

COUNCILWOMAN ANN
O'BRIEN
PHOENIX DISTRICT 1



PROPOSED
**HOUSING
SOLUTIONS**



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Intro

Housing is a complex issue that affects everything from economic growth to homelessness, and impacts everyone at all levels within a community. Over the last decade, a variety of factors have exacerbated our housing challenges, pushing the issue into a crisis that impacts the entire City. Improving the situation requires consideration of multiple facets, including the preservation of existing housing, the creation of new housing units, and the development of a variety of housing types.

Understanding Housing Affordability and Income Metrics

Before sharing how Phoenix arrived at this point, it's essential first to understand key terms:

Housing Burdened

- When a household spends more than 30% of its income on housing costs, including rent or mortgage, utilities, and related expenses. Households exceeding this threshold are considered cost-burdened, and those spending more than 50% are considered severely cost-burdened.¹



Area Median Income (AMI)

- The income level at which half of a region's households earn more, and half earn less; AMI is published based on a 4-person household, then calculated from that baseline level for other household sizes from that baseline figure.^{2 3}
 - For example, the AMI for the Phoenix region in 2023 was \$99,000. That means that half the population earned more than \$99,000, while the other half earned less than that amount.^{4 5}
 - Adjusted for a 1-person household, the AMI in the Phoenix region for 2023 was \$65,500.⁶
- AMI is used to determine the different levels of housing and to set pricing thresholds for both rental and for-sale units.

1 Office of Policy Development and Research. "CHAS: Background." CHAS: Background | HUD USER

2 U.S. Department of Housing and Urban Development. "Glossary of Terms."

3 U.S. Department of Housing and Urban Development. FY 2024 Income Limits Methodology. Washington, DC: Office of Policy Development and Research, 2024.

4 Arizona Department of Housing. FY 2023 Section 8 Income Limits (Effective May 15, 2023). Phoenix, AZ: Arizona Department of Housing, 2023.

5 U.S. Department of Housing and Urban Development. FY 2023 Section 8 Income Limits for Phoenix-Mesa-Scottsdale, AZ Metropolitan Statistical Area (Effective May 15, 2023). Washington, DC: U.S. Department of Housing and Urban Development, 2023.

6 U.S. Department of Housing and Urban Development. FY 2023 Income Limits Documentation System: Summary for Phoenix-Mesa-Scottsdale, AZ MSA. Washington, DC: HUDUser, 2023.

Common Income Categories

- Income levels are used to help determine eligibility for housing programs and funding, ensuring that resources are directed to those with the greatest need. By categorizing households by income relative to the AMI, governments and developers can tailor housing solutions more effectively.^{7 8 9}
- When using the 2023 AMI for the Phoenix region, the income levels come out to the following ranges:

Income Category	1-Person Household	2-Person Household	4-Person Household (AMI Baseline)
Extremely Low	≤ \$19,650	≤ \$22,450	≤ \$29,700
Very Low	\$19,651 – \$32,750	\$22,450 – \$37,400	\$29,700 – \$49,500
Low	\$32,751 – \$52,400	\$37,400 – \$59,840	\$49,500 – \$79,200
Moderate	\$52,401 – \$65,500	\$59,840 – \$74,800	\$79,200 – \$99,000

Note: All figures are approximate and based on publicly available data; slight variations may occur due to rounding or methodological adjustments.

Affordable Housing

- Affordable housing in Phoenix is defined according to HUD guidelines as housing—whether rented or owned—that costs no more than 30% of a household’s income, including utilities, insurance, and property taxes.^{10 11 12}
- Because lower-income households have more limited housing options, the term “affordable housing” is often used when referring to lower-income households.
- Under this definition, the 30% in housing costs for each level of income per month would be:

Income Level	1-Person Household	2-Person Household	4-Person Household (AMI Baseline)
Extremely Low	≤ \$491	≤ \$561	≤ \$743
Very Low	\$491 – \$819	\$561 – \$935	\$743 – \$1,238
Low	\$820 – \$1,310	\$935 – \$1,496	\$1,238 – \$1,980
Moderate	\$1,310 – \$1,637	\$1,496 – \$1,870	\$1,980 – \$2,475

Note: All figures are approximate and based on publicly available data; slight variations may occur due to rounding or methodological adjustments.

7 City of Phoenix. Housing Needs Assessment. Phoenix, AZ: City of Phoenix, May 2024.

8 City of Phoenix. Preservation Phoenix Style Report. Phoenix, AZ: City of Phoenix, Planning and Development Department, 2024.

9 City of Phoenix. 2025–2029 Consolidated Plan: Public Comment Draft. Phoenix, AZ: City of Phoenix, Neighborhood Services Department, April 2024.

10 U.S. Department of Housing and Urban Development. "Glossary of Terms."

11 City of Phoenix. Housing Phoenix Plan (Final). Phoenix, AZ: City of Phoenix, 2024.

12 City of Phoenix. Phoenix to Add 264 Affordable Housing Units (City News Release, May 8, 2025). Phoenix, AZ: City of Phoenix Newsroom, 2025.

Attainable Housing

- The term "attainable housing" does not have a single standardized federal definition like affordable housing does. Still, it is commonly used to describe housing that is within financial reach for low-to-middle-income households who earn too much to qualify for subsidized housing but still struggle to afford market-rate homes. ^{13 14}

Workforce Housing

- While no single legal definition exists, workforce housing is commonly understood—and used in Phoenix—to mean homes affordable to households earning 80–120% of AMI. ^{15 16} Workforce housing aims to keep workers living in the communities where they work, reducing long commutes and supporting local economic stability. ^{17 18 19}

Household Size	80% AMI Annual Income	120% AMI Annual Income	Monthly Payment Range (30% of income)
1-Person	\$52,400	\$78,600	\$1,310 – \$1,965
2-Person	\$63,560	\$95,340	\$1,589 – \$2,383
4-Person	\$79,200	\$118,800	\$1,980 – \$2,970

Note: All figures are approximate and based on publicly available data; slight variations may occur due to rounding or methodological adjustments.



Middle Housing

Middle housing refers to housing types that offer multiple units while maintaining the general size and feel of single-family homes, and are designed to provide diverse and affordable living options. These types of housing include duplexes, triplexes, quadplexes, condos, and townhomes. They are called "middle" because they fall between single-family houses and larger apartment complexes in both scale and affordability. ²⁰

Market Rate Housing

- This is housing that is priced by supply and demand, without subsidies or restrictions. ²¹

13 Phoenix Industrial Development Authority. Housing Strategy. Phoenix, AZ: Phoenix IDA, December 2023. h
14 AIA Infrastructure Advocacy Institute. Attainable Housing Terms. Washington, DC: AIA Infrastructure Advocacy Institute
15 U.S. Department of Housing and Urban Development. "Glossary of Terms."
16 City of Phoenix. Government Property Lease Excise Tax (GPLET) – Workforce Housing Definition. Phoenix, AZ.
17 City of Phoenix Neighborhood Services Department. NSD RFP FY25 02: Request for Proposals – Development of Eight City Owned Lots. Phoenix, AZ, 2024.
18 City of Phoenix Office of Homeless Solutions. Task Force Recommendations to the City Manager. Phoenix, AZ, 2022.
19 Arizona Department of Housing. Affordable Housing Initiatives Presentation. Phoenix, AZ: Arizona Department of Housing, 2024.
20 Arizona Legislature. Arizona Revised Statutes § 9 462.13(H)(8): Definition of Middle Housing.
21 Joint Center for Housing Studies of Harvard University. The State of the Nation's Housing 2023. 2023.

Median vs. Average

The difference between AMI and the average home price is one of the more subtle but important issues in housing policy. While the median reflects the middle point of a data set, the average can be skewed by very high or low values, which is why the median is often more helpful in understanding typical household income or home prices.

AMI tracks income, while the average price reflects what homes are selling for. These don't always move together. If home prices rise faster than incomes, affordability gaps widen. In Phoenix, that's exactly what has happened. A household making the regional AMI may no longer be able to afford a median-priced home without devoting a much higher share of income to housing, well above the 30% affordability benchmark.²²

This mismatch has been building for decades. Between 1980 and 2020, median home prices in the U.S. increased by roughly 250%, while median household incomes went up only about 60% in nominal dollars.^{23 24} In other words, wages haven't even come close to keeping up. Even after accounting for inflation, the price of homeownership today takes a far bigger bite out of household income than it did in the past.

It helps to put this into perspective. In 1980, a median-income family could often afford a median-priced home while spending about a quarter to a third of their monthly income on housing.^{25 26} That was tight, but manageable. Today, in many neighborhoods across Phoenix, a household earning the median income would need to put 40% or more of their earnings toward housing.^{27 28} And renting doesn't offer much relief. A full-time worker earning minimum wage in Phoenix would need to work more than 80 hours a week to afford a modest two-bedroom rental at fair market rent.²⁹

How We Got Here

The Great Recession

The collapse of the housing market during the Great Recession marked a turning point for homebuilding in Phoenix and across the country. The effects of the Great Recession still linger in Phoenix's housing landscape. After the 2008 housing crash, homebuilders across the country pulled back sharply, particularly in Phoenix. Permits for new housing units in the region dropped by more than 80% between 2005 and 2009.³⁰ National builders like Lennar, D.R. Horton, and PulteGroup dramatically slowed activity, offloading land and laying off workers as financing dried up and foreclosures flooded the market.³¹ Even as the broader economy began to recover, construction remained sluggish for years, especially at the entry-level and affordable end of the market. The result is a long-standing underbuilding gap that has left the Phoenix region playing catch-up ever since, a deficit made worse by rising demand and shrinking inventory during the pandemic housing surge.³²



22 Federal Reserve Bank of St. Louis. New Private Housing Units Authorized by Building Permits for Phoenix-Mesa-Scottsdale, AZ (MSA).

23 U.S. Census Bureau. Median Household Income in the United States, 1980–2020.

24 Federal Housing Finance Agency. House Price Index: Historical Data

25 U.S. Census Bureau. Median Household Income in the United States, 1980–2020.

26 Federal Housing Finance Agency. House Price Index: Historical Data

27 Joint Center for Housing Studies of Harvard University. The State of the Nation's Housing 2023. 2023.

28 Federal Housing Finance Agency. House Price Index: Historical Data

29 National Low Income Housing Coalition. Out of Reach 2023: The High Cost of Housing. March 2023

30 Joint Center for Housing Studies of Harvard University. The State of the Nation's Housing 2023. 2023.

31 U.S. Department of Housing and Urban Development. The State of the Housing Market Since the Great Recession. Office of Policy Development and Research. 2019.

32 Federal Reserve Bank of St. Louis. New Private Housing Units Authorized by Building Permits for Phoenix-Mesa-Scottsdale, AZ (MSA).



Who is Moving, and Why

New Phoenix residents represent a diverse range of ages, professions, and backgrounds. Many young professionals are drawn to Phoenix's warm climate, outdoor amenities, and growing economic opportunities.³³ Others are moving to Phoenix to be near the city's robust job market, which is burgeoning in sectors such as healthcare, science, technology, logistics, and semiconductor manufacturing.³⁴ Additionally, Phoenix remains a major destination for retirees, who are drawn to the milder weather patterns and winter climate, as well as access to healthcare and recreational amenities geared towards aging populations.³⁵ This mixture of lifestyle, weather, and employment has made Phoenix one of the top relocation destinations in the United States.

Future Trends

Arizona consistently ranks as one of the top states for domestic net migration, with Phoenix and its surrounding metro area being the primary location

within the state.³⁶ Phoenix's economy relied heavily on construction and real estate before the Great Recession, which made it vulnerable when the housing market collapsed. Without other strong industries to balance the downturn, the city faced high unemployment and a slower recovery than more diversified economies. Since the Great Recession, Phoenix has worked to attract and grow sectors like technology, healthcare, and manufacturing to reduce dependence on a select few industries and create a more stable economic foundation. Furthermore, the city's economic base will continue to grow and diversify thanks to large investments by employers such as TSMC and Intel, which have expanded the semiconductor and technology industries, drawing global talent to the metro area.³⁷ The recent rise in permanent remote work opportunities has also attracted more professionals who relocate to Phoenix to enjoy the amenities and lifestyle while maintaining their professional prospects.³⁸ In the absence of a dramatic downturn in the economy, the economic forces currently at play will likely maintain Phoenix's continued population growth.

33 Arizona Department of Economic Security. Arizona Population Estimates. Phoenix: Arizona Department of Economic Security, 2025.

34 Axios Phoenix. "TSMC's Growth Tests Arizona's Workforce Pipeline." Axios Phoenix, May 6, 2025.

35 Arizona State University Office of the University Economist. Migration to and from Arizona. Tempe: Arizona State University, August 2024.

36 Arizona Department of Economic Security. Arizona Population Estimates. Phoenix: Arizona Department of Economic Security, 2025.

37 Axios Phoenix. "TSMC's Growth Tests Arizona's Workforce Pipeline." Axios Phoenix, May 6, 2025.

38 Arizona State University Office of the University Economist. Migration to and from Arizona. Tempe: Arizona State University, August 2024.

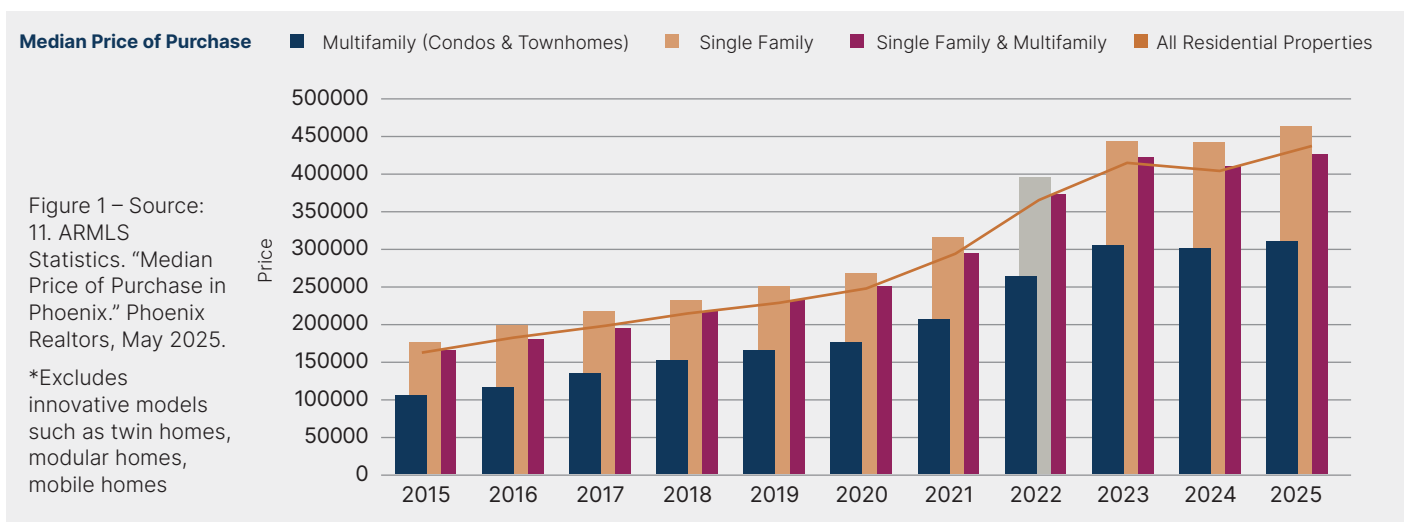


Effects on Housing

The impacts of the housing crisis have already been felt by nearly every resident in Phoenix and the surrounding metro area, increasing the cost of purchasing a housing unit, creating housing instability, and driving up the price per square foot when buying a home. This is most evident when examining the median purchase price for different home types. Data provided by the Phoenix REALTORS shows that every housing type within Phoenix has demonstrated a significant price increase over the last decade, as illustrated in Figure 1.³⁹ As shown, the median purchase price rose dramatically, with the most significant year-over-year increase occurring in 2022, when the cost increased by roughly 25%.⁴⁰ The line showing all residential properties also includes innovative home models, such as twin homes (a two-unit home where each unit is on its own separate lot and shares a common wall with the other), modular homes, and mobile homes, all of which experienced a similar proportional rise in prices.⁴¹

This has led to a drop in units sold within Phoenix, not due to a decrease in demand, but in part to reduced purchasing power given current market prices. This drop is abnormal, given that it coincides with the rapid population growth that would logically increase the number of units sold. This trend is evident in the number of single-family and multifamily units sold in Phoenix over the past decade, which began to decline sharply in 2023 and has continued downward to the present, as shown in Figure 3. The most significant year-over-year price increase occurred the previous year in 2022, as seen in Figure 2, further reducing affordability for many prospective homebuyers.⁴³

Examining the median sales price of housing by categorizing units by their square footage reveals a similar increase in prices across all housing sizes. From January 2020 to January 2025, the median price of homes, ranging from those under 1,500 square feet to those larger than 2,000 square feet, increased by at least 68%. Larger homes, those 2,501 square feet and above, saw the most significant percentage rise, at over 85%.⁴⁴ The cost of all housing continues to increase and doesn't indicate that it will slow anytime soon.



39 ARMLS Statistics. “Median Price of Purchase in Phoenix” Phoenix Realtors, May 2025.

40 ARMLS Statistics. “Median Price of Purchase in Phoenix” Phoenix Realtors, May 2025.

41 ARMLS Statistics. “Median Price of Purchase in Phoenix” Phoenix Realtors, May 2025.

42 ARMLS Statistics. “Single Family & Multifamily Units Sold in Phoenix” Phoenix Realtors, May 2025.

43 ARMLS Statistics. “Single Family & Multifamily Units Sold in Phoenix” Phoenix Realtors, May 2025.

44 ARMLS Statistics. “Single Family & Multifamily Units Sold in Phoenix” Phoenix Realtors, May 2025.

Single Family & Multifamily
Units Sold In Phoenix

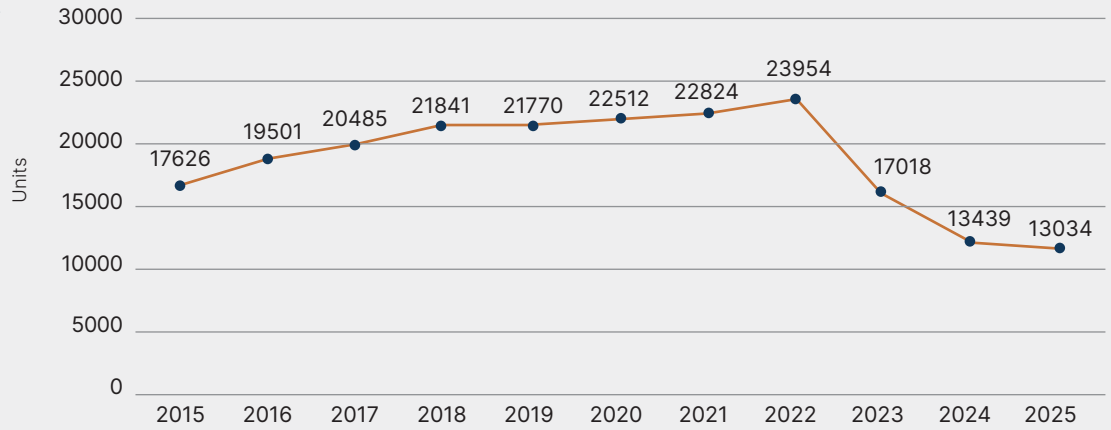


Figure 2 – Source:
14. ARMLS Statistics.
“Single Family &
Multifamily Units Sold
in Phoenix” Phoenix
Realtors, May 2025.

Why Housing Supply Matters

The gap between income and housing isn't just about numbers; it's about choices. When households spend half their income on housing, it means less for groceries, savings, childcare, or transportation. For younger households, it means delaying homeownership or staying in crowded rental units. For older adults, it can mean staying in homes they can't maintain or downsize from. And while wages are set by employers, local governments can influence what kinds of housing get built and where.

Policy doesn't control paychecks, but it does shape supply. When there aren't enough homes, especially ones which do not create a housing burden, prices rise. Which makes it even more challenging for wages to keep pace. By focusing on increasing the supply of all housing types, from affordable units to market-rate homes, cities can help ease competition, stabilize prices, and offer families more choices.

Supply alone won't fix the wage gap, but it can take some of the pressure off. These pressures aren't happening in a vacuum; the region's rapid population growth is intensifying them. As more people move to Phoenix, the competition for limited housing drives even higher prices, making it harder for wages and supply to catch up.

Steps Taken

The City of Phoenix has implemented numerous initiatives and policies aimed at increasing the housing supply and alleviating affordability pressures. A significant component of this effort has been the Housing Phoenix Plan, which was launched in June 2020 and had a goal of creating or preserving 50,000 housing units by 2030.⁴⁵ This target was surpassed in December of 2024 with over 53,000 units being created or preserved.⁴⁶ This was made possible in part by reforms to zoning and permitting that streamlined approvals, expanded the Walkable Urban Code to promote higher-density projects near light rail, and amended minimum parking requirements for multifamily housing in 2024, thereby helping to reduce construction costs and encourage more supply.⁴⁷

Another significant policy enacted by the Phoenix City Council was the legalization of accessory dwelling units (ADUs) citywide. ADUs (also known as guesthouses, mother-in-law suites, or casitas) became possible in September 2023, when Phoenix amended its zoning ordinance to permit at least one ADU per lot, accompanied by clear guidelines to ensure compatibility with existing neighborhoods.⁴⁸ This move has made the process of adding a small rental or family unit easier, allowing an increase in Phoenix's housing stock without dramatic changes to a community's character.

Phoenix has also prioritized redeveloping underutilized public land for affordable housing projects and has identified approximately 150 vacant parcels owned by the city for new projects.⁴⁹ Phoenix has collaborated on several of these projects with federal programs, such as the Choice Neighborhoods initiative, to replace or expand existing public housing into mixed-income developments.⁵⁰ These actions are part of a broader, comprehensive, coordinated strategy to increase housing availability, affordability, and stability within Phoenix.

45 City U.S. Census Bureau. “Annual Estimates of the Resident Population for Incorporated Places.” American Community Survey. Last modified 2024.

46 City of Phoenix Housing Department. “City of Phoenix Creates or Preserves 50,000 Housing Units 5 Years Ahead of Goal.” PHX Newsroom, February 5, 2025.

47 City of Phoenix Planning & Development Department. “Walkable Urban Code and Parking Reform Updates.” City of Phoenix, January 2024.

48 City of Phoenix Planning and Development Department. “Accessory Dwelling Units (ADUs).” Accessed May 2025.

49 Axios Phoenix. “Phoenix Plans Affordable Housing on City-Owned Vacant Land.” Axios Phoenix, September 20, 2022.

50 Axios Phoenix. “Phoenix Plans Affordable Housing on City-Owned Vacant Land.” Axios Phoenix, September 20, 2022.

Future Challenges

While the tremendous success of the Phoenix economy has fueled growth, it has also put a strain on its housing market. In 2022, the Arizona Department of Housing reported that, as a whole, the State had a housing shortage of approximately 270,000 housing units, directly contributing to the record-high rents and increased eviction filings seen in the region over the last few years.⁵¹ Phoenix alone has a shortage of 59,000 affordable and available housing units for households earning 50% or less of the area median income.⁵² Housing construction within Phoenix hasn't been able to keep pace with the massive growth, leaving many priced out of homeownership or stable and affordable rental opportunities.⁵³

In the face of these pressures on the housing supply, Phoenix and surrounding municipalities will need to take action to significantly contribute to a solution and to accommodate the population that is projected to surpass 2 million within city limits and anywhere from 7 to 10 million metro-wide by 2055.^{54 55}

Goals

The fact that the housing crisis is complex has been repeatedly addressed, and the apparent market constraints are well understood. Part of the solution involves engaging with all levels of government, including State and Federal agencies, to partner together to address the common interest of housing attainability. It should also be noted that no single city or town can resolve the housing crisis on its own, and that some solutions will require regional collaboration in conjunction with internal reflection on the steps each municipality can take to find solutions within their departments and communities.

Recognizing this, the City of Phoenix must look inward to initiate solutions and changes that significantly expand housing production, preserve existing housing, create additional affordable housing units, and diversify its housing stock. If municipal leaders fail to act, the region risks undermining the economic opportunities that have drawn people to the Valley of the Sun and will only worsen the already severe housing crisis. Phoenix has reached a point where expanding housing supply isn't optional; it's necessary. If the region wants to preserve affordability for future generations, there needs to be a deliberate, long-term commitment to building more housing and building it across the income spectrum.

51 Arizona Department of Housing. State of Housing in Arizona: 2024 Report. Morrison Institute for Public Policy, Arizona State University, 2024.

52 City of Phoenix. "City of Phoenix Launches Housing for Those Experiencing Homelessness Dashboard." City of Phoenix Newsroom, November 12, 2024

53 AP News. "Eviction Filings in Arizona's Fast-Growing Maricopa County Surge amid a Housing Supply Crisis." AP News, November 3, 2023.

54 Maricopa Association of Governments. "The Phoenix Metro Area." AZ MAG. Accessed June 1, 2025

55 U.S. Census Bureau. "Annual Estimates of the Resident Population for Incorporated Places." American Community Survey. Last modified 2024.



State Laws, IGAs, Council Action/Ordinances



Advocate for a State Law Requiring Municipalities to Provide Base Level of Housing and Support Services Based on Their Population Size

The state should require every city to provide a basic level of homeless and homeless prevention services based on its population size. When someone is evicted or loses housing in a city or town that doesn't offer shelter or support services, they often end up in a neighboring city that does, such as Phoenix, adding more pressure to already stretched services. This approach leaves just a few cities to carry most of the weight. By setting a fair minimum, requiring shelter beds, outreach and services, or housing support for a small percentage of the local population, every community would be participating in proactive solutions to the housing crisis. Such a law would create a more balanced system, help people stay closer to where they live, and ensure support is available no matter where someone falls into crisis.



Endorse a State Law Banning Source-of-Income Discrimination Statewide

On March 1, 2023, the City of Phoenix passed an ordinance that bans source-of-income discrimination in housing within City limits. The ordinance prohibits landlords and property owners from refusing to rent or sell to a person based on their lawful source of income, which includes Housing Choice Vouchers, Social Security, disability benefits, and other forms of public assistance. Violations can result in civil fines, with possible daily penalties for ongoing non-compliance. To ensure that residents can remain housed regardless of their income source, Arizona should enact a law to guarantee these protections statewide.



Promote and Support Reforms to Arizona's Condo Defect Law to Increase Missing Middle Housing

As shown in independently sourced and verified data from the FHFA All-Transactions House Price Index for the Phoenix-Mesa-Chandler metro area, home prices have increased across the entire region. This data shows the index price of homes rose from 433.11 in December 2020 to 625.27 in Q1 2025, indicating an approximate 44% increase over that period. This steady rise reinforces how stretched the market is for homebuyers, underscoring the urgent need for housing policies that support more affordable shared-wall options, such as townhomes and condos.

Arizona's eight-year statute of claim for construction defects is one of several factors making it harder to build housing types like townhomes, condos, duplexes, and other "missing middle" options.

These shared-wall products are crucial in bridging the gap between single-family homes and large apartment complexes, particularly as more households are finding themselves priced out of the single family home market. But with an extended liability window, developers face substantially higher insurance premiums and a greater risk of lawsuits, even years after construction is complete. That kind of uncertainty discourages investment in smaller-scale, affordable housing that Arizona badly needs.

When Nevada reformed its construction defect laws in 2015 by lowering its statute of repose from 10 to 6 years, builders responded. In the three years following that change, building permits for shared-wall housing, such as condos and townhomes, increased by approximately 15%. Developers cited reduced legal exposure and clearer claim standards as key reasons for feeling more confident about investing in smaller infill and attached housing projects.



Advocate for a State Law Modeled After Florida's Live Local Act

The 2023 Florida Live Local Act is a major piece of legislation aimed at expanding workforce and affordable housing across the state. It introduces a range of changes to housing-related laws and programs at both the state and local levels, backed by a \$700 million investment in Florida's housing development efforts. One of the Act's most significant provisions requires local governments to allow multifamily housing in commercial, industrial, or mixed-use zones, without needing public hearings or zoning variances, if at least 40% of the units are set aside for households earning up to 120% of the Area Median Income (AMI) for a minimum of 30 years. These projects can be built to the maximum height and density allowed within a one-mile radius, with a minimum of three stories, to encourage development in underused areas.

Beyond zoning reforms, the Act also includes financial incentives for developers. These include some tax exemptions on materials used in qualifying affordable units and property tax reductions for developments that serve households with incomes at or below the 120% AMI threshold. Together, these measures are designed to lower construction costs and speed up the development of housing for essential workers and residents with moderate-to-low-incomes. Given the urgency of Arizona's housing challenges, the state should consider adopting a similar approach and passing a law similar to Florida's to boost the affordable housing supply and reduce barriers for builders.



Support the Federal HAVEN Act

The HAVEN Act, introduced in 2025 by Rep. Yassamin Ansari (AZ-03), proposes necessary reforms to the federal Housing Choice Voucher program. Key provisions include reducing the share of income voucher holders must pay toward rent, from 30% down to 20%, and strengthening tenant protections by banning source-of-income discrimination nationwide. The bill also directs the U.S. Department of Housing and Urban Development (HUD) to increase voucher availability each year and revise eligibility rules to better reflect current housing needs.

A significant focus of the HAVEN Act is modernizing the nationwide formula for allocating housing vouchers. Currently, this formula relies on population data from the 2000 Census, which significantly underestimates growth in rapidly expanding areas. For instance, Phoenix receives just 7,487 vouchers despite its rapid growth, while Philadelphia, an older city with a slower population growth, receives over 22,000. By updating this outdated system, the bill aims to ensure that funding better matches today's population patterns, especially in under-resourced cities like Phoenix and Las Vegas that have long been overlooked.



Enter Into an IGA to Establish Shared Regional Building Plans

To streamline housing production and reduce delays, Phoenix should partner with the Maricopa Association of Governments and its member municipalities to develop a shared set of standard building plans for commonly built housing types like duplexes, triplexes, fourplexes, townhomes, and casitas. These plans would be pre-reviewed and pre-approved for code compliance and made available for use across participating cities. Builders and homeowners can select from these approved designs to reduce permitting time and design costs. Aligning on core standards also helps avoid unnecessary differences between cities that slow down projects and increase costs, especially for small-scale infill development.

This kind of collaboration makes particular sense in fast-growing areas like Maricopa County, where housing demand doesn't stop at city limits. A shared library of approved building plans would enable greater consistency, predictability, and efficiency, especially for infill projects or smaller-scale developments where margins are tight and process delays can deter investment. Having a common set of plans would help cities move more quickly on routine housing approvals, reduce workloads for overextended planning staff, and support more consistent and predictable outcomes. It would also give smaller builders and property owners a more accessible way to bring forward housing that meets shared design and code standards, without having to navigate a completely different process in each city. By working together, local governments can lower barriers to building and make it easier to produce housing that fits within existing neighborhoods.



Pass an Ordinance Requiring a 2/3rds Majority Vote of the Phoenix City Council to Deny Affordable Housing Projects

Affordable housing projects have a direct benefit to the community in which they are located, allowing households with lower incomes to remain near their jobs, schools, and communities. While this is beneficial for the communities where these projects are developed, it also has a positive impact on Phoenix as a whole by increasing the City's housing supply and keeping Phoenicians within their communities when they may otherwise be priced out of the City. A critical role in the development of all these projects is approval by the City Council, whose role should be to encourage and approve these projects when the City can facilitate their development in our communities. To facilitate the development of affordable housing projects within the City and to underscore the importance of these housing options, Phoenix should consider passing an ordinance that requires a 2/3 vote to deny an affordable housing project.



Pursue the Repeal of the State Law that Restricts Municipalities from Stipulating Affordable Housing in Many Developments

The state of Arizona should repeal A.R.S. § 11-819, the law that stops cities and towns from requiring affordable housing in new developments. Currently, local governments are limited in their ability to respond to rising housing costs and the growing demand for more affordable options. Lifting this ban would provide cities with the flexibility needed when responding to housing challenges, allowing municipalities to determine what works best within their communities. Examples could include setting aside a portion of new units as affordable, offering expanded density bonuses, or negotiating terms through development agreements. It wouldn't mandate a one-size-fits-all solution, but it would put a useful tool back in the hands of local leaders who are trying to keep housing within reach for more people.



Planning and Development Efficiency



Develop Streamlined Permitting for Small-Scale Housing Projects

Phoenix should adopt a local version of California's SB 684 and create a City policy to streamline permitting for small-scale homeownership projects. The new California law requires cities to use a faster, ministerial review process for subdivision maps with 10 or fewer lots on parcels of five acres or smaller that are zoned for multifamily housing. The goal is to streamline the lengthy and often unpredictable permitting process for smaller housing projects, making it easier and quicker to build modest homes. A similar effort in Phoenix would support builders working on infill lots and encourage more entry-level housing in neighborhoods that already have the infrastructure in place.

Implementing this kind of policy locally would help Phoenix address its housing shortage from the ground up, not just with large developments, but with smaller projects that often fit better within existing communities. Faster review times and lower administrative hurdles would make it more practical for builders to bring forward smaller for-sale housing projects, helping first-time buyers and middle-income families who are increasingly priced out. It's a straightforward change that could have a significant impact on the kinds of homes being built and who can afford to live in them.

✓ **Develop Reliable Timelines and Turnaround Times for Planning and Permitting Applications**

Phoenix should create and maintain a clear set of timelines for each type of planning and permitting application, following the model used by the City of Mesa. A straightforward, easy-to-find chart showing expected turnaround times for things like zoning requests, plan reviews, and permit approvals, would give applicants a better sense of what to expect and how to plan. Making this information public on the City's website and keeping it updated as staffing levels or policies change would help reduce confusion and cut down on delays. It would also make the process more consistent and build accountability across the departments involved in the development review.

✓ **Establish an Alternate Means and Materials Commission**

The City should establish a commission made up of staff from the Planning and Development Department, the Office of Innovation, the Fire Department, and experts in building and sustainability fields to regularly review and recommend alternative construction materials and methods. This commission would bring together City staff, builders, engineers, and sustainability experts to vet new ideas and streamline the approval process for products or practices not yet covered by local code, such as new concrete mixes, engineered wood, or recycled materials. It would also create a clear process for reviewing and approving these items. The goal would be to identify ways builders can lower costs, speed up timelines, or reduce environmental impact without compromising safety or code compliance. Providing alternative pathways that give builders more flexibility to use cost-effective, energy-efficient, or locally available materials that still meet safety standards can help reduce project costs and limitations. It would also help the City stay up to date with building trends and reduce delays for projects that rely on materials not included in the standard list.

Other cities have taken similar steps. In Portland, Oregon, the City approved the use of cross-laminated timber for a 12-story mixed-use building, which was made possible because city and state officials waived traditional code restrictions using an Alternate Means and Materials process. This project was one of the first of its kind in the United States, opening the door for more mass timber buildings to be developed in the region. Phoenix could follow a similar path by setting up its own process to vet and approve materials through a dedicated commission. This would help builders save time and money, give the City more tools to meet housing and sustainability goals, and make it easier to adapt to changing supply and construction needs.

✓ **Develop a Bi-Annual Training for Planning and Development Staff**

The City should hold bi-annual training sessions for staff involved in planning, permitting, and development review. These trainings would cover the basics of the Planning Department's goals and priorities, how staff roles fit together, and how to read and apply codes and policies in a consistent manner. The goal would be to make sure everyone is working from the same playbook, which helps avoid delays and confusion during the review process. Clear expectations and shared understanding lead to better decisions and smoother interactions with applicants and residents.

These sessions should also provide an opportunity to go over any recent internal policy updates or changes in procedures, and to make sure enforcement and implementation are handled consistently across departments. It's not just about rules, but about making sure the process works. When staff are all brought onto the same page with the same information, it reduces miscommunication and helps projects move forward more efficiently. Regular training keeps everyone aligned and makes the system easier to navigate for everyone involved.

✓ **Establish Quarterly Meetings Between Planning Staff and Industry Associations**

The City should establish quarterly meetings between planning staff and industry associations to maintain open and consistent communication in a straightforward setting. These meetings would provide associations involved in the development process with an opportunity to learn about upcoming changes to policies or planning efforts and enable staff to better understand concerns from the development and housing communities. Having regularly scheduled meetings, rather than just when there's a specific project or concern, will foster working relationships, clarify confusion, and ensure that all parties are kept informed of developments and new information. It's a simple step that can lead to better coordination and more informed conversations around growth and development.



Create a Position in the City Manager's Office to Serve as a Liaison Between Developments and City Departments

The City should have one person in the City Manager's Office who can step in when issues involving multiple departments slow down a development project. With so many departments involved in the development process, like water, fire, streets, and planning, it's easy for things to get delayed or miscommunicated. A single point of contact would help keep things on track and make sure questions or conflicts don't get passed around or overlooked. This role would also help maintain alignment on policies and expectations regarding these projects. This type of coordination would alleviate pressure on staff and make the process more efficient for both City staff and developers.



Create a Formal Review and Appeals Process for Certain Decisions During the Planning Process

Phoenix should create a formal review and appeals process for decisions that result in stop work orders, unexpected cost increases, or infrastructure requirements that significantly impact a project, with special focus on cases where those requirements are unique to a specific site or not clearly defined in code. This process would encompass decisions made by staff involved in project review, providing applicants with a clear path to review or seek clarification on rulings that impact timelines and budgets. A defined review and appeal structure would help ensure that decisions are fair, consistent, and well-documented, while also providing property owners and developers with a chance to raise concerns without halting progress entirely. This type of system brings more transparency to the development process and helps build trust between the City and developers.



Develop a Fee Reduction or Waiver Program for Affordable Housing with Tax Incentives from the State, County, or Federal Level

Glendale offers a program that waives community development fees for certain affordable housing projects to help cut down on costs. If a project gets tax credits from the Arizona Department of Housing, it automatically qualifies for these fee waivers, which can range from \$300,000 to \$1 million. Other projects without state tax credits might qualify too, so long as they meet affordability requirements and have an approved agreement with the City. To qualify, the housing must stay affordable for at least 30 years and accept Housing Choice Vouchers or similar rental assistance through the Glendale Housing Authority. The goal is to make it easier for developers to build more affordable homes in the City.



Establish a Formal Partnership with Educational Providers to Help Students Enter Public Service Planning-Related Roles

Phoenix should establish a partnership with local colleges and universities to create a direct pipeline for students studying in urban planning or related fields to enter planning roles after graduation. This could include internships, mentorship programs, and a commitment of funding to support entry-level planner positions or fellowships. By investing in early-career planners, the City can build a more stable and diverse workforce, reduce long-term staffing gaps, and bring in fresh perspectives at a time when housing, infill, and development challenges are growing more complex. A clear path from the classroom to city hall would also raise awareness of planning as a public service career and make Phoenix a more competitive employer for young talent.



Authorize Third-Party Offices to Handle Routine and Everyday Planning Services

Arizona currently provides the option to visit one of over 140 Authorized Third-Party (ATP) MVD offices, which are privately operated and under contract with the Arizona Department of Transportation, to perform official Motor Vehicle Division (MVD) services. These MVD services offered include vehicle registration, title transfers, license plate issuance, and some driver's license services. These locations offer many of the same official services as traditional MVD offices but often with shorter wait times, extended hours, and convenient locations. While there may be a small additional fee, many people choose these offices to avoid long lines and get in and out quickly, offering an expedited pathway for some services. These offices provide many residents with a more accessible and efficient way to handle everyday MVD tasks. Contracting and authorizing third-party locations to offer some routine planning services would enable Phoenix to provide greater flexibility and efficiency to residents and developers navigating the planning and building process.



Make Zoning History and Interpretations Accessible Online

Zoning history and past interpretations should be available online so zoning attorneys, developers, and others in the field can quickly access previous decisions and rule changes without needing to go through formal channels or visit City offices. Making these records easily accessible can save time for both City staff and professionals who rely on accurate, up-to-date information to keep projects moving forward. A clear, searchable record also helps reduce confusion, prevent delays, and ensure consistency in how zoning rules are understood and applied.



Initiate a Study for Responsible and Practical Future Use of AI in City and Planning Operations

Phoenix should take a closer look at how artificial intelligence could help improve day-to-day operations, starting with a focused study on its potential uses, especially in the Planning and Development Department. The goal wouldn't be to rush and implement new technology use, but to understand where it could make sense to implement. Many parts of the permitting process, like plan intake and basic code checks, take time and tie up staff who could be focused on more complex work. A study would help pinpoint whether automation could speed up the process, reduce errors, and make it smoother for both staff and the public. This would lay the groundwork for any future use of AI in City functions, making sure such decisions are based on real needs and practical outcomes.

Alongside the study, the City should establish a clear ethics policy to guide any future usage of AI in City operations moving forward. This policy would spell out the basic expectations, making sure the technology is used responsibly, that staff and residents understand how it's being used, and that it doesn't compromise privacy rights or fairness. It should also be made clear that AI is there to support the work of City staff, not replace it. Implementing this early helps avoid problems down the road and gives residents some peace of mind that any future AI tools will be used with care and common sense.

Other cities are starting to experiment with this new technology too. Honolulu, for example, is piloting an AI tool called CivCheck that helps residents verify the basic code compliance of their residential building plans before submitting them. Honolulu is also using the tool to screen permit applications more quickly. It's part of a broader effort to modernize how permits are reviewed, using a mix of software to cut down on delays. This example shows what's possible, but also that it works best when done gradually and with clear goals. A thoughtful approach would help the City understand which tools might actually work to further efficiency and clarity, and ensure they're introduced in a way that benefits staff, speeds up service, and earns the public's trust.



Advocate for the Creation of a Housing Committee at the Maricopa Association of Governments

The City should advocate for the Maricopa Association of Governments to establish a housing committee that brings together cities and towns to collaborate on regional housing issues. A committee focused on housing policy would create space for local governments to share ideas, coordinate strategies, and find common ground on addressing rising housing costs, limited supply, and growing demand. It would also help to align efforts around funding, zoning, and infrastructure so that cities aren't working in isolation. With housing challenges affecting nearly every part of the Valley, there's a clear need for a regional approach. This committee would provide local leaders with a consistent way to stay connected and move solutions forward.



Launch a Pilot Program to Test Houston-Style Reforms for Lot Sizes for Infill Districts

The City should launch a pilot program to test smaller lot size requirements for infill development, focused on underused or vacant parcels within already developed neighborhoods. The idea is to make it easier to build modest homes, such as townhomes or smaller single-family houses, without requiring significant changes to zoning across the City. The pilot could include basic design guidelines and give neighborhoods the option to opt out, helping protect the character of established areas while still creating space for new housing. It's a way to put empty lots to better use, expand housing choices, and see what works before making bigger policy changes.

Houston offers a real-world example of how this might look. In 1998, their City Council lowered the minimum lot size in its urban core from 5,000 to 3,500 square feet, and even allowed lots as small as 1,400 square feet when open space was included. In 2013, those rules were expanded citywide. A key part of the policy gave neighbors the ability to opt out through a block vote. Between 2007 and 2020, Houston added at least 34,000 townhomes, primarily on former commercial or multifamily parcels, while the vast majority of single-family neighborhoods remained unchanged. The new homes cost less than most new single-family houses, giving more households a chance to buy. A pilot in Phoenix could test whether a similar approach can help address the City's housing needs without pushing out existing residents or changing neighborhood character too quickly.



Develop Regular Training for City Village Members

The City should hold regular training sessions, quarterly, for village planning committee members. These sessions would provide members with a clear understanding of their role and responsibilities, offer updates on zoning codes and planning policies, and provide an opportunity to ask staff direct questions about ongoing projects or City processes. Regular meetings like this help keep everyone on the same page, make the review process more consistent, and support stronger communication between committee members and City staff.





Zoning

✓ **Expand Walkable Urban Code Along Arterial Streets that Touch, Cross, or Already Exist in TODs 2 Miles from the Current End Points**

Phoenix should expand the Walkable Urban (WU) Code to cover some of the City's main arterial streets. Bringing the WU Code's focus on walkable, mixed-use development — such as pedestrian-friendly building designs, reduced parking, and human-scale streets — to these busy corridors would help create more vibrant and inviting places for people to live, work, and shop. This would further support better connections to transit and encourage growth that's more sustainable and neighborhood-friendly in and around these arterial streets.

By applying the WU Code along arterials, developers would have more explicit guidelines to follow when planning projects, making it easier to build in ways that align with the City's goals for walkability and community character. This could breathe new life into older commercial areas by promoting infill development and a mix of uses, while also improving sidewalks, lighting, and public spaces. With thoughtful input from neighborhoods and a gradual rollout, this change could help Phoenix build stronger, more connected communities with innovative development and increased housing options.

✓ **Expand the Allowable Height and Density Adjacent to the Downtown Core**

Allowing for greater height and density in areas adjacent to Downtown, such as parts of Midtown, the Warehouse District, and surrounding corridors, would help optimize the use of existing land and infrastructure in the area. These areas are close to jobs, transit, and services, but current zoning often limits what can be built. Updating those rules to allow taller buildings and more housing by right would open the door for growth in places that are ready for it, without putting added pressure on neighborhoods that aren't. It's a practical way to support walkable development and ease the strain on the downtown core.



Housing, Preservation, Affordability, Creation



Develop a New, Updated Housing Phoenix Plan

The Housing Phoenix Plan is the City's initiative to alleviate the housing shortage and assist more people in finding a place to live. Started in 2020, the goal was to create or preserve 50,000 housing units by 2030; however, Phoenix actually reached that number five years early, with more than 53,000 units created or preserved by late 2024. Around a fifth of those are affordable homes, while the rest are workforce and market-rate housing. The plan's success comes from practical zoning changes, partnerships between the City and developers, and using federal and state funds to support affordable housing projects. These funds also help landlords who take part in housing assistance programs, making it easier to get more affordable homes on the market.

Although the Housing Phoenix Plan has made solid progress, Phoenix still faces challenges, including rising rents and home prices, as its population continues to grow. These changes make it harder for many low- and middle-income families to find affordable housing. Creating a new housing plan would let the City set fresh goals that match today's needs, focusing more on affordable options and helping renters and first-time buyers. It would also give Phoenix a chance to tackle issues like homelessness and update policies to keep up with changing conditions. A fresh plan would help ensure more people in Phoenix have stable, affordable places to live.



Identify City-Owned Sites where Underutilized Spaces can be Redeveloped into Housing Opportunities

Phoenix should review and identify City-owned lots to identify large, underutilized spaces for housing development, such as large parking lots and unused open spaces. The goal would be to identify locations that can be transformed into mixed-use developments in open spaces, incorporating housing and community amenities. This would create new housing opportunities without the need to buy more land, while making neighborhoods livelier and more walkable. Utilizing these City-owned sites more effectively can help alleviate the housing crunch and generate additional housing through partnerships with developers.



Provide an Ongoing Funding Source for the Phoenix Housing Trust Fund

The Phoenix Housing Trust Fund provides a reliable, locally controlled source of funding to support affordable housing efforts across the City. It helps advance projects by financing new construction, preserving existing affordable homes, and partnering with nonprofit and private developers to maintain long-term affordability. The Fund also accelerates development and preservation while strengthening collaboration with community-based organizations focused on housing solutions. Ultimately, it's a key tool that Phoenix is using to help residents access safe, stable, and affordable housing.

Funding to the Trust Fund has historically been through either donations from developers in certain public-private partnerships or the transfer of expiring federal funds into the Fund. An annual or more predictable source of funding would enable Phoenix to expand its investments in affordable housing developments and plan and strategize future investments more accurately. To create a consistent funding source, Phoenix should enact an ordinance that allocates 25% of any future budget surplus to the Housing Trust Fund. In the event the City Manager recommends saving the budget surplus due to budgetary challenges or projected decreases in revenue, the funding would instead be up to 2% of the General Fund.



Provide an Annual Contribution to the Phoenix Community Land Trust

A community land trust is a nonprofit organization that buys and holds land to keep it affordable for purposes such as housing or community spaces. People can buy homes on the land, but the Trust maintains ownership of the land itself. Homeowners sign a long-term lease for the land, which helps keep prices stable and ensures the homes stay affordable for future buyers. Should a CLT homeowner ever want to sell their home, the CLT will repurchase it at a price that allows the homeowner to gain equity while also ensuring the home remains affordable for the next buyer. It's a way to remove land from the cycle of rising prices and give communities more control over its use. Phoenix should establish an annual contribution to the Phoenix Residential Investment Development Effort, which operates the current Community Land Trust program in partnership with the local nonprofit Newton CDC, to expand the impact of the CLT and generate additional affordable pathways to homeownership.



Create a Phoenix Land Bank Entity

A land bank is a public or nonprofit organization that acquires vacant or run-down properties and helps bring them back into use in a manner that supports the community. In Omaha, the City's land bank steps in when lots are abandoned, tax-delinquent, or stuck in limbo, and works to clean them up, clear titles, and get them ready for new homes, businesses, or green space. A land bank is a means of transforming problem properties into something beneficial to the surrounding area, particularly in neighborhoods that have been overlooked or neglected for years. Creating a land bank entity for Phoenix would facilitate housing development in underserved areas, provide an avenue for the Community Land Trust to acquire land for housing, and extend the reach of the City's housing investments.



Create a Residential Demolition Program for Vacant and Blighted Structures

The City of Tolleson has a Residential Demolition Program that helps clear out vacant, blighted homes that pose safety hazards or contribute to neighborhood decline. To be eligible, a property must be a residential structure within City limits that has been unoccupied for at least 90 days and officially deemed blighted by City inspectors, typically due to conditions like boarded-up windows, roof or wall damage, or serious code violations. If approved, the City pays 75% of the demolition cost, while the property owner covers the remaining 25% either upfront or through a lien. The goal is to improve public safety and neighborhood appearance by removing unsafe, deteriorating structures. In doing so, the program also opens the door for future housing development. A similar effort in Phoenix could play a key role in revitalizing aging neighborhoods and expanding access to quality housing.

Conclusion

The housing crisis, dating back to the Great Recession, is a complex and persistent challenge. Its causes are well understood—ranging from rising construction costs and labor shortages to zoning constraints and outdated land use policies. While many solutions have been discussed, real progress depends on action at every level of government so that housing is affordable and accessible to residents across all income levels.

No single city or town can solve this crisis alone. Regional coordination must be paired with honest self-assessment: each municipality must take meaningful steps within its own departments, policies, and communities to expand housing supply and remove local barriers to development.

Phoenix must lead by example. That means accelerating housing production, preserving the homes we already have, increasing the number of units affordable to working families, and diversifying housing types to meet the needs of a changing population.

Stable housing provides the foundation for personal and community well-being. It's more than a roof—it's a source of security, stability, and opportunity. A home can be a key to building financial wealth, opening the door for generations to come. Emotionally, it brings a sense of pride and belonging. Mentally and physically, it provides consistency that residents need to attend school, go to work, and plan their futures. Whether rented or owned, a reliable place to call home empowers people to grow, dream, and thrive—and when individuals thrive, so do neighborhoods and cities.

Without bold and immediate action, we risk losing the energy and promise that have attracted so many people and businesses to the Valley of the Sun. Longterm stability, prosperity, and inclusive growth depend on our commitment to building more housing options for everyone.

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