## **Globe-Miami Housing Assessment**

Prepared for the City of Globe, Arizona and the Town of Miami, Arizona



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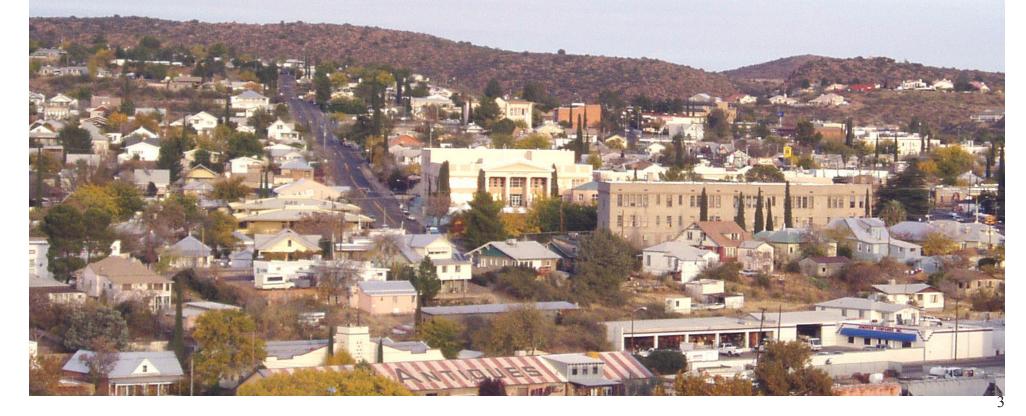
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#### Introduction

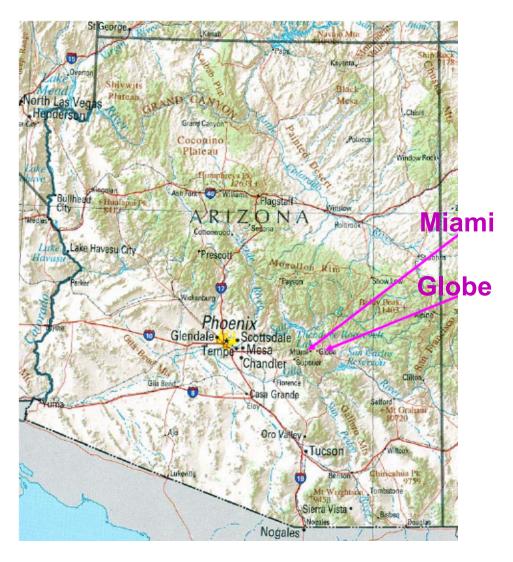
The Drachman Institute was requested by the Arizona Department of Housing to work with the Town of Miami and the City of Globe to conduct a housing assessment and analysis of the existing housing conditions within these areas.

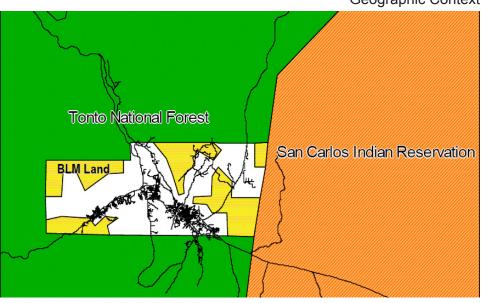
The City of Globe and the Town of Miami are incorporated areas within southwestern Gila County. The Globe-Miami area has a population of approximately 15,000 and is located on State Route 60 east of Phoenix. Like many small towns in Arizona, Globe and Miami's histories are centered around copper mining. The scale of mining operations today are not what they have been in the past, yet the mining companies remain as significant employers in the area. The Globe-Miami area has a number of challenges to face in the housing market, however the unique character and history of this community provides a solid foundation to confront these challenges.



## **Geographic Context**

The Globe-Miami region is bordered by the Tonto National Forest on the west, north and south. To the east is the San Carlos Indian Reservation and many mining claims immediately surround the area. These boundaries directly impact the amount of available land for development and urban expansion.

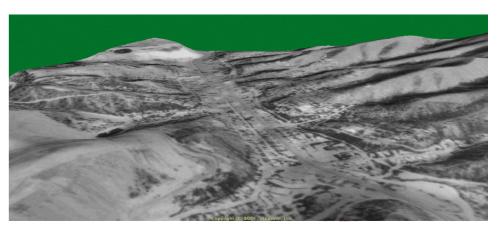






Picture of Miami showing mining operations immediately north of town.

The Globe-Miami region sits in a narrow valley. Most of the housing is built on the slopes and ridgelines of the surrounding mountains. This varied topography increases the cost of construction, limits the number of buildable sites, and complicates the accessibility needs of many residents.



3D Aerial view of Miami



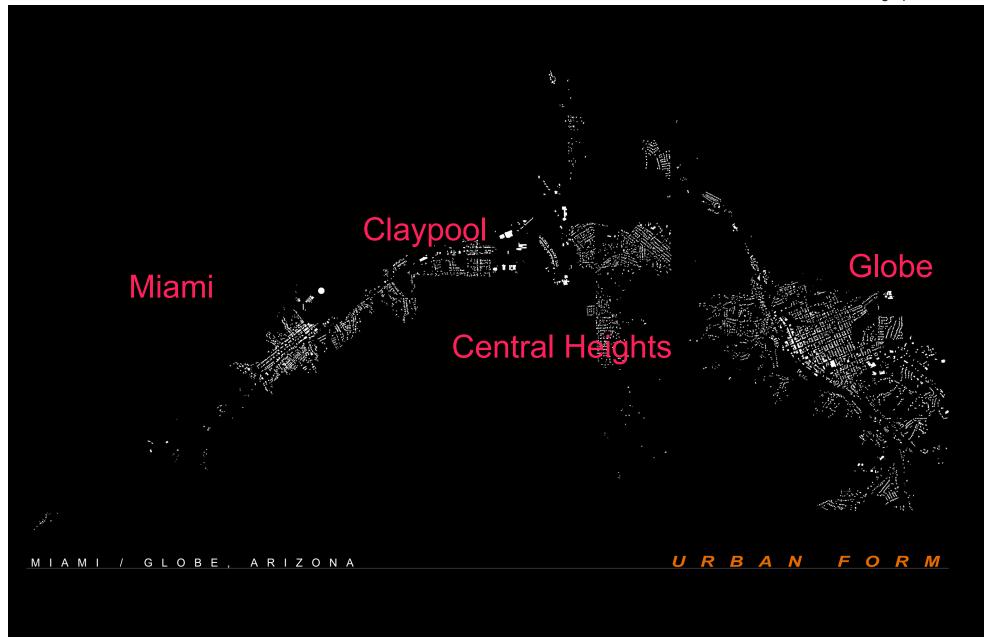
3D Topographic view of Miami



3D Aerial view of downtown Globe



3D Topographic view of downtown Globe

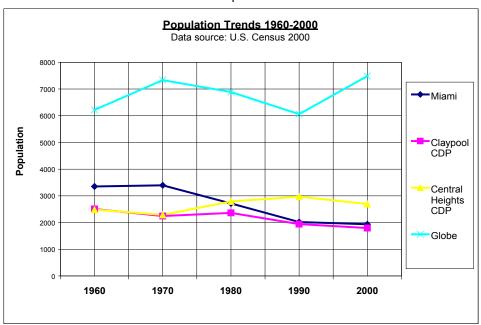


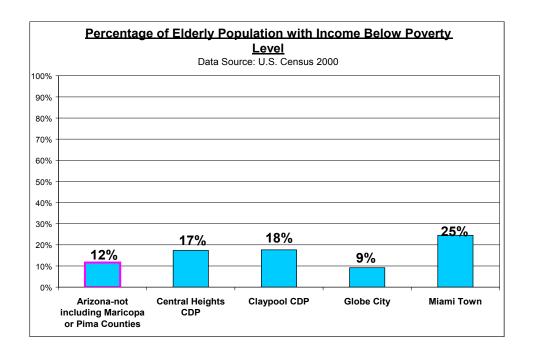
MAP 1: Figure ground map showing buildings of the Globe-Miami area in white, with regions labeled.

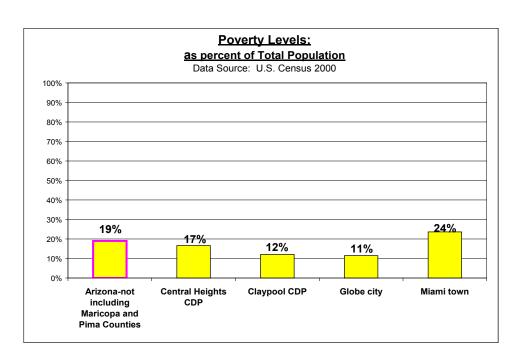
## **Empirical Data Assessment**

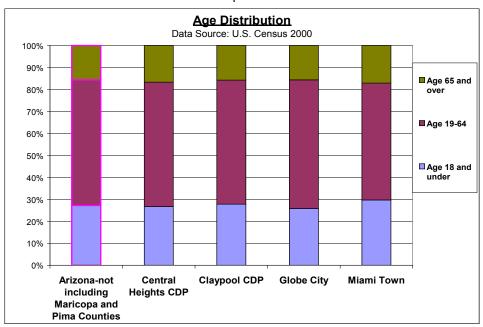
#### **Census Data**

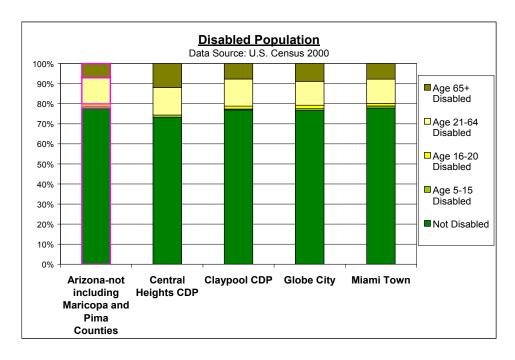
The Drachman team analyzed the 2000 U.S. Census data for the Globe-Miami region. Data was separated by municipality, i.e. Globe and Miami, and by census designated area. Claypool and Central Heights are census designated areas and are geographically located between Globe and Miami (see map 1 for the location of these areas). Areas that are part of the Globe-Miami region, and are not classified under one of the four districts (City of Globe, Town of Miami, Claypool census designated place, and Central Heights census designated place), are not part of this demographic analysis. Analysis was conducted by making comparisons of the four districts against the whole of rural Arizona which includes all counties except Maricopa and Pima counties. From the census data, some at-risk populations were identified and a general overview of the housing in the Globe-Miami region is illustrated.

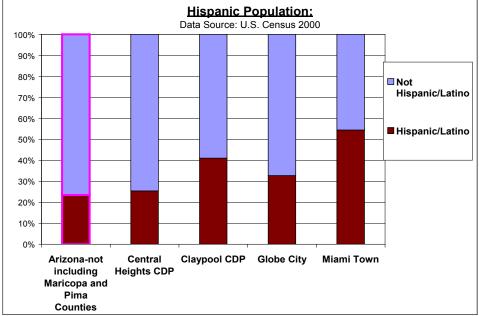


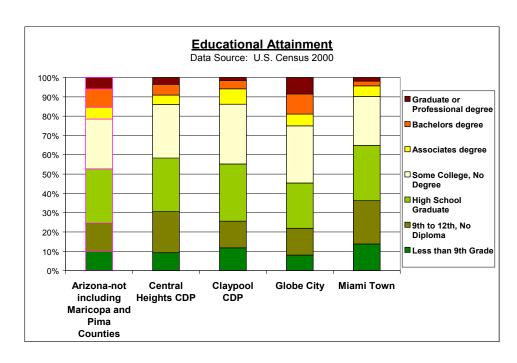


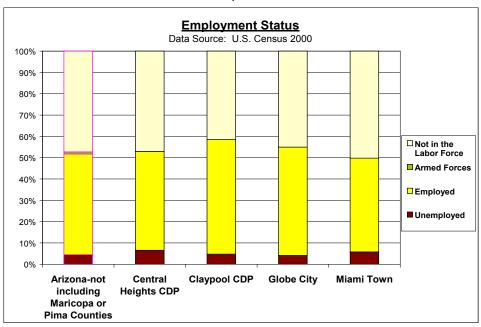


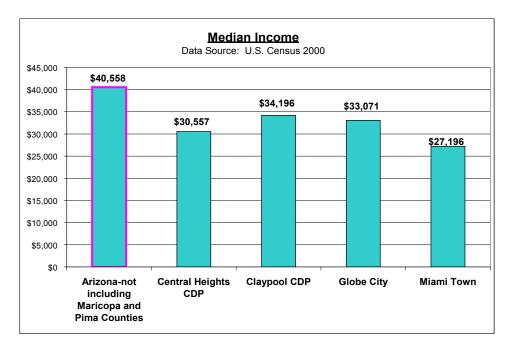


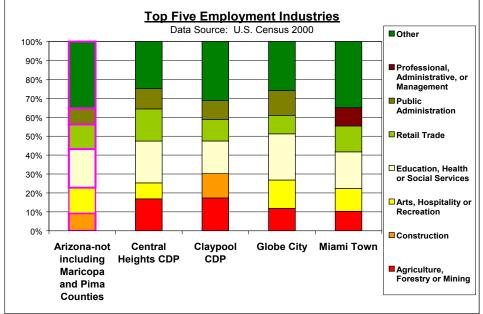


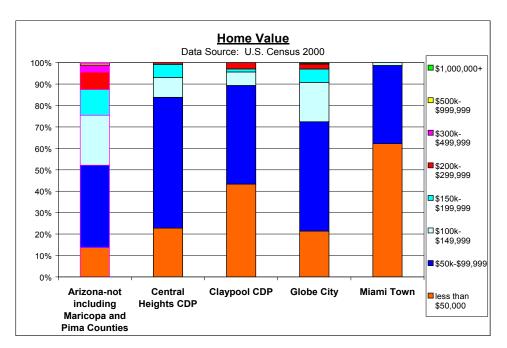


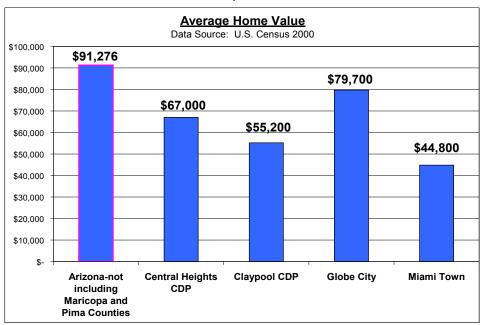


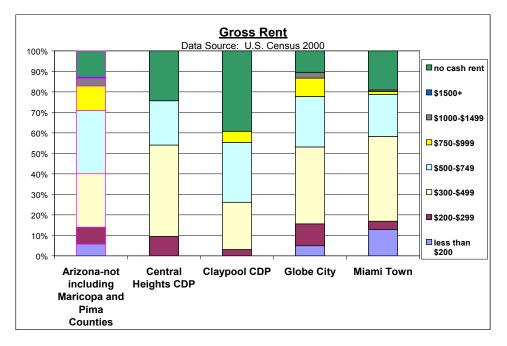


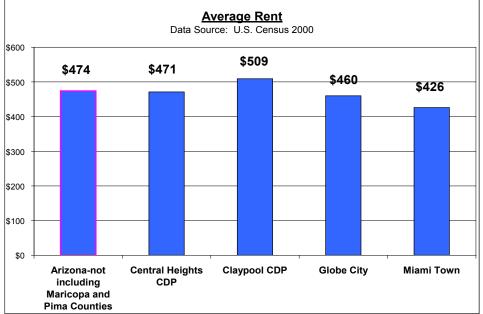


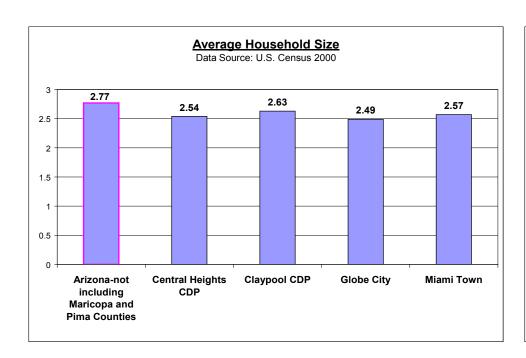


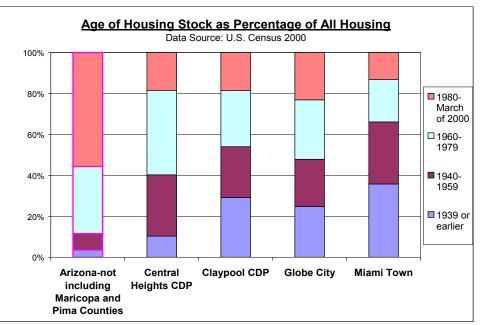


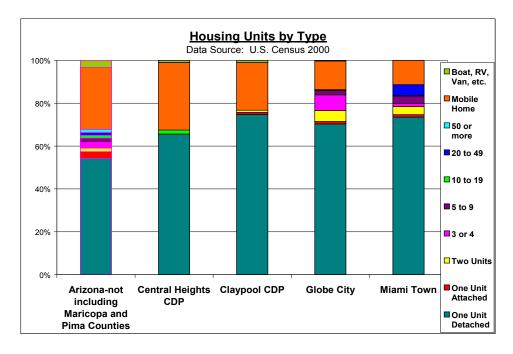


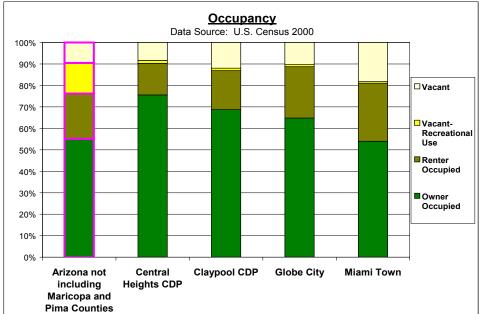


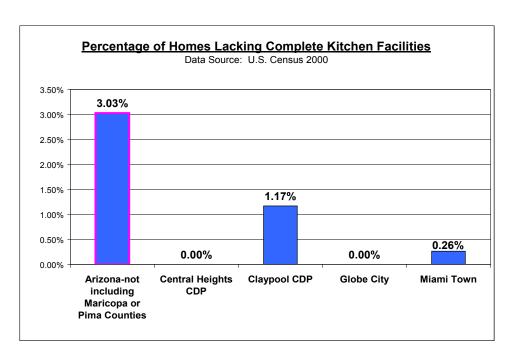


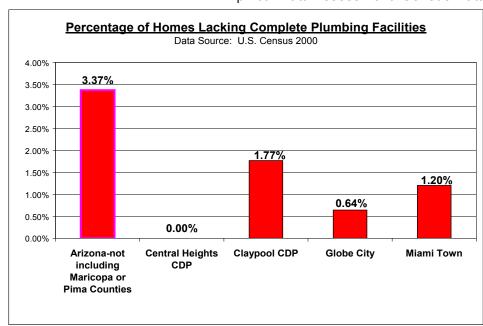


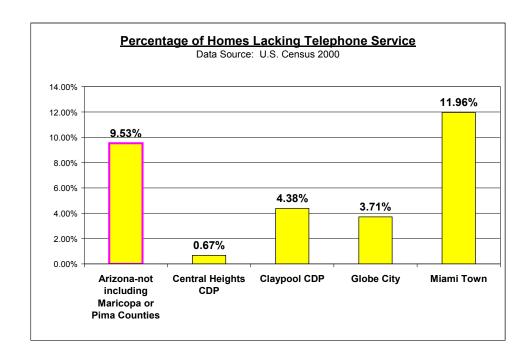












#### **Additional Statistical Information**

According to The Arizona Department of Housing, in 2005 the hourly wage required to buy a median-priced home in Globe was \$11.29. The hourly wage required to rent a 2-bedroom apartment was \$12.83. The average hourly wage for Globe was \$11.57 and while data is not available for Miami, the U.S. census data shown above implies that a similar pattern likely exists in Miami. In short, it is more affordable to buy than to rent a home, and average rents are too high for the average worker to afford.

A study conducted by The Arizona Department of Housing in 2000 examined the "affordability gap" of Arizona cities. The "gap" refers to the difference between the number of residents requiring affordable units and the number of affordable units that exist in the community. The study found that there was no gap in Miami, and Globe had a gap of 99 units. Those 99 units represent 3.5% of the total number of households in Globe. Comparatively Gila County had a gap of 2,423 units, which represents 13.1% of the total number of housing units. Affordability is not the major concern in the Globe-Miami region.

A Housing Strategy Background Report conducted by the Globe-Miami Chamber of Commerce found that the homeownership rate among the Hispanic population was 57% in 2000, while the homeownership rate of the Globe-Miami population as a whole was 71.4%. The reasons for this discrepancy are unknown, but the report commented on the situation in stating, "While many factors contribute to a lower homeownership rate among Hispanic households, the relatively comparable income of Hispanic households may indicate some level of housing discrimination."

From 2003 to the first half of 2005, the City of Globe, Town of Miami, and Gila County issued single family building permits (including manufactured homes) as follows:

Globe: 30 Miami: 14 Claypool: 5

Central Heights: 1

Single Family Home Resale:		
Globe		
Year:	Number of Sales:	Median Price:
1996	136	\$55,600
1997	84	\$69,000
1998	61	\$80,750
1999	59	\$77,500
2000	72	\$85,500
Miami	N 1 (0 1	M 11 D 1
Year:	Number of Sales:	Median Price:
1996	31	\$25,500
1997	20	\$35,500
1998	10	\$33,000
1999	12	\$35,000
2000	9	\$35,500

#### **Conclusions from the Data**

There are a number of important points to note from the U.S. Census and other statistical data.

- 1.) The elderly population in the Globe-Miami region has a higher rate of disability than the state average, and a higher rate of poverty.
- 2.) Home values are lower in Globe-Miami than in the rest of rural Arizona. Home values are generally affordable for the community.
- 3.) In contrast to home values, rents are relatively high in the Globe-Miami area.
- 4.) There has been little new construction in the Globe-Miami area compared to the rest of the state. The recent new construction, is not considered to be affordable housing for those earning 80% or below the median income.
- 5.) There are few vacation homes in Globe-Miami compared to the rest of the state.
- 6.) The population of the region has not changed significantly since 1960. Globe's population has fluctuated with a slight upward trend, while the other areas, Miami, Claypool, and Central Heights, have all decreased slightly in population.

## Globe-Miami as part of Arizona Housing Context

Nation-wide there has been a housing boom over the last few years, and Arizona has been one of the hottest markets in the country.

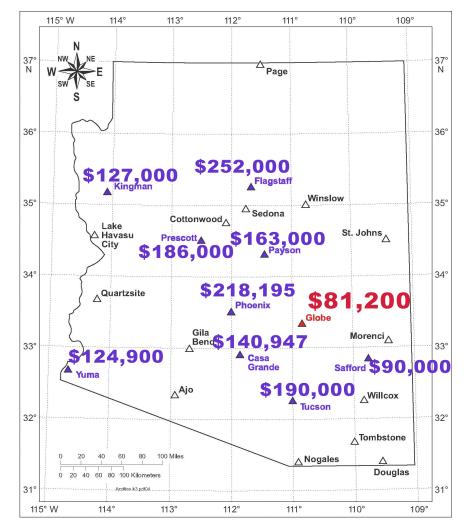
In 2005, Arizona was the second fastest growing state in the nation. It is projected that there will be 900,000 new houses built in Arizona in the next 10 years. From 2004-2005, Arizona housing prices increased 19.43% (7th in the nation).

This growth has affected many small towns and rural areas in addition to the State's major metropolises. The cost of purchasing a home in the Globe-Miami area is significantly lower than many cities in the state. This will certainly make the area attractive to home buyers moving to Arizona, and real estate investors.

This has both positive and negative effects. On the positive side, new migration and investment will bring in outside money to help



revitalize the local economy and housing stock. On the negative side, this new money may only go to serve the interests of new migrants and investors, and not to the interests of local residents.



Median home prices from cities around the State of Arizona.

Data source: Arizona Department of Housing, 2004

Map source: Arizona Geographic Alliance

# **Examination of Public and Non-Profit Assistance in the Globe-Miami Region**

#### **Subsidized Housing**

Pinal Mountain Apartments 976 E. Saguaro Dr (Globe) 928-425 6555

This is a 46-unit complex operated by the USDA multi-family housing department. January 2005 subsidies totaled \$14,300, with an estimated annual total of \$171,600 +/- \$18,000.

Christina Apartments 1201 N. Prospect Ave (Miami) 928-473-4238

This is a 32-unit family complex that is owned by Landmark Management Group. Section 8 funding provides public assistance to many eligible families who live here. Approximately \$4,300 per month was paid by Section 8 during 2005. During the same time period approximately \$3,000 per month was paid by tenants.

#### Section 8 vouchers

Gila County received \$223,515 in Section 8 funding for the Globe-Miami area in 2005, which was distributed between 45 vouchers.

#### **Grant Funding**

#### **USDA**

Households in the Globe-Miami area have received no single family grants, and very few single family loans in the last 5 years.

### Gila County

Through a variety of funding sources (AZDOH HOME and Housing Trust Fund, CDBG, AZDOC Weatherization, AZDES, CAAG Agency on Aging, Arizona Public Service, Southwest Gas), Gila County has rehabilitated about 65 houses over 18 months (ending in December 2005), and is applying for \$1,180,000 in funding for an 18-month period beginning in January 2006.

#### City of Globe

\$500,000 of CDBG (Community Development Block Grant) funding has been used over the last five years for housing rehabilitation.

Based on these grant funding figures, it is estimated that between \$800,000 and \$900,000 enters the community annually from public sources.

#### **Non-Profit**

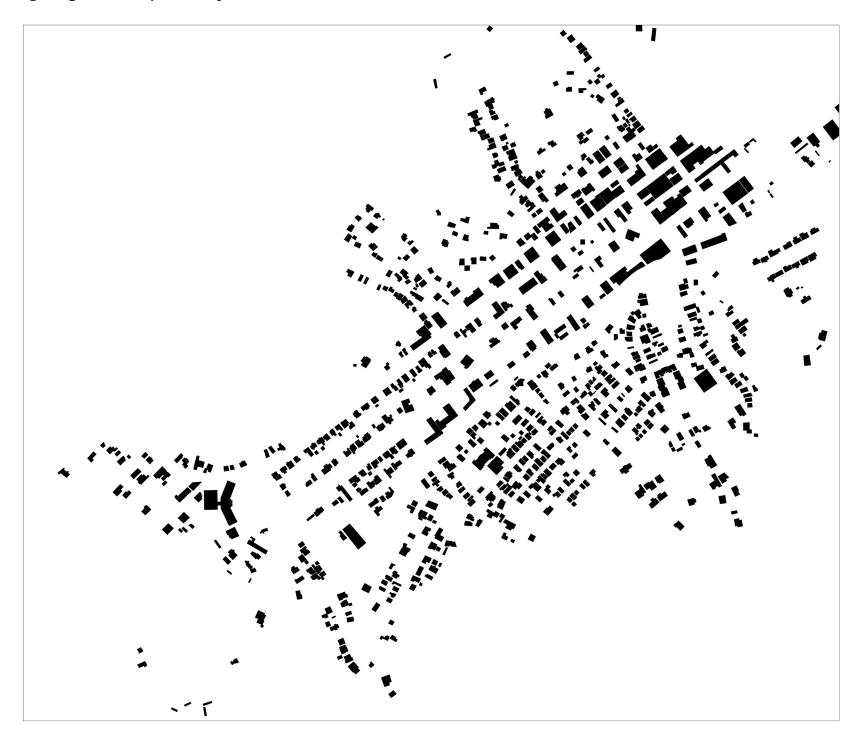
Habitat for Humanity is operating in the area.

Figure ground map: density of structures in Central Globe



Empirical Data Assessment: Figure Ground Map Figure ground map: density of structures in Central Globe overlaid onto an aerial photo of the area







## **Housing Prices and Affordability**

#### **Definitions of Income Level for Gila County**

Based on USDA calculations for 2005 household income levels in Gila County are defined as follows:

	Low Income (50% of Median)	Moderate Income (80% of Median)
2-Person Household	\$26,500	\$31,750
3-Person Household	\$29,800	\$35,000
4-Person Household	\$33,100	\$38,300
5-Person Household	\$35,750	\$40,900

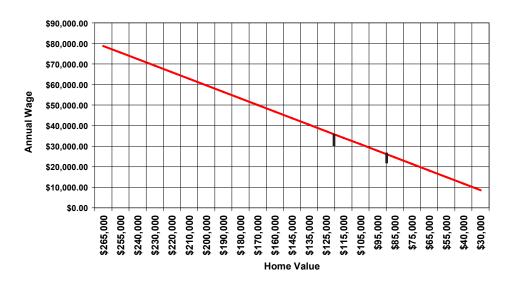
The census data indicates that the median income for Globe is \$33,071 and for Miami is \$27,198. The average household size for both locations is about 2.5 persons. So, as defined in the context of Gila County, the average household in Globe-Miami falls within the definition of moderate income.

#### **Home Values and Income Level**

Based on the following calculations, a typical family in Globe-Miami can afford a home priced between \$90,000 and \$120,000.

#### **Home Purchase Price Afforded**

Data Source: Drachman Institute 2005



Estimates based on a 7% interest rate with a 30-year fixed rate mortgage and 5% down payment. Additionally, 21% of the mortgage payment was added for property taxes, insurance and additional housing costs such as PMI. Affordable housing is defined as total housing costs not exceeding more than 30% of gross annual income.

## **Housing Conditions**

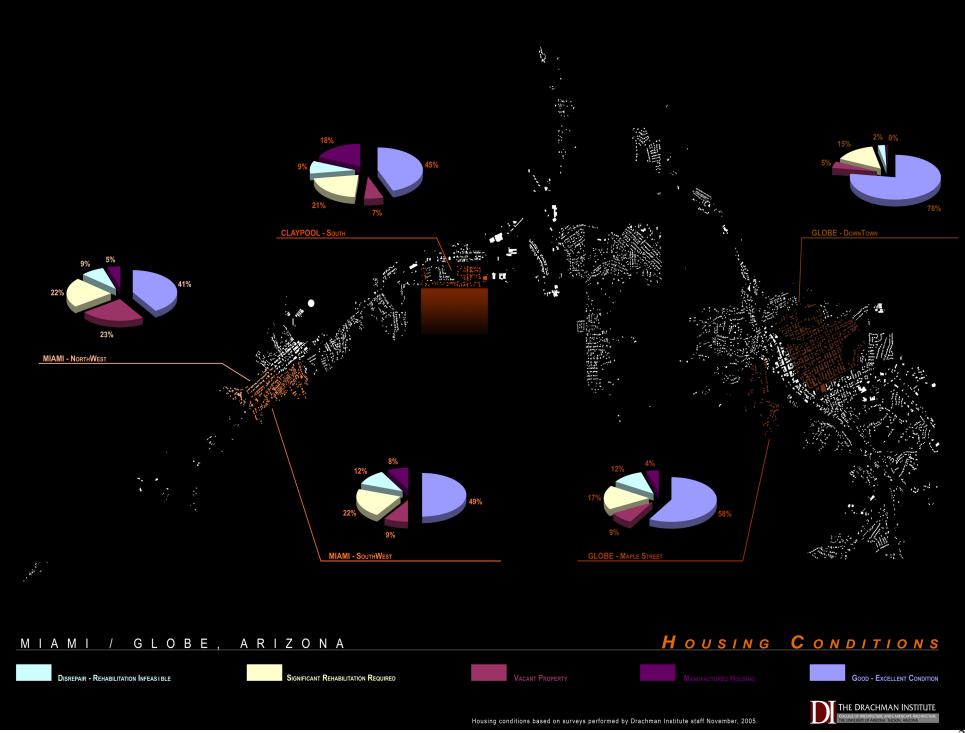
An on-the-ground visual inspection of a significant portion of the housing stock was done in the fall of 2005. This type of inspection is referred to as a *windshield survey*. Five areas throughout the region were inspected. Within each area houses were visually inspected from the outside only. Homes were categorized into one of five classes:

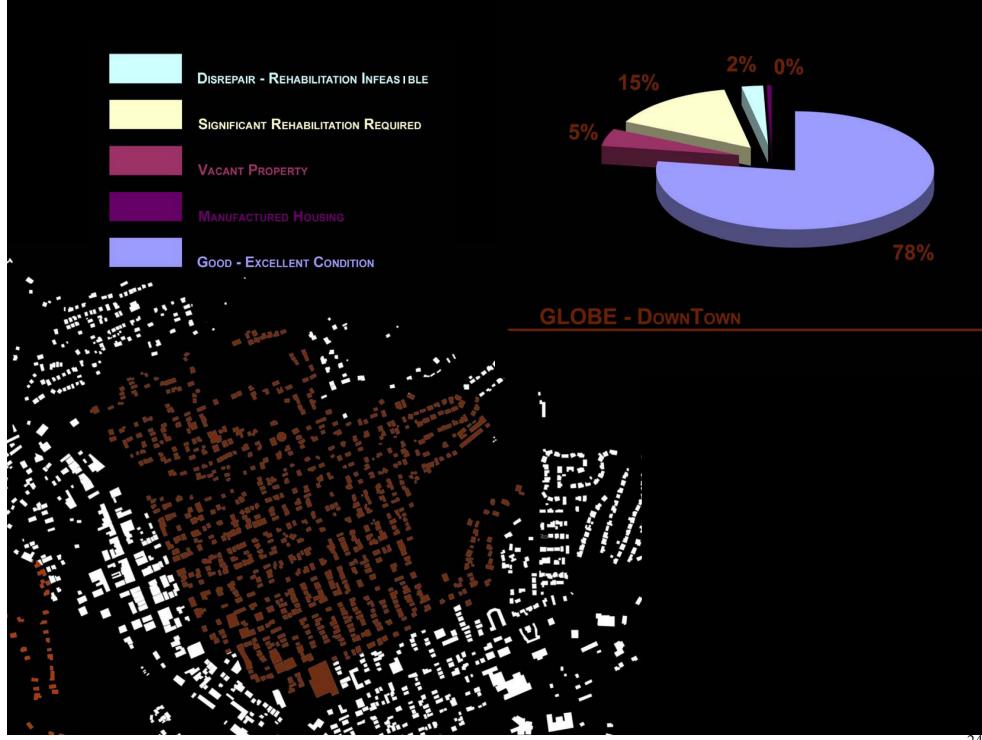
- 1.) Home in Good to Excellent Condition
- 2.) Manufactured home in Good to Excellent Condition
- 3.) Home in Need of Significant Rehabilitation
- 4.) Home in state of serious disrepair, such that rehabilitation is impractical or infeasible
- 5.) Vacant Lot

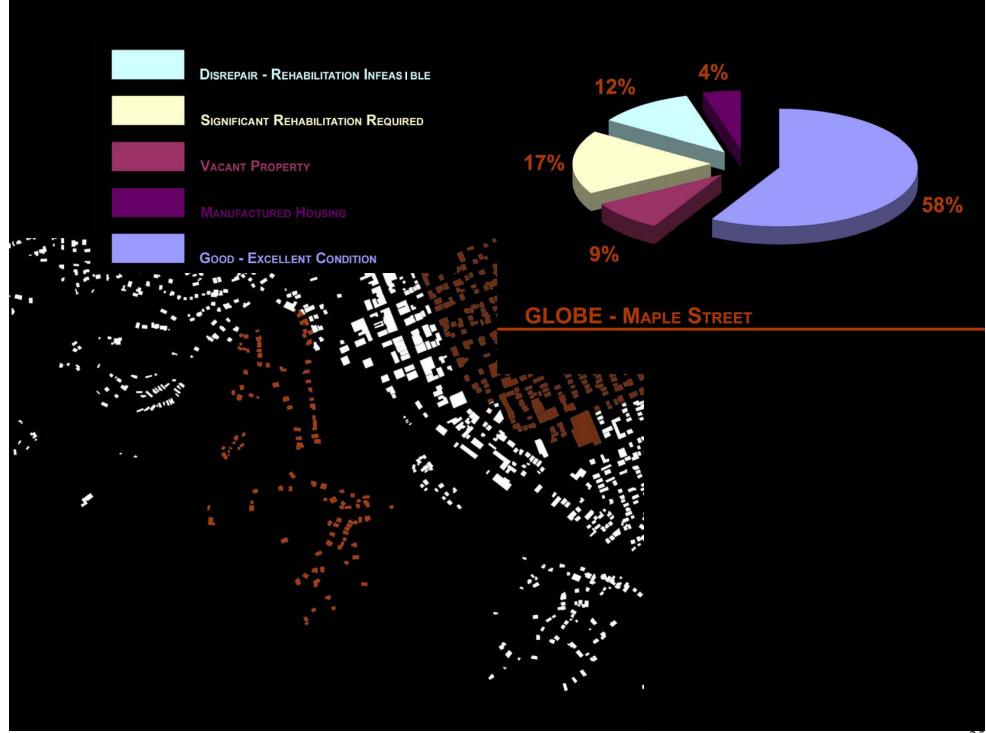
Note: Lots with a non-residential use were excluded from the survey.

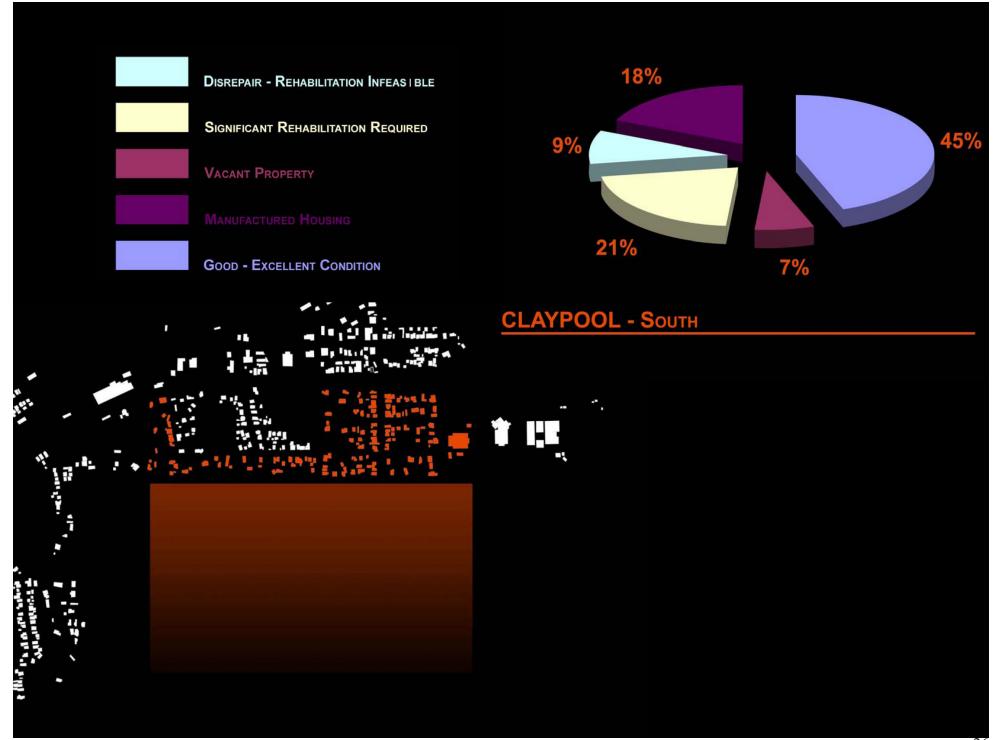
A total of 1451 residential lots were surveyed and the results are tabulated below:

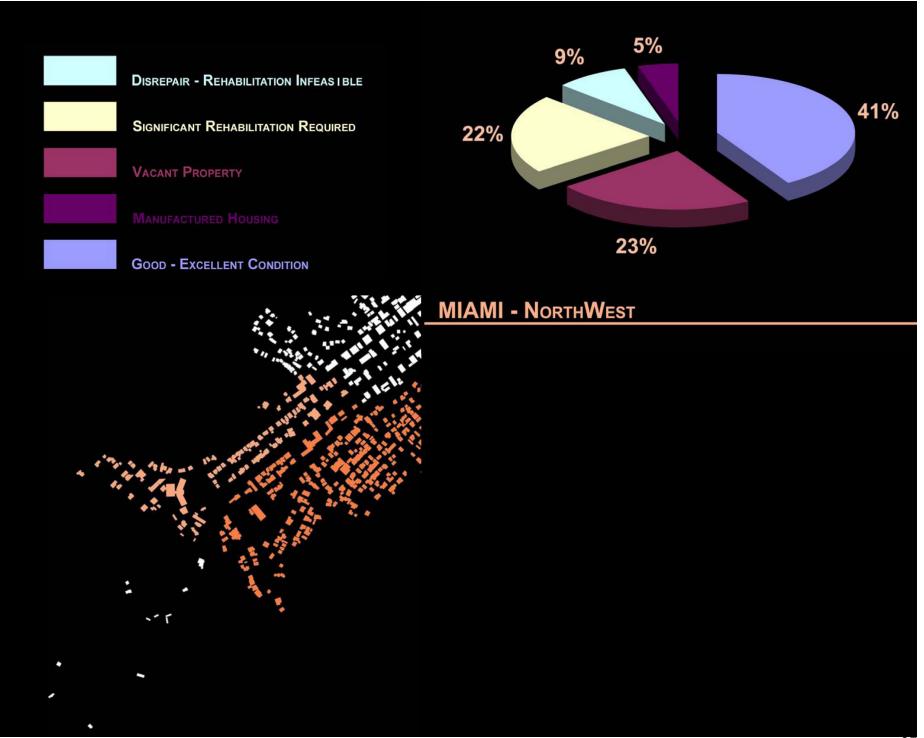
	Number:	Percentage:
Good-Excellent	880	61%
Vacant Lot	119	8%
Significant Rehabilitation	267	18%
Required		
Serious Disrepair, Rehabilitation Infeasible	98	7%
Manufactured Home in	87	6%
Good-Excellent Condition		
Total	1451	100%

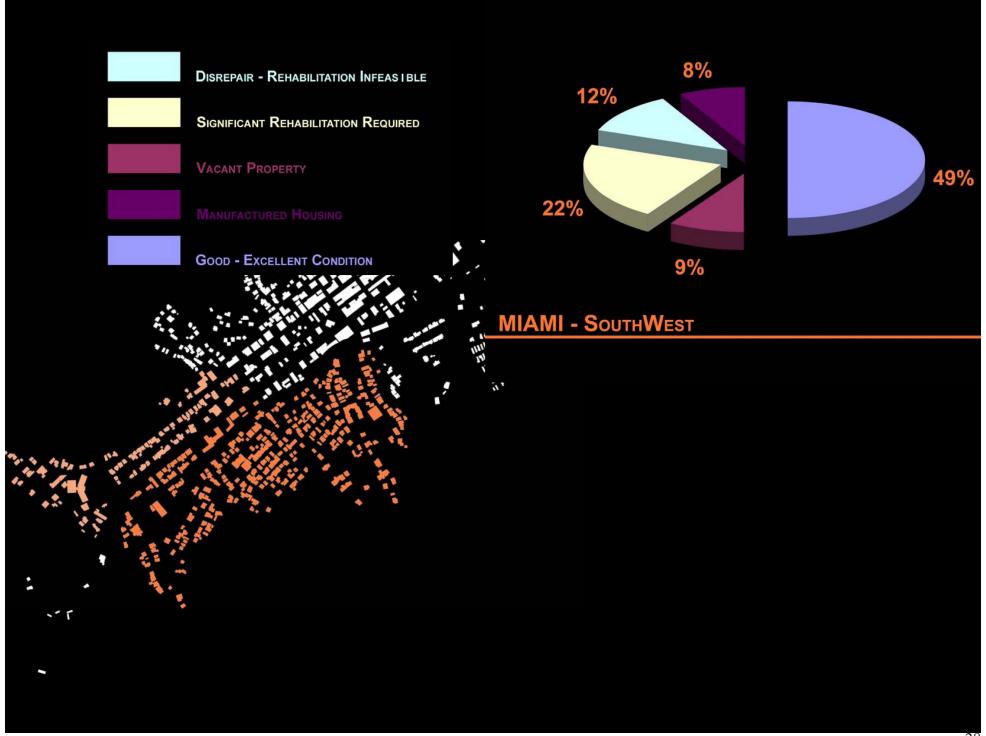








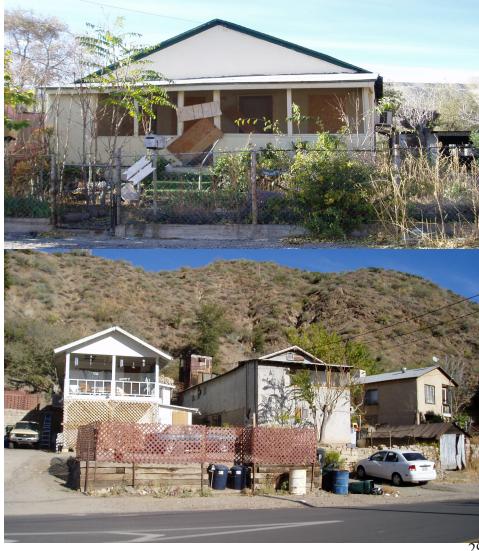




## **Summary of Findings**

- 1.) There are a significant number of vacant lots in the Globe-Miami region. Most of these lots are not contiguous.
- 2.) Downtown Globe has the highest proportion of homes in good to excellent condition of the areas surveyed.
- 3.) The dramatic number of homes that are in need of rehabilitation or have degraded beyond the point where rehabilitation is a feasible option, clearly indicates that rehabilitation and infill development should be priority strategies for the Globe-Miami area.





## **Realtor Survey**

A survey of realtors in the area was conducted and it was found that during 2005, there were a significant number of out-of-town buyers and investors. The survey was completed by four realty companies, and included data from 159 home sales from 2005. The results are tabulated below:

	Values:	As percent:
Number of entries recorded	159	100%
Number of buyers from Globe/Miami area	61	38%
Number of buyers from Phoenix-metro area	46	29%
Number of other Arizona buyers	19	12%
Number of buyers from outside Ari- zona	33	21%

Number that sold in 30 days or less:	Average price per square foot:	Median sales price:
58 of 107 entries = 54%	\$72	92,000
Note: in 2004 the typical house stayed on the market for 4 weeks [National Association of Realtors, 2004]		

All sales were at or below the asking price. A few of the sales (less than five) were lots only. As a voluntary comment, 27, or 17% of the sales were listed as being to investors.





## **Resident Survey**

A survey was distributed to local employees that asked brief questions about housing needs in Globe-Miami. A total of 62 people responded.

Some information obtained from the surveys of important note is as follows (results are not listed in order of importance):

- 1.) Of those surveyed, 38% of homeowners have renovated their houses in the last five years. Furthermore, 63% of homeowners have renovated their homes since the time of purchase.
- 2.) Only one person said that limited selection was a barrier to buying a home. One person said that affordability was a barrier, two said loan requirements were a barrier, two said they inherited their home and forty said they encountered no barriers to buying a home.
- 3.) Respondents were asked to identify the two highest priority housing needs from a list. Of the 62 surveyed, 52 people responded to the question and the results are listed in **Table 1**.
- 4.) Of 47 respondents to a question about underserved populations, 18 people responded that elderly people are underserved in the housing market, 13 said low income people, 6 said renters and 6 said those having special needs or requiring assisted living facilities are underserved.
- 5.) Perhaps the most interesting was an open ended question that asked "What is the number one housing problem facing Globe/Miami?" The results of this question are listed in **Table 2**.

Table 1: Highest priorities in housing

Housing needs as listed in survey:	Votes received:
new market rate homeown- ership opportunities for fami- lies	24 votes
new affordable (subsidized) homeownership for families	22 votes
new affordable (subsidized) housing for seniors	19 votes
rehabilitation assistance	14 votes
new market rate rental op- portunities	12 votes
affordable housing for people with special needs	4 votes
otherbeing filled in as:  Need land/ new subdivision or need help with repairs	5 votes

Table 2: Housing problems facing Globe/Miami

Response:	Number of responders:
costs too high to buy /lack of affordability	19
lack of land for development	10
old / run down houses	9
high rents	3
unemployment	2
lack of grants / subsidies / assistance	2

#### **Discussion**

It should be noted that this survey does not qualify as a representative sample of the community due to the low number of respondents. Many respondents said that affordability was the number one housing issue facing Globe-Miami. This response is interesting because only one homeowner said that affordability was a barrier encountered when trying to buy a home and research indicates that homes are affordable in Globe-Miami. The perception is that there are a number of people in Globe-Miami that can not afford to purchase a home and this can be attributed to a variety of reasons. In Globe-Miami, resale homes are affordable, but new homes can be fairly expensive. Since many respondents indicated that new market rate homes and new affordable homes were of high priority, they may be referring to newly built homes when saying costs are too high in Globe-Miami. This response may also be attributed to the type of employees responding, as the surveys were distributed mostly in government offices.

On the whole, views expressed in this survey are in line with research performed by the Drachman Institute and are summarized as follows:

- 1.) There is a need for new housing, both affordable and market rate.
- 2.) Rental rates and rehabilitation are major concerns.
- 3.) There is a need for housing for elderly people.
- 4.) Affordablility is a concern for local people.





## **Concluding Remarks on Research Data**

Globe-Miami has not seen much population growth in the recent past. There are a variety of reasons for this, but there are two major factors that can be easily identified. The first is related to the copper industry. The local mines have not significantly expanded their employment base, and therefore, have not attracted new residents. Secondly, the lack of land that is both available and buildable has prevented the construction of planned senior retirement communities. Retirement communities have been very popular in Arizona and have fueled much of the state's growth, but Globe-Miami has not benefited from such development. Since retirement communities are filled with non-workers, building such communities is a way to attract growth without requiring new employment opportunities.

Lack of population growth and economic expansion have had a deleterious effect on the housing stock. The housing stock is old, however that in itself is not inherently negative. Survey data indicates that much of the housing has not been maintained, and has fallen into disrepair. Clearly there is a need for new investment.

In a broad sense, investment can come from two sources namely the public sector and the private sector. On the public side, the main focus has been on rehabilitation. Given the circumstances in Globe-Miami, rehabilitation should remain a focus. Rehabilitation efforts have primarily been conducted at the county level, although the City of Globe has been able to dedicate some CDBG funds to rehabilitation. Outside of rehabilitation, public investment has been limited. The community seems to resist construction of subsidized housing. The only non-profit builder active in the area is Habitat for Humanity.

Private sector investment has occurred mainly in Globe. Across the whole of the Globe-Miami area, new housing is typically constructed one unit at a time. The resale market has been active, and has increased since 2000. The fact that many home-buyers, both resale and new, are from outside Arizona indicates that new money is flowing into the community. What is unknown is whether

these outside buyers are fixing up homes, or simply holding on to properties for the purposes of speculative investment. What is needed are buyers who either move to the community with an interest in remodeling their homes, or investors who remodel homes for the purposes of resale.

### **Development-Data Barriers Encountered**

A number of road blocks to data gathering were encountered in conducting research for the Globe-Miami region.

#### **GIS Data**

Geographic Information Systems (GIS) are an important resource for land planners and real estate developers. The Globe-Miami area has very limited GIS data. In particular, an up-to-data parcel map would be particularly useful.

#### **Parcel Maps**

The parcel maps for the Globe-Miami area need to be updated. For example, many of the maps show roads that no longer exist and parcels that are no longer buildable. Updating map to indicate what is currently on the ground is difficult. Overlaying parcel maps on aerial photos illustrates clearly that lot lines do not always correspond with the location of terrain features, roads and structures.

### **Aerial Photographs**

Due to the expense, aerial photographs are often hard to come by for small communities such as Globe-Miami. By combining data from two different sources, a nearly complete set of photos was assembled for this project. Completing a set of aerial photos would prove useful in the future.

### **Parcel Ownership Information**

The Gila County website has developed a site to search for property ownership information. The site does not retrieve data for all the parcels in the Globe-Miami area. This information is available at the County Recorders Office.



## **Housing Needs Assessment**

#### 1.) Affordable rental housing

While housing for purchase is affordable in the Globe-Miami area, rental housing is not. There are a variety of programs available that are aimed at the creation of new affordable rental housing.

#### 2.) Rehabilitation and replacement of aging housing

The age and condition of homes in Globe-Miami necessitates rehabilitation and reconstruction of homes. 25% of homes in the area are in need of significant rehabilitation or replacement.

#### 3.) Preservation of housing affordability for local residents

Homeownership has been affordable in the recent past, but new migration to the area, and continued growth in the cost of housing statewide have begun to raise the cost of housing in the Globe-Miami area. Housing prices have increased faster than wages. Much of the new housing construction has been in a price range that most residents of Globe-Miami are unable to afford. It will be important that the area's low and moderate income residents have access to affordable housing as housing costs continue to rise.

#### 4.) Housing for low-income elderly

Globe-Miami has a high proportion of low income elderly, higher than the state average. As the population ages, these numbers will increase. There is a need to preserve and provide affordable housing for seniors.

#### 5.) Housing data that is accessible and high quality

Developers and builders who can bring badly needed investment and housing stock may overlook Globe-Miami because housing and infrastructure data is not as accessible as in other locations around the state.

#### 6.) Homeownership opportunities

Investigation into reasons behind low homeownership rates among minorities in Globe-Miami may provide useful information for housing program development.

#### 7.) A regional perspective to address housing needs

While Globe and Miami are separate jurisdictions they are part of a single regional community. Housing market dynamics are more easily explained when viewed in a community wide context, and housing needs may be more effectively addressed at the regional scale rather than the municipal scale.

## 8.) Programs for homebuyer education and housing counseling

The USDA regional office that serves Globe-Miami has identified poor credit as a significant factor restricting the number of guaranteed loans made in the area. Improving the credit of individuals and education on housing issues can provide more options to individuals and households in the market for housing.

#### Recommendations

Below is a series of recommendations to meet the needs identified in this document.

#### 1.) Increase affordability of rental housing

- USDA multifamily housing Section 515 loans are available
  to private developers, nonprofits, tribes and public agencies, to
  finance new construction or buy and renovate existing apartments that serve low and very low income households.
- USDA multifamily housing Section 538 loan guarantees
  will guarantee a loan offered by a financial lender to private
  developers, nonprofits, tribes and public agencies for construction or renovation of apartments for low and moderate income
  tenants.
- RHED (Rural Housing and Economic Development) is a department within HUD that grants awards of up to \$300,000 for "innovative housing and economic development activities." These funds can be used for just about any stage of development, from land acquisition to construction. Funds must be used for projects that support very-low and low income households. Miami meets the department's definition of rural because the population is less than 2500, however Globe does not.
- State Housing Finance Authority, PMHDC (Portable Practical Education Preparation Micro-business Housing Development Cooperation) and Arizona MultiBank all provide financing and assistance to qualified multifamily rental projects.
- Low Income Housing Tax Credits (LIHTC) is a program coordinated by AZDOH that encourages private investors (through tax credits) to invest in affordable rental housing. This would be an excellent program for the Globe-Miami profile.
- 2.) Provide opportunities for rehabilitation and replacement of aging housing stock.

- Continue and expand efforts both at county and municipal levels.
- Start a Rebuilding Together affiliate. Formerly known as Christmas in April, Rebuilding Together is a national non-profit organization that works to rehabilitate the homes of low income elderly, disabled and families with children. Labor is supplied by volunteers and materials are either donated or purchased with donated funds. To become part of the process, a local affiliate would need to be started by dedicated individuals in the Globe-Miami community. There are currently affiliates in Bisbee, Tucson, Phoenix, Flagstaff and Santa Cruz County (visit www.rebuildingtogether.org).
- Initialize community level projects. Examples such as forming a local rehabilitation cooperative can be a low cost way to encourage rehabilitation efforts. Members of the cooperative would volunteer their time knowing that their own home would be worked on as part of the process. Weekend training workshops could provide instruction on simple home repair such as fixing windows or faucets. These workshops also help to strengthen community ties.

## 3.) Maintain affordability of existing housing for local residents.

In the Globe-Miami area, many households fall within formal definitions of eligibility for programs that serve low and moderate income households. The Arizona Department of Housing has made a concentrated effort to provide housing assistance to Arizona's small towns and rural communities. Specifically, the State of Arizona is trying to provide homeownership opportunities for rural communities and small towns. HOME funds and state housing trust fund dollars are available to developers who build housing for rural residents who make 80% or less of the area median income. This program is being expanded to include residents that make 115% of the area median income. These programs could serve

the needs of the average Globe-Miami resident, as well as low income residents. (Contact Kathy Laporte, Homeownership Program Manager for the Arizona Department of Housing, for further information.)

#### **Affordable Lenders**

#### Subsidized lenders

- State Housing Finance Authority can act as a lender to local communities by issuing bonds and administering mortgage tax credit certificates.
- PMHDC is part of PPEP tech inc. PMHDC housing will provide closing cost assistance to individuals.
- USDA
- State Housing Trust Fund

#### **Private Lenders**

- Arizona MultiBank is a community bank that provides loans to developers for construction of projects that serve households that earn 80% or less of the area median income.
- Institutional Bank CDC's

As housing prices rise, so will the cost of land. The community can protect itself for the future by *acquiring land now.* Programs that can be utilized to include the Rural Housing and Economic Development Program (RHED), CDBG and HOME (AZ Department of Housing). Strategies that can aid in the acquisition of land include:

- Finding motivated sellers. There may be a number of landowners in the Globe-Miami area that have not realized the rate of return on investment that they were hoping for. Such investors would be looking to sell and free up their capital for future investments.
- Land banking. Land can be held by local community organizations in anticipation of increased land prices in the future. The land can then be used for affordable housing.

- Community land trusts. Community land trusts have been used successfully in a number of communities. The trust maintains control of the land used for housing, and residents only hold equity in the home. The trust keeps the price of land low despite rising land costs in the rest of the community. This provides a permanently affordable home. The complex financial arrangements, and partial equity of homeowners, often turns away potential residents. However, since available land is lot by lot in Globe-Maimi, a community land trust could be an alternative to building a multi-unit development.
- **Partner with tribal authorities.** There are a variety of funds available to tribal communities. With the proximity of the San Carlos Reservation, the Tribe may be interested in providing housing for tribal members within the Globe-Miami area.

#### **Inclusive Zoning**

When land is rezoned for new development, the city or county can include in the ordinance a requirement that some percentage of new housing must be made affordable to low and moderate income residents. Generally, there is a threshold size for this policy to kick in (i.e. 5 or more units within a development). Developers may be offered incentives as part of the policy such as density bonuses, fee waivers or reduced parking requirements. To increase the flexibility of home builders, developers may be allowed to contribute to an affordable housing fund, or rehabilitate older houses in lieu of building new affordable housing themselves.

#### 4.) Housing for Low-income Elderly.

The Rural Housing Service (USDA) Section 504 grant.
Grants are available for very low income households with residents 62 years of age or older to rehabilitate substandard housing to safe, decent and sanitary condition. This is only available to people living in unincorporated areas. Households within the limits of the City of Globe or Town of Miami would be ineligible, but those in the surrounding, unincorporated areas

are eligible.

 HUD Section 202. Capital advances are provided to private non-profit agencies for the construction of housing for low-income elderly. The capital advance does not need to be paid back as long as the project serves low-income elderly for 40 years. The program also offers rental assistance to tenants once the project is complete.

## 5.) Work to provide housing data that is accessible and of high quality.

- Central Arizona Association of Governments (CAAG) may be able to coordinate with and help support staff and organizations operating in Globe-Miami.
- Heartland Center is a nonprofit organization that provides training sessions for local community development workers. Although courses are expensive, \$750 or more, they may be useful to someone looking for new ideas (visit www.heartlandcenter.info).
- Form a CDC to gain access to funds for development of housing data. Many sources of funding are available only to Community Development Corporations.
- Local Initiatives Support Corporation (LISC) provides technical assistance, training, financial support and information to CDC's in rural areas. (visit www.rurallisc.org).
- 6.) Research the causes of low homeownership rates among minorities.
- Survey research should be undertaken to explore the causes
  of disproportionately low rates of Hispanic homeownership, including discrimination.
- 7.) Develop a regional perspective to address housing needs.

 Create a regional housing authority that works to address housing needs. This may be a commission, community development corporation or staffed government position.

## 8.) Establish programs of education and housing counseling.

 Arizona Housing Counseling Collaborative is a statewide association of housing advocates. Advocates provide housing education and counseling to homebuyers to help overcome barriers to buying homes.

Arizona Housing Counseling Collaborative c/o Neighborhood Housing Services of Phoenix, Inc. 320 East McDowell, Suite 120

Phoenix, AZ 85004

Phone: 602-258-1659, Fax: 602-258-1666

http://www.arizonahcc.org

Community Services of Arizona provides homebuyer education programs, marketing & outreach initiatives, mortgage delinquency & default resolution counseling, post-purchase counseling, pre-purchase counseling, renters assistance, and services for homeless.

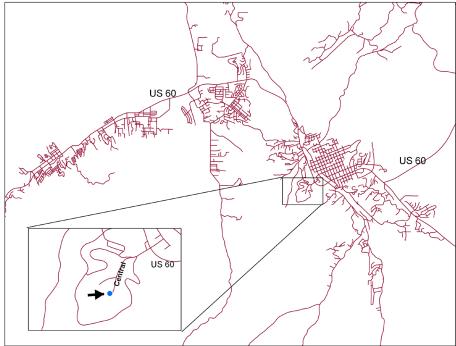
6704 N 59th Ave Glendale, AZ 85301 623.435.2255 or 800 471-8247 Contact: Gayle Mickey

gmickey@csainc.org

### **Suggested Housing Development**

## Market-Rate-Multi-Family Housing and/or Affordable Rental Development

There are many sites within the Globe/Miami area that are either abandoned or vacant and are ideal for small developments of higher density housing. An example of such a site can be seen at the end of Central Avenue (see map below and photos on following page) Because of the lack of large residential parcels within the area and because of the expected growth in the region, higher density housing located in some of these smaller canyon sites seem to offer a possible solution for providing quality housing. This could allow for housing for families, low income households, and seniors, as well as creating small local neighborhoods within the larger residential community. The following is one example of the type of housing that should developed on these types of parcels.



Map showing potential site for new housing development

In the following pages (p.41-p.44) a design concept for the aforementioned site has been created. Following requests from public meeting participants for increased density, proposed is a design that incorporates multi-story units bounding the edges of the property while creating a pedestrian-friendly open space in between. The units are designed for occurrences of zero-lot-line or party-walls that simultaneously increase density and allow for more open space. The parking is consolidated into a larger lot creating a more pedestrian oriented neighborhood. The units face into the shared open space creating an atmosphere focused on the immediate community, yielding a sense of security and unity. By using a higher density model for development, the site also affords open space for use as a community garden or neighborhood center.

Attention to site conditions (namely the forces of wind, water, sun and the existing vegetation and site topography) are very important to sustainable community development and affordability. These particular units are orientation so that they receive maximum southern exposure, featuring clerestory windows in each unit to take advantage of natural lighting and passive heating. Rainwater harvesting, material selection, and mechanical zoning are integral design components of affordable housing that should be considered in any development. Sustainable design will positively affect the overall operating costs, increasing the affordability of the unit over time.

The National Association of Homebuilders estimated the average cost of a new home at \$80 per square foot in 2005. Using that estimate, a 1,200 square foot house would cost \$96,000. With an expected return of 20% this would put the selling price of a 1,200 square foot home at less than \$120,000. It is important to note that this price does not include the cost of the land, infrastructure, taxes, architectural fees, realtor fees, interest rates or other applicable expenses applied to the development of a site. The site chosen for this example development could accommodate 10 homes.

The site is located beyond the Globe city limits within Gila County. Potential shortfalls of this project relate to utility connection, transportation, sewer and other infrastructure often not existing or not up to current standards on rural sites. Such a large development would most likely require significant investment of this type. Cost is difficult to estimate because it depends not only on materials and labor. Cost will depend greatly on the existence and maintenance of existing infrastructure and due to complications in the implementation and repair of existing infrastructure resulting from the area's terrain. For these reasons, maximizing the number of units is important in order to offset potentially high site development costs.

The Arizona Department of Housing encourages homeownership and aims to provide funding to meet the gap between market price and prices affordable to moderate and low income residents. An additional source of funding could be sought through the Rural Housing and Economic Development Department (RHED) of HUD, which provides funding to innovative projects.



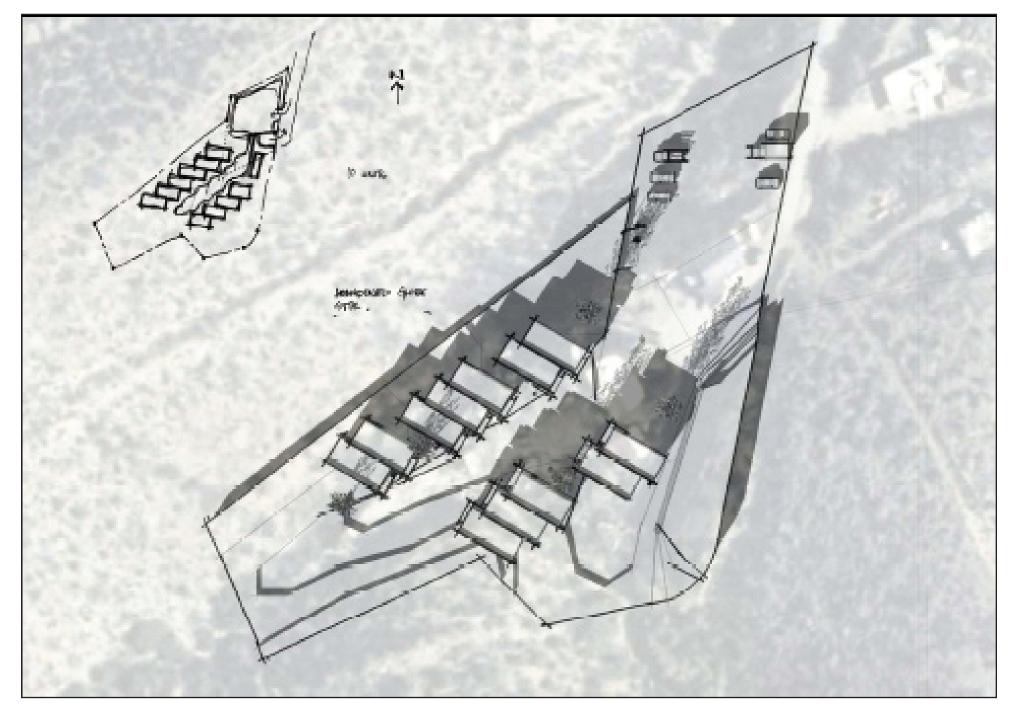
Photo of Central Avenue Site

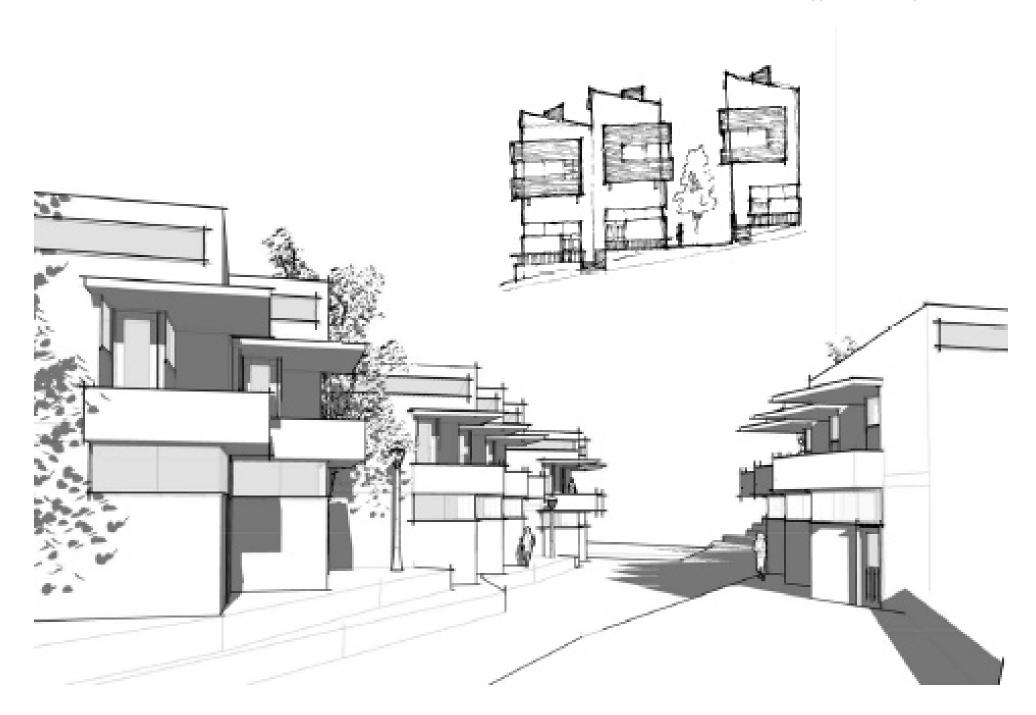


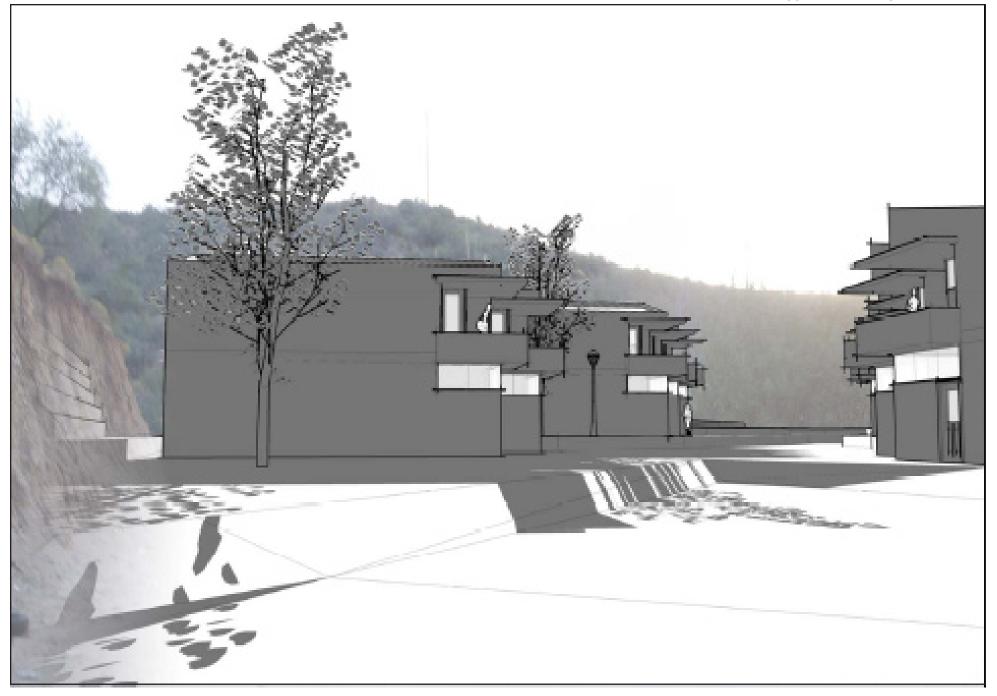
Photo of Central Avenue Site



Photo of Central Avenue Site





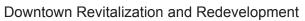


## **Downtown Revitalization and Redevelopment**

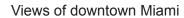
Downtown Miami's historic charm, bridges and nostalgic storefronts provide an excellent environment for activity, preservation and infill. It is vital to explore ideas for downtown revitalization in Miami.



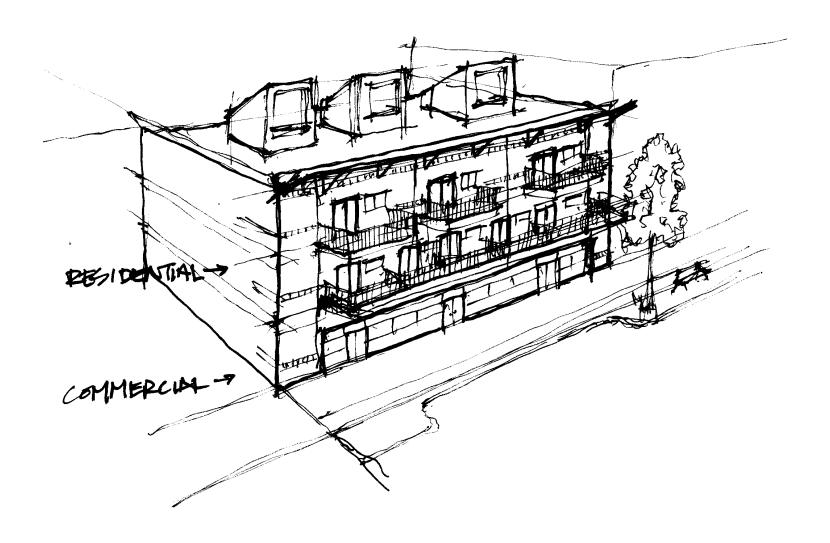
View of bridges in Miami downtown











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