moderate support was shown for tools like density bonuses (3.4) and land banking (3.2). Overall, the responses reflect a community eager to see forward-thinking, collaborative, and flexible solutions to expand affordable housing supply.

Figure A-7.
Should the City invest in the following? *Support New Construction of Affordable Housing*



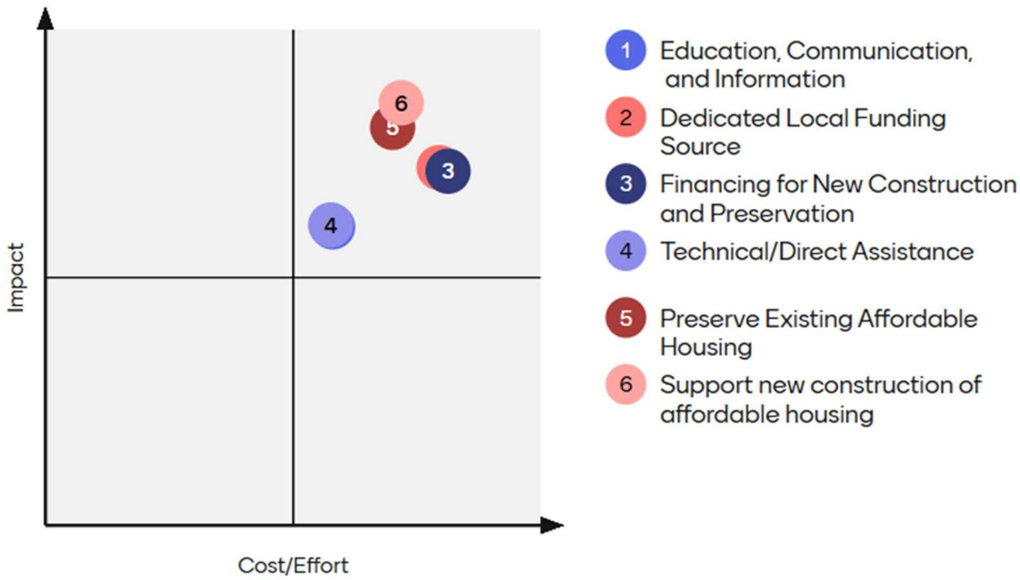
Note: Number of respondents=27.

Impact and Cost/Effort. The Impact and Cost/Effort analysis is illustrated in Figure II-8. This diagram presents the results of an exercise in which stakeholders ranked the impact and cost/effort associated with various broad categories of strategies. It visually compares the impact of each housing strategy against its cost/effort.

All strategies fall within the upper-right quadrant, indicating high-impact but also higher-cost or effort. Education, communication, and information strategies (1) and technical/direct assistance (4) fall slightly lower on the cost axis but still show strong impact, suggesting these could be efficient starting points with meaningful returns.

The rest of the strategies rank higher in both cost/effort and impact. Supporting new construction of affordable housing (6) and preserving existing affordable housing (5) are both considered impactful but require significant resources. Similarly, dedicated local funding sources (2) and financing for new construction and preservation (3) are considered slightly less impactful but costlier, reflecting the substantial effort involved in implementing and maintaining funding mechanisms.

Figure A-8.
Impact and Cost/Effort



Note: Number of respondents=25.

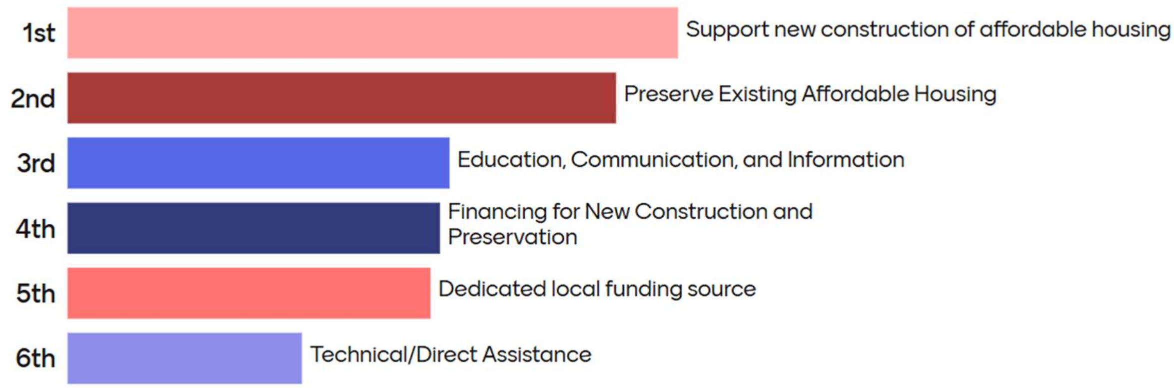
Strategy priority ranking. Figure II-9 shows the ranking of priorities based on stakeholder input on the different strategy categories. The highest priority, ranked 1st, was supporting the new construction of affordable housing, indicating strong public interest in expanding the housing supply to meet current and future demand.

In 2nd place was preserving existing affordable housing, showing that residents also value protecting what is already in place to prevent displacement and maintain community stability. Education, communication, and information efforts ranked 3rd, emphasizing the importance of building community support, and keeping residents informed and connected to housing resources.

Financing for new construction and preservation came in 4th, followed by dedicated local funding sources in 5th, both reflecting recognition of the need for strong financial infrastructure, though perhaps with more mixed support. Finally, technical and direct assistance was ranked 6th, indicating it is viewed as valuable but less urgent compared to other strategies.

Overall, the rankings suggest a clear public focus on increasing supply and maintaining existing housing, supported by education and funding mechanisms.

Figure A-9.
How should the City Prioritize Different Types of Strategies?



Note: Number of respondents=27.

Other suggested strategies for improving affordable housing in Yuma suggested by stakeholders, reflect a wide range of innovative, practical, and policy-driven ideas. A recurring theme was the need for state- and local-level policy reform, such as lobbying the Arizona Department of Housing (ADOH) for increased allocations in Yuma County, and advocating for reductions in the state sales tax on prime contracting and Transaction Privilege Tax (TPT) for affordable housing projects.

Several suggestions focused on creative housing solutions, including the development of tiny home parks, particularly with onsite services, and the conversion of existing structures, like abandoned schools, into housing—though zoning challenges were noted. Others proposed regulatory flexibility, such as allowing large property owners to split their land/homes, and encouraging infill development through fee waivers, streamlined approvals, and flexible codes.

In addition, participants emphasized the importance of sustainability and independence, recommending support for independent living skills to help residents maintain housing stability.

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