

# Housing Needs Assessment & Market Analysis

## Yavapai County, Arizona



**Prepared for:  
Yavapai County**

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## Table of Contents

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Executive Summary	i
1.0 Background & Methodology	1
2.0 Demographic Characteristics of Yavapai County	2
3.0 Yavapai County Economy	9
4.0 Housing Market Dynamics	16
5.0 Affordable Housing Demand & Forecast	32
6.0 Recommendations	43



## Executive Summary

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### Purpose of Study

Yavapai County commissioned the preparation of a comprehensive Housing Needs Assessment and Market Analysis to address housing needs across the county including within incorporated communities. The Assessment will be used to assist county decision-making on housing affordability in the unincorporated areas where it controls zoning. The Market Analysis element of the study provides up to date information on historical trends in the housing market over the past ten years including housing permit activity. Sales data has been obtained from the Yavapai County Assessor.

The Market Analysis also includes a Gap Analysis - the shortage of units that are needed to provide affordable housing for all segments of the population. Affordability is determined by using the standard that no more than 30% of a household's income is devoted to housing costs. The "gap" typically occurs at the lower end of the income range where there are more households than affordable units. For these households to find housing in a community, they must pay more than 30% of their income toward shelter or live in substandard and/or overcrowded conditions. The U.S. Census provides an estimate of the number of cost-burdened owner and renter households that are paying more than 30% of their income on housing.

### Demographic Characteristics of Yavapai County

According to the Arizona Office of Economic Opportunity (OEO), Yavapai County had a population of 251,768 people as of July 2024. Prescott Valley is the largest community in the county, followed by Prescott. Since 2010, Yavapai County grew by more than 40,800 people or a compounded annual rate of 1.3%. The unincorporated areas of the county also captured a substantial percentage of the county's population totaling 26% or 10,653 people.

Yavapai County's population is influenced by a much lower percentage of the population under the age of 20 compared to the state and a much higher percentage of the population over 65 years of age. The prime working cohort in the county between the ages of 20-65 represents 48.9% of the population compared to 56.8% for the state. An adequate labor force is important for new employers searching for an available workforce.

The median household income in Yavapai County at \$66,106 in 2023 is 14% lower than the statewide median income. There is a large difference between renter household incomes and homeowner incomes. Renter incomes are about one-third lower than the homeowner median incomes.



The unincorporated area of Yavapai County is forecasted to experience the most growth in the county by 2040 with an increase of nearly 14,700 people. More than 70% of the growth in Yavapai County is forecasted to occur in Prescott, Prescott Valley, and the unincorporated area.

<b>Yavapai County Housing Demand 2025-2040</b>					
	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>	<b>Total</b>
<b>Total Yavapai County</b>					
Population Change	4,534	17,825	12,917	11,551	46,827
<b>Housing Unit Demand</b>	<b>2,080</b>	<b>8,177</b>	<b>5,925</b>	<b>5,299</b>	<b>21,480</b>
Unit Average/Year		1,635	1,185	1,060	1,432
<b>Unincorporated Yavapai County</b>					
Population Change	1,588	5,885	3,875	3,326	14,673
<b>Housing Unit Demand</b>	<b>728</b>	<b>2,700</b>	<b>1,777</b>	<b>1,526</b>	<b>6,731</b>
Unit Average/Year		540	355	305	449
Sources: AZ Office of Economic Opportunity, ACS 5-Yr Estimates					

### Yavapai County Economy

Yavapai County has a broad economy that is built on a variety of industries with strengths in Mining, Construction, Retail Trade, Educational Services, and Accommodation and Food Services. The county’s unemployment rate stood at 4.5% as of July 2025, slightly below the state-wide average of 4.7%. The labor force participation rate for Yavapai County of 48.3% is well below the state average of 60.1%. This issue raises questions about how the county economy can continue to operate without an influx of workers to provide services for the local population.

### Housing Market Dynamics

Yavapai County’s housing inventory is comprised of 124,032 units according to the 2023 American Community Survey 5-year estimates with 108,900 of those units (87.8%) occupied on a year-round basis by permanent residents. Seasonal housing comprises 7.6% the total housing inventory, a higher ratio than found in the state.

Residential building permit activity in the county has been strong since 2015 reaching a peak of 2,481 units in 2021. Despite the rise in mortgage interest rates and new home prices, 2024 was also a strong year. Permits for apartments have also been strong since 2019. Most apartment development in the county is occurring in the cities and towns where utility infrastructure is available.



Residential permit data for unincorporated Yavapai County was provided to the study team. Location is determined by proximity to one of the county’s cities or towns as well as unincorporated communities. For instance, a permit identified as issued for Prescott means the location is near Prescott, but not within the city boundaries. About 37% of permits were issued for sites near Prescott and Prescott Valley, followed by Paulden with 10.5% of all permits. When adding in communities like Mayer and Chino Valley, approximately 64% of all permits were issued in or near the Prescott and Prescott Valley area.

Yavapai County Residential Building Permits Unincorporated Area 2020-2024									
Community	Single Fam. Permits	MF Home Permits	Total	% of Total	Community	Single Fam. Permits	MF Home Permits	Total	% of Total
Prescott	712	28	740	20.0%	Peebles Valley	20	3	23	0.6%
Prescott Valley	499	123	622	16.8%	Ash Fork	10	12	22	0.6%
Paulden	94	294	388	10.5%	Yarnell	17	4	21	0.6%
Unknown	192	136	328	8.9%	Camp Verde	13	5	18	0.5%
Mayer	149	118	267	7.2%	Williamson	11	5	16	0.4%
Sedona	236	19	255	6.9%	Bagdad	1	12	13	0.4%
Chino Valley	111	101	212	5.7%	Dewey-Humboldt	4	1	5	0.1%
Rimrock	93	60	153	4.1%	Morristown	5	-	5	0.1%
Cottonwood	73	24	97	2.6%	Spring Valley	4	1	5	0.1%
Dewey	41	56	97	2.6%	Cottonwood-Verde Vill.	4	1	5	0.1%
Cornville	58	36	94	2.5%	Lake Montezuma	4	-	4	0.1%
Congress	29	42	71	1.9%	Clarkdale	2	1	3	0.1%
Seligman	22	44	66	1.8%	Skull Valley	2	1	3	0.1%
Kirkland	16	23	39	1.1%	Crown King	2	-	2	0.1%
Black Canyon City	14	24	38	1.0%	Groom Creek	1	-	1	0.0%
Wickenburg	30	1	31	0.8%	Peach Springs	1	-	1	0.0%
Iron Springs	25	2	27	0.7%	Village Of Oak Creek	1	-	1	0.0%
Cordes Lakes	16	9	25	0.7%	Jerome	-	-	-	0.0%
<b>Total</b>						<b>2,512</b>	<b>1,186</b>	<b>3,698</b>	<b>100.0%</b>

Note: All permits are in the unincorporated area of the County. If a permit is listed with a city or town name, it means it is near that city/town but outside the community's boundary.

Source: Yavapai County

The inventory of traditional market-rate apartment complexes in the county totals more than 6,300 units in 80 complexes as of the third quarter of 2025, virtually all of which are found in the county’s cities and towns. The average apartment rent is \$1,589 per month with a vacancy rate in the third quarter of 2025 estimated at 11.1% which is above the normal stabilized rate for the market of about 7%. Included in the apartment inventory are 32 affordable complexes totaling 1,902 units built under the Low Income Housing Tax Credit program.

Housing prices across Yavapai County have increased dramatically over the past five years. Interestingly, the price of single family and townhome/condo units has been historically higher in the unincorporated parts of the county compared to the incorporated communities. This



appears to be the result of home sales in communities such as Sedona and Williamson Valley where larger lots are found outside of the cities and towns.

Yavapai County Housing Sales												
Comparison of Sales in Cities/Towns Vs. Unincorporated Area												
Year	Single Family Homes				Manufactured Homes				Townhome/Condo			
	Unincorporated Area		Cities/Towns		Unincorporated Area		Cities/Towns		Unincorporated Area		Cities/Towns	
	Price	Sales	Price	Sales	Price	Sales	Price	Sales	Price	Sales	Price	Sales
2016	\$300,333	1,660	\$316,735	3,321	\$107,799	646	\$113,109	547	\$250,745	74	\$210,269	375
2017	\$344,551	1,921	\$342,740	3,942	\$123,068	763	\$124,232	602	\$254,878	103	\$226,206	401
2018	\$376,252	1,950	\$368,856	3,937	\$134,312	798	\$142,137	640	\$248,494	105	\$250,580	332
2019	\$389,579	1,947	\$383,504	3,929	\$159,611	765	\$162,436	637	\$322,553	113	\$253,646	320
2020	\$458,712	2,312	\$441,242	4,426	\$170,497	805	\$186,950	718	\$321,763	114	\$290,427	379
2021	\$551,075	2,367	\$515,664	4,913	\$219,829	959	\$219,966	733	\$406,913	125	\$365,176	390
2022	\$609,182	1,850	\$578,364	3,842	\$250,529	837	\$257,142	638	\$482,182	94	\$407,619	304
2023	\$616,590	1,423	\$607,253	2,858	\$243,202	719	\$257,101	521	\$525,847	66	\$423,930	288
2024	\$664,834	1,453	\$627,879	2,716	\$249,000	667	\$255,963	465	\$467,090	95	\$413,818	260
2025 Thru April	\$706,337	272	\$612,356	516	\$233,006	115	\$246,353	86	\$470,368	19	\$399,684	62

Source: Yavapai County Assessor

The average sale price for unincorporated communities can vary widely depending upon the number of sales and the type of housing unit and/or lot size. Full year sales in 2024 are generally modest across most communities. Prescott, Prescott Valley, Sedona, and Wickenburg show the highest prices across all three years from 2023 to April 2025. Single family home prices are still affordable in Ash Fork, Crown King, Mayer, People’s Valley, Rimrock, Seligman, and Yarnell. Note, on the following table, no sales are situated within any incorporated cities or towns – reference to a city or town indicates proximity to that municipality, but not within the city/town boundaries.



<b>Unincorporated Yavapai County Housing Sales</b>						
<b>Unincorporated Community/Area</b>	<b>Single Family Residence</b>			<b>Mobile or Manufactured Home</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Ash Fork	\$137,581	\$257,250	\$298,000	\$153,571	\$104,444	\$195,000
Bagdad	\$178,415	\$671,000	-	\$120,000	-	-
Black Canyon City	\$403,909	\$427,053	\$354,667	\$200,695	\$218,090	\$343,242
Camp Verde	\$465,364	\$491,313	\$360,000	\$231,750	\$311,100	\$395,000
Castle Hot Springs	\$1,187,500	\$695,000	-	-	-	-
Cherry	-	-	-	\$311,177	\$324,493	\$287,903
Chino Valley	\$529,573	\$527,311	\$375,100	-	-	-
Clarkdale	\$455,668	\$972,500	-	-	-	-
Congress	\$347,496	\$361,648	\$372,250	\$243,561	\$239,347	\$261,333
Cornville	\$569,570	\$544,716	\$587,290	\$252,629	\$292,920	\$148,571
Cottonwood	\$461,396	\$478,542	\$434,533	\$182,585	\$229,253	\$206,238
Crown King	\$246,686	\$241,100	-	-	-	-
Dewey	\$462,691	\$428,023	\$398,643	\$267,653	\$277,109	\$250,000
Dewey-Humboldt	\$588,811	\$363,863	\$740,000	\$326,936	\$342,983	\$360,000
Humboldt	-	-	-	-	\$250,000	-
Jerome	-	-	-	-	\$150,000	-
Kirkland	\$484,000	\$356,854	\$510,000	\$177,525	\$222,663	\$155,250
Mayer	\$305,650	\$326,105	\$342,104	\$170,775	\$176,660	\$153,093
Paulden	\$514,626	\$450,282	\$456,714	\$290,498	\$297,389	\$249,500
Peeples Valley	\$563,083	\$370,560	\$462,500	\$144,333	\$276,800	\$185,225
Prescott	\$672,043	\$785,274	\$834,493	\$287,535	\$286,196	\$307,000
Prescott Valley	\$713,320	\$734,675	\$643,461	\$305,451	\$359,114	\$407,200
Rimrock	\$379,498	\$376,545	\$395,600	-	-	-
Rock Springs	-	\$910,000	-	\$240,512	\$248,016	\$260,000
Sedona	\$1,084,266	\$1,229,768	\$1,156,965	\$457,283	\$341,036	\$628,000
Seligman	\$196,368	\$190,632	\$116,250	\$232,257	\$211,863	\$182,500
Skull Valley	\$437,191	\$350,400	\$679,600	\$292,500	\$310,000	-
Wickenburg	\$972,111	\$972,234	\$923,750	-	\$360,000	-
Yarnell	\$255,513	\$268,417	\$305,000	\$167,000	\$210,250	-
Unnamed	\$469,068	\$539,957	\$395,000	\$153,283	\$195,556	\$65,860
<b>Average Price</b>	<b>\$616,590</b>	<b>\$664,834</b>	<b>\$706,337</b>	<b>\$243,202</b>	<b>\$249,000</b>	<b>\$233,006</b>
Note: 2025 sales are through April.						
Source: Yavapai County Assessor						

### Short Term Rentals

Communities across the country have experienced the conversion of traditional rental units and owner-occupied homes to short-term rentals (STRs). The result is a decline in the available housing supply often impacting residents who depend on affordable housing for shelter. In tourist dominated economies, such as parts of Yavapai County, STRs have resulted in the loss of housing available for low- and moderate-income working households providing services to the tourism industry. According to AirDNA, a website that provides data on the STR industry, Yavapai



County has nearly 4,900 active STRs including some hotels and timeshare units that advertise on STR websites.

Even if the STR inventory is reduced by 15% to 4,150 units to account for hotels and timeshare units, STRs represent a significant inventory of housing units. As will be shown in the following section of this report, there are 11,793 renter households in the county that spend more than 30% of their income on housing. While not all STR units would be affordable to moderate income households, the inventory of 4,150 STR units represents 35% of the county’s renter households who are burdened by housing costs. For many tourist dominated economies in the state, STRs will continue to restrict the housing supply for service employees who are searching for affordable shelter.

### Affordable Housing Demand & Forecast

Across Yavapai County, 40.9% of renter households are burdened by housing or 11,793 households. The cities and towns have a slightly higher burden of 43.2% while the unincorporated area’s burden is 35.1%. Within those estimates there are a substantial number of households who spend more than 50% on housing. Overall, the rent burden for Yavapai County is below the state averages.

Renter Housing Cost Burden								
Gross Rent as % of Household Income								
% of Income Spent on Housing	Unincorporated Yavapai County		Yavapai County Cities/Towns		Yavapai County		Arizona	
	Households	%	Households	%	Households	%	Households	%
<b>Total:</b>	<b>8,366</b>		<b>20,480</b>		<b>28,846</b>		<b>923,559</b>	
Less than 10.0 percent	643	7.7%	699	3.4%	1,342	4.7%	35,020	3.8%
10.0 to 14.9 percent	1,031	12.3%	1,646	8.0%	2,677	9.3%	70,637	7.6%
15.0 to 19.9 percent	399	4.8%	2,014	9.8%	2,413	8.4%	104,368	11.3%
20.0 to 24.9 percent	1,180	14.1%	2,851	13.9%	4,031	14.0%	115,422	12.5%
25.0 to 29.9 percent	684	8.2%	3,058	14.9%	3,742	13.0%	102,684	11.1%
30.0 to 34.9 percent	358	4.3%	1,575	7.7%	1,933	6.7%	80,245	8.7%
35.0 to 39.9 percent	371	4.4%	1,040	5.1%	1,411	4.9%	62,372	6.8%
40.0 to 49.9 percent	800	9.6%	1,670	8.2%	2,470	8.6%	83,870	9.1%
50.0 percent or more	1,407	16.8%	4,572	22.3%	5,979	20.7%	207,164	22.4%
Not computed	1,493	17.8%	1,355	6.6%	2,848	9.9%	61,777	6.7%
<b>Total Spending More Than 30%</b>	<b>2,936</b>	<b>35.1%</b>	<b>8,857</b>	<b>43.2%</b>	<b>11,793</b>	<b>40.9%</b>	<b>433,651</b>	<b>47.0%</b>
<b>Total Spending More Than 50%</b>	<b>1,407</b>	<b>16.8%</b>	<b>4,572</b>	<b>22.3%</b>	<b>5,979</b>	<b>20.7%</b>	<b>207,164</b>	<b>22.4%</b>

Source: ACS 2023 5-year estimate

Data is available for 17 communities in the county from the U.S. Census. Some communities have very low renter housing cost burden while others such as Black Canyon City, Mayer, Paulden, Peoples Valley, and Spring Valley, have more than 50% of total households burdened by housing



costs. Overall, 34.2% of the households in the unincorporated communities followed by the Census pay more than 30% of their income on rental housing.

<b>Renter Cost Burden</b>				
<b>Yavapai County Unincorporated Communities</b>				
<b>Unincorporated Community</b>	<b>Paying More Than 30%</b>		<b>Paying More Than 50%</b>	
	<b>Households</b>	<b>% of Total</b>	<b>Households</b>	<b>% of Total</b>
Ash Fork	-	0.0%	-	0.0%
Bagdad	17	2.3%	-	0.0%
Black Canyon City	67	62.6%	-	0.0%
Congress	24	35.8%	-	0.0%
Cordes Lakes	53	24.1%	-	0.0%
Cornville	118	33.0%	81	22.6%
Lake Montezuma	293	36.9%	212	26.7%
Mayer	57	64.8%	-	0.0%
Paulden	167	56.4%	52	17.6%
Peeples Valley	19	51.4%	19	51.4%
Seligman	81	47.4%	42	24.6%
Spring Valley	86	50.3%	9	5.3%
Verde Village	329	32.8%	194	19.3%
Village of Oak Creek	567	42.7%	313	23.6%
Wilhoit	3	5.5%	-	0.0%
Williamson	72	46.5%	27	17.4%
Yarnell	15	18.1%	15	18.1%
<b>Total</b>	<b>1,968</b>	<b>34.2%</b>	<b>964</b>	<b>16.8%</b>
Data is for Census Designated Places (CDPs) calculated by the U.S. Census Source: ACS 2023 5-year estimate				

For owner occupants, the housing cost burden for Yavapai County is higher than the statewide average. For the unincorporated area, an estimated 8,053 households or 24.8% of total households are burdened by housing, similar to the county-wide average. It should be noted that homeowners typically have more options than renters to address their housing burden. For instance, an owner could sell the home and move to a less costly unit if one is available.



Owner Cost Burden				
Yavapai County Unincorporated Communities				
Unincorporated Community	Paying More Than 30%		Paying More Than 50%	
	Households	%	Households	%
Ash Fork	24	18.2%	5	3.8%
Bagdad	18	47.4%	-	0.0%
Black Canyon City	155	15.5%	28	2.8%
Congress	56	7.6%	33	4.5%
Cordes Lakes	203	17.8%	54	4.7%
Cornville	236	21.5%	74	6.7%
Lake Montezuma	423	24.0%	387	22.0%
Mayer	126	25.7%	44	9.0%
Paulden	391	23.0%	194	11.4%
Peeples Valley	76	24.1%	24	7.6%
Seligman	14	11.9%	14	11.9%
Spring Valley	127	26.6%	50	10.5%
Verde Village	1,136	28.4%	498	12.4%
Village of Oak Creek	510	23.8%	339	15.8%
Wilhoit	91	23.0%	47	11.9%
Williamson	683	24.5%	379	13.6%
Yarnell	42	15.0%	15	5.4%
<b>Total</b>	<b>4,311</b>	<b>23.2%</b>	<b>2,185</b>	<b>11.7%</b>

Data is for Census Designated Places (CDPs) calculated by the U.S. Census  
Source: ACS 2023 5-year estimate

The total housing affordability gap for Yavapai County is 31,213 households, or approximately 28.7% of total households. Renters are the most cost-burdened households in the county on a percentage basis at 40.9%.

For the unincorporated area of the county, 10,989 households are burdened by housing costs or 26.9%. Renters are the most cost burdened on a percentage basis at 35.1%.

While there are few opportunities for homeownership for households who earn less than \$50,000, a target for homeownership could be the more than 5,600 renter households who earn between \$50,000 and \$75,000.



Summary Housing Cost Burden Yavapai County & Unincorporated Area			
	Yavapai County	Unincorporated Area	% of County
<b>Renters</b>			
Households	28,846	8,366	29.0%
Paying more than 30% of income on housing	11,793	2,936	24.9%
<b>% paying more than 30% of income on housing</b>	<b>40.9%</b>	<b>35.1%</b>	
<b>Owners</b>			
Households	80,054	32,411	40.5%
Paying more than 30% of income on housing	19,420	8,053	41.5%
<b>% paying more than 30% of income on housing</b>	<b>24.3%</b>	<b>24.8%</b>	
<b>Total Households</b>			
Households	108,900	40,777	37.4%
Paying more than 30% of income on housing	31,213	10,989	35.2%
<b>% paying more than 30% of income on housing</b>	<b>28.7%</b>	<b>26.9%</b>	

Source: ACS 2023 5-year estimate

Following from the gap analysis, the future demand for housing shows that households earning less than \$50,000 in income will demand rental housing, most likely subsidized (2,524 units through 2040). Another 2,334 units of ownership housing will be needed for critical service employees who earn between \$50,000 and \$100,000. This population may need support to acquire housing that is within their reach. At today’s interest rate, the households in this income category could afford a home ranging from \$200,000 to \$350,000.

Forecasted Housing Demand By Income Unincorporated Yavapai County			
Income Range	Households	%	Housing Target
Less than \$25,000	1,131	16.0%	Rental Housing
\$25,000 to \$34,999	622	8.8%	Rental Housing
\$35,000 to \$49,999	771	10.9%	Rental Housing
<b>Sub-Total</b>	<b>2,524</b>	<b>35.7%</b>	
\$50,000 to \$74,999	1,279	18.1%	Ownership Housing
\$75,000 to \$99,999	1,055	14.9%	Ownership Housing
<b>Sub-Total</b>	<b>2,334</b>	<b>33.0%</b>	
\$100,000 to \$149,999	1,242	17.6%	
\$150,000 to \$199,999	432	6.1%	
\$200,000 or more	536	7.6%	
<b>Sub-Total</b>	<b>2,211</b>	<b>31.3%</b>	
<b>Total</b>	<b>7,067</b>	<b>100.0%</b>	

Sources: AZ Office of Economic Opportunity, ACS 5-Yr Estimates



## **Recommendations**

Over the last five years, households in Yavapai County have experienced declining affordability conditions, similar to that occurring across Arizona. In total, about 27% of households in the unincorporated county are currently burdened by their housing costs, including 35% of all renters. The county is projected to experience moderate growth for the foreseeable future, and affordability challenges will continue. Following are some observations and recommendations regarding housing affordability in Yavapai County and, in particular, the issues facing the unincorporated area.

### ***Potential Residential Development Areas***

Affordable housing can likely only be addressed by higher density housing products like duplexes, four-plexes, townhomes, condos, and apartments. The primary question regarding the unincorporated area of Yavapai County is whether these housing types can be supported in the unincorporated areas. Quite often the unincorporated parts of a county have limited utility infrastructure to support cluster or high-density housing, particularly wastewater services. Many counties including Yavapai County have chosen to leave utility and infrastructure development to the municipalities. The provision of sewer service is imperative to the development of higher density housing products. In the unincorporated area, there are few areas where sewer service is available. Following are some parts of the unincorporated area that were evaluated for affordable housing opportunities.

- Verde Village near Cottonwood: Verde Village is served domestic water by the city of Cottonwood but all housing units are on septic tanks which restricts development for higher density housing beyond the existing single family uses. Overall, the feasibility of constructing additional housing units in Verde Village is limited. While there are still available lots in the area including commercially zoned lots, the use of septic tanks will limit any efforts to address affordable or missing middle housing.
- The Village of Oak Creek: The Village is provided sewer service by the Big Park Domestic Wastewater Improvement District. The presence of the sewer system in the Village of Oak Creek has allowed it to accommodate a variety of housing types, commercial uses, and hotels. The Village includes residential uses such as townhomes, duplexes, and apartments and is intensely developed relative to most of the unincorporated communities. The presence of a wastewater system has supported mixed-use development, and it could be a location for affordable housing opportunities.



- **Areas Adjacent to the County’s Cities and Towns:** Most of the county’s cities and towns have water and sewer service to support their growth. Residential growth in the unincorporated areas could potentially be accomplished in areas adjacent to cities and towns. However, most municipalities do not desire to extend services to properties outside their city/town limits, instead requiring annexation for water or sewer service.
- **Sanitary Districts:** The Yavapai County website lists four sanitary districts in the county including Ash Fork, Creekside, Inspiration Canyon Ranch (IRC), and Seligman. Excepting Creekside, the other sanitary districts could likely accommodate some level of growth. Williamson Valley is not identified as a Growth Area in the County’s Comprehensive Plan. Both Seligman and Ash Fork are identified as Growth Areas and could be future locations for more intensive development. However, the demand for housing in these communities is uncertain.

### ***Potential Affordable Housing Initiatives***

Counties in Arizona typically have limited resources to deal with affordable housing compared to Arizona cities and towns. Some of this is self-imposed, particularly in the non-urban areas of the state where counties have limited their investment in utility infrastructure. However, outlined below are recommendations for initiatives Yavapai County can take to address affordable housing.

It is notable that Yavapai County was one of the first governmental agencies to adopt the “A Home of My Own! Program” in response to the housing affordability crisis. The county has designed and preapproved single family home plans that are available at no cost. Homes range in size from 576 square feet livable to 1,613 square feet with options for one, two, or three bedrooms.

Over the last two years, the Arizona State Legislature adopted new laws that are intended to address housing affordability at the municipal level. Counties are not subject to the requirements, but can learn from some of the rules that have been passed. The individual bills that have been passed include HB 2720 regarding Accessory Dwelling Units (ADUs); HB 2721 which requires cities to allow townhomes, duplexes, triplexes, and fourplexes as a permitted use within certain residential areas; SB 1162 which establishes timelines for review of zoning applications; HB 2447 which requires cities/towns to review and approve site plans, development plans, preliminary and final plats without a public hearing; and HB 2297 which establishes certain standards for adaptive reuse of commercial buildings.



Based on the above laws affecting municipalities, the county could enact the following.

- The County zoning code permits ADUs but provides they must be compatible with the district in which it is located and cannot alter the character of the premises. There is also an extensive administrative review period that requires the site to be posted, and notices sent to surrounding property owners and community organizations. The requirements imposed by the state on the cities attempts to make it easy for homeowners to construct an ADU by right. The county's rules could be amended to conform more closely to the city rules.
- The county zoning code could be amended to establish maximum timelines related to rezoning applications similar to SB 1162.
- Following from HB 2447, the county could amend its approval processes for subdivision plats so they are administratively approved and are not subject to Planning Commission or Board of Supervisors public hearings.
- The county may want to consider adopting an adaptive reuse policy for obsolete commercial properties but the amount of commercial uses in the unincorporated area is limited and such a policy may have limited use.

The above recommendations are intended to improve the ability of developers and non-profits to create affordable housing in unincorporated Yavapai County. Some of the suggested changes would bring the county more into conformance with the requirements imposed by the State Legislature on the state's municipalities.

### ***Affordable Housing Tools***

As noted previously, Arizona counties have few resources at their disposal to address affordable housing. However, the tools that are available could provide some assistance in the effort.

- **GPLET:** The Government Property Lease Excise Tax ("GPLET") is a redevelopment tool to initiate development by reducing a project's operating costs by replacing the real property tax with an excise tax. The GPLET is available to cities and counties although only two counties, Maricopa and Pima, have used the GPLET to date. Many communities are using the GPLET for affordable housing purposes. If Yavapai County is presented with a proposal for a multifamily project, the GPLET could be offered among other incentives to secure affordable units.
- **Industrial Development Authority:** The Yavapai County Industrial Development Authority (IDA) could be a significant partner in assisting in the creation of affordable housing, both for the unincorporated area as well as for the county's cities and towns. IDA financing can be used as part of the capital stack for affordable housing complexes



such as Low Income Housing Tax Credit (LIHTC) projects. Another common IDA program is down payment assistance programs that offer financial aid to help homebuyers, especially first-time buyers, to manage the upfront costs of purchasing a home. These programs aim to make homeownership more accessible by alleviating the burden of the down payment, a significant barrier for many prospective buyers.

- **Community Development Block Grant Program (CDBG):** CDBG funds are allocated to Apache, Coconino, Navajo and Yavapai counties and cities in northern Arizona through the Northern Arizona Council of Governments (NACOG). In 2025, Yavapai County received \$1,308,728. Block grant funds are currently used to support the repair of affordable housing units through Habitat for Humanity. They could also be used for expanding affordable housing throughout the county.
- **Community Land Trust (CLT):** A CLT is a non-profit organization that holds title to land to preserve long term availability for affordable housing. Affordability of housing under the CLT is achieved through the separation of the ownership of the land and the improvements on the land. The CLT holds title to the land and leases the property to a homeowner or developer for 99 years at a nominal rate, reducing the cost of the entire land and improvements by 15% to 25%. CLTs are found across Arizona and have become a significant element of providing workforce ownership housing for moderate-income families. The Yavapai County IDA could be a partner in providing funding for this program.
- **Fee Waivers & Expedited Plan Processing:** The County could provide waiver of building permits fees and other fees associated with the “A Home of My Own! Program” for households earning less than 120% of area median income. This could incentivize the program leading to greater use. If the program was combined with a down payment assistance program such as that provided by the Arizona IDA, it could further provide the opportunity for development of workforce housing in the unincorporated area. Yavapai County could also create a down payment assistance program and a mortgage program for affordable housing.

### ***Summary Recommendations***

In general, only a few sections of the unincorporated area of Yavapai County have sewer service that would support small lot development or high-density housing. The Village of Oak Creek is one community where commercial and moderate to high density complexes have been built and can be supported. Other communities with a sanitary improvement district include Seligman and Ash Fork although the demand for residential development is limited.

Given these limitations, the recommendations of this report are:



- Update the County Zoning Code and Subdivision Regulations for ADUs and processing of subdivision plats.
- Consider the use of all development tools at the disposal of the county such as the GPLET, the County IDA, and CDBG funding for affordable housing.
- Consider the establishment of a Community Land Trust that can, at minimum, purchase housing units for workforce households. The IDA may be able to assist with providing funding for this program. Partnerships with non-profit organizations could assist with establishing and managing the program.
- Expand the A Home of My Own! Program by providing fee waivers for permits, down payment assistance, and mortgage loans for workforce households.
- Commit financial resources for affordable housing in the unincorporated area including dedicated staff who will manage a housing program and monitor progress.



## 1.0 Background and Methodology

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Yavapai County commissioned the preparation of a comprehensive Housing Needs Assessment and Market Analysis to address housing needs across the county including within incorporated communities. The Assessment will be used to assist county decision-making on housing affordability in the unincorporated areas where it controls zoning. The Market Analysis element of the study provides up to date information on historical trends in the housing market over the past ten years including housing permit activity. Census data is typically not an accurate indicator of housing values and rents. Instead, sales data has been obtained from the Yavapai County Assessor.

The Market Analysis also includes a Gap Analysis - the shortage of units that are needed to provide affordable housing for all segments of the population. Affordability is determined by using the standard that no more than 30% of a household's income is devoted to housing costs<sup>1</sup>. The "gap" typically occurs at the lower end of the income range where there are more households than affordable units. For these households to find housing in a community, they must pay more than 30% of their income toward shelter or live in substandard and/or overcrowded conditions. The U.S. Census provides an estimate of the number of cost-burdened owner and renter households that are paying more than 30% of their income on housing. This essentially identifies the size of the housing gap. To determine the affordability gap, data from a variety of sources are evaluated including the U.S. Census, the American Community Survey, and private data vendors which are subscribed to by this firm.

Data from the U.S. Census for the some of the incorporated and unincorporated communities of Yavapai County is limited due to the size of its population. The primary data source is the American Community Survey (ACS) 5-year estimates which are based on 60 months of collected data that describes the average characteristics of that five-year time period. By comparison, one-year estimates for 2023 are available for cities with a population of more than 65,000 people but are considered to have a larger margin of error than five-year estimates. This report relies on the 2023 ACS five-year estimates plus data that comes the Arizona Office of Economic Opportunity (OEO) and from private vendors such as Costar and Lightcast.

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<sup>1</sup> The US Department of Housing and Urban Development defines "affordable housing" as housing for which the occupant is paying no more than 30% of gross income. "Attainable housing," also referred to as Workforce Housing, is defined as housing that costs no more than 30% of the gross incomes of households earning 80% to 120% of the area median income.



## 2.0 Demographic Characteristics of Yavapai County

### 2.1 Population Attributes

According to the Arizona Office of Economic Opportunity (OEO), Yavapai County had a population of 251,768 people as of July 2024. Prescott Valley is the largest community in the county, followed by Prescott. Since 2010, Yavapai County grew by more than 40,800 people or a compounded annual rate of 1.3%. Prescott Valley captured 31% of the county’s population growth since 2010. The unincorporated areas of the county also captured a substantial percentage of the county's population totaling 26% or 10,653 people. For the incorporated communities, approximately 60% of the county’s growth occurred in the Prescott/Prescott Valley Quad cities area. Additional growth also occurred in the unincorporated area in and around the Quad cities. The extent of this growth will be evaluated in a later section of this report.

Yavapai County Population Change 2010-2024									
Place	2010	2015	2020	2021	2022	2023	2024	2010-2024 Change	2010-2024 % Change
Camp Verde	10,900	11,504	12,147	12,216	12,430	12,495	12,390	1,490	13.7%
Chino Valley	10,844	11,294	13,113	13,429	13,662	13,833	13,915	3,071	28.3%
Clarkdale	4,100	4,078	4,426	4,563	4,792	4,920	4,964	864	21.1%
Cottonwood	11,226	11,263	12,048	12,185	12,296	12,688	12,658	1,432	12.8%
Dewey - Humboldt	3,899	3,993	4,369	4,440	4,488	4,550	4,584	685	17.6%
Jerome	441	453	464	467	467	463	459	18	4.0%
Prescott	39,825	42,143	45,985	46,826	47,450	47,697	48,082	8,257	20.7%
Prescott Valley	38,832	41,216	46,991	47,998	49,069	50,122	51,532	12,700	32.7%
Sedona*	7,183	7,126	7,137	7,178	7,228	7,245	7,197	14	0.2%
Wickenburg*	0	17	899	1,028	1,255	1,511	1,665	1,665	0.0%
Unincorporated Area	83,669	85,095	89,494	90,843	92,252	93,375	94,322	10,653	12.7%
<b>Yavapai County Total</b>	<b>210,919</b>	<b>218,182</b>	<b>237,073</b>	<b>241,173</b>	<b>245,389</b>	<b>248,899</b>	<b>251,768</b>	<b>40,849</b>	<b>19.4%</b>

\*Yavapai County population only  
Source: Arizona Office of Economic Opportunity

Population estimates only include permanent residents of the communities and do not account for the seasonal population. The table to the right provides an estimate of the Yavapai County seasonal population for 2023. According to the U.S. Census, the county has 9,419 seasonal housing units, likely increasing the population of the county by more than 20,500

Seasonal Housing Units & Seasonal Population		
	Yavapai County	Arizona
<b>Housing Units</b>		
Seasonal Units	9,419	172,996
Total Units	124,032	3,142,443
% Seasonal Units	7.6%	5.5%
<b>Potential Seasonal Population</b>		
2023	20,533	439,410

Source: ACS 2023 5-year estimate



persons for six months of the year. Yavapai County has a higher percentage of seasonal housing than the state. Seasonal residents can provide important economic benefits by increasing retail sales and paying property taxes for their residences.

The population of the county has a median age of 55 years which is well above the statewide median. As a result, Yavapai County’s average household size is much smaller than that found across Arizona. These factors indicate a significant portion of the population of the county is retired.

<b>Age &amp; Average Household Size</b>		
	<b>Yavapai County</b>	<b>Arizona</b>
Median Age	55.0	38.8
Average household size	2.18	2.54
Owner-occupied unit	2.19	2.60
Renter-occupied unit	2.15	2.41
Source: ACS 2023 5-year estimate		

Yavapai County’s population is influenced by a much lower percentage of the population under the age of 20 compared to the state and a much higher percentage of the population over 65 years of age. In fact, the percentage of the county’s population over 65 years of age at 33.5% is 80% higher than the statewide average of 18.6%. The prime working cohort in the county between the ages of 20-65 represents 48.9% of the population compared to 56.8% for the state. An adequate labor force is important for new employers searching for an available workforce. Likewise, as will be shown in a later section of this report, the county has a low labor force participation rate, raising questions about the ability of the economy to provide employees for important service jobs such as those working in retail establishments to critical service jobs such as police, firefighters, nurses, and teachers. This issue could inhibit the county’s future economic growth.



Population by Age				
	Yavapai County		Arizona	
	People	%	People	%
<b>Total</b>	<b>241,656</b>		<b>7,268,175</b>	
Under 5 years	9,087	3.8%	399,499	5.5%
5 to 9 years	9,838	4.1%	437,862	6.0%
10 to 14 years	11,565	4.8%	469,948	6.5%
15 to 19 years	12,184	5.0%	481,492	6.6%
20 to 24 years	10,395	4.3%	488,741	6.7%
25 to 29 years	10,830	4.5%	503,268	6.9%
30 to 34 years	11,015	4.6%	495,399	6.8%
35 to 39 years	11,871	4.9%	464,248	6.4%
40 to 44 years	10,059	4.2%	448,633	6.2%
45 to 49 years	11,112	4.6%	422,418	5.8%
50 to 54 years	13,003	5.4%	427,012	5.9%
55 to 59 years	16,926	7.0%	431,854	5.9%
60 to 64 years	22,893	9.5%	447,867	6.2%
65 to 69 years	24,190	10.0%	411,573	5.7%
70 to 74 years	24,373	10.1%	367,428	5.1%
75 to 79 years	16,317	6.8%	266,581	3.7%
80 to 84 years	8,761	3.6%	163,500	2.2%
85 years +	7,237	3.0%	140,852	1.9%
<b>Under 20 years</b>	<b>42,674</b>	<b>17.7%</b>	<b>1,788,801</b>	<b>24.6%</b>
<b>65 years+</b>	<b>80,878</b>	<b>33.5%</b>	<b>1,349,934</b>	<b>18.6%</b>
Source: ACS 2023 5-year estimate				

The educational attainment of Yavapai County residents is slightly below the statewide average with 29.6% of the population over the age of 25 having bachelor’s degrees or higher. The percentage of adults with at least a high school diploma is consistent with the state average as is those with associate’s degrees.



<b>Educational Attainment</b>				
	<b>Yavapai County</b>		<b>Arizona</b>	
	<b>Persons</b>	<b>%</b>	<b>Persons</b>	<b>%</b>
<b>Population 25 years and over</b>	<b>188,587</b>		<b>4,990,633</b>	
Less than 9th grade	4,224	2.2%	232,566	4.7%
9th to 12th grade, no diploma	9,926	5.3%	311,962	6.3%
High school graduate	46,739	24.8%	1,171,693	23.5%
Some college, no degree	53,494	28.4%	1,187,823	23.8%
Associate's degree	18,378	9.7%	459,127	9.2%
Bachelor's degree	32,658	17.3%	999,535	20.0%
Graduate or professional degree	23,168	12.3%	627,927	12.6%
<b>High school graduate or higher</b>	<b>174,437</b>	<b>92.5%</b>	<b>4,446,105</b>	<b>89.1%</b>
<b>Bachelor's degree or higher</b>	<b>55,826</b>	<b>29.6%</b>	<b>1,627,462</b>	<b>32.6%</b>

Source: ACS 2023 5-year estimate

Of the 108,900 households in Yavapai County, about one-half are married-couple households. Another 43.2% consist of single person households with no spouse present. About 7.4% are cohabitating couples. More than 47,000 households are single person households where the spouse is not present, either through divorce, death of the spouse, or another reason. An estimated 3,254 of those single person households are living with children. Single person households often present the most demand for affordable housing since they depend largely on one income. Female householders without a spouse are at most risk to the lack of affordable housing.

<b>Households By Type</b>				
	<b>Yavapai County</b>		<b>Arizona</b>	
		<b>%</b>		<b>%</b>
<b>Total households</b>	<b>108,900</b>		<b>2,796,790</b>	
<b>Married-couple household</b>	53,811	49.4%	1,313,901	47.0%
With children of the householder under 18 years	10,770	9.9%	476,095	17.0%
<b>Cohabiting couple household</b>	8,043	7.4%	230,611	8.2%
With children of the householder under 18 years	2,485	2.3%	76,683	2.7%
<b>Male householder, no spouse/partner present</b>	19,101	17.5%	520,511	18.6%
With children of the householder under 18 years	734	0.7%	38,745	1.4%
Householder living alone	14,448	13.3%	357,324	12.8%
65 years and over	7,778	7.1%	120,282	4.3%
<b>Female householder, no spouse/partner present</b>	27,945	25.7%	731,767	26.2%
With children of the householder under 18 years	2,520	2.3%	128,427	4.6%
Householder living alone	19,106	17.5%	410,297	14.7%
65 years and over	12,657	11.6%	213,433	7.6%

Source: ACS 2023 5-year estimate



The median household income in Yavapai County at \$66,106 in 2023 is 14% lower than the statewide median income. There is a large difference between renter household incomes and homeowner incomes. Renter incomes are about one-third lower than the homeowner median incomes. The incomes cited on the table below indicate substantial demand for affordable rental housing with 38% of all households earning less than \$50,000 per year.

Household incomes in the unincorporated portion of the county have a slightly higher median income than the county-wide average. About 36% of households in the unincorporated area have income below \$50,000.

Households By Income Yavapai County								
	Unincorporated Area		Cities/Towns		Yavapai County		Arizona	
	Households	%	Households	%	Households	%	Households	%
<b>Occupied Units</b>	<b>40,777</b>		<b>68,123</b>		<b>108,900</b>		<b>2,796,790</b>	
Less than \$10,000	2,235	5.1%	3,210	4.7%	5,445	5.0%	137,043	4.9%
\$10,000 to \$14,999	1,211	3.2%	2,601	3.8%	3,812	3.5%	81,107	2.9%
\$15,000 to \$24,999	2,991	7.7%	5,721	8.4%	8,712	8.0%	170,604	6.1%
\$25,000 to \$34,999	3,550	8.8%	5,598	8.2%	9,148	8.4%	192,979	6.9%
\$35,000 to \$49,999	4,644	10.9%	9,295	13.6%	13,939	12.8%	304,850	10.9%
\$50,000 to \$74,999	7,199	18.1%	12,294	18.0%	19,493	17.9%	475,454	17.0%
\$75,000 to \$99,999	6,017	14.9%	9,882	14.5%	15,899	14.6%	380,363	13.6%
\$100,000 to \$149,999	6,625	17.6%	10,363	15.2%	16,988	15.6%	506,219	18.1%
\$150,000 to \$199,999	2,892	6.1%	4,295	6.3%	7,187	6.6%	251,711	9.0%
\$200,000 or more	3,304	7.6%	4,864	7.1%	8,168	7.5%	296,460	10.6%
<b>Median income</b>	<b>\$69,061</b>		<b>\$64,337</b>		<b>\$66,106</b>		<b>\$76,872</b>	
<b>Homeowner Median</b>	<b>\$73,961</b>		<b>\$74,041</b>		<b>\$74,009</b>		<b>\$91,561</b>	
<b>Renter Median</b>	<b>\$52,970</b>		<b>\$49,947</b>		<b>\$50,824</b>		<b>\$54,757</b>	

Source: ACS 2023 5-year estimate; Elliott D. Pollack & Company

Median household incomes in the county have been growing at a slower pace than the statewide rate since 2018. The median household income for Yavapai County increased by 31.7% from 2018 through 2023 versus 36.8% for the state. Average incomes grew at the same rate as the state. This may indicate the county is attracting higher income households, which is boosting the average income numbers.



<b>Household Income 2018 - 2023</b>		
	<b>Yavapai County</b>	<b>Arizona</b>
<b>Median Income</b>		
2018	\$50,180	\$56,213
2019	\$52,451	\$58,945
2020	\$53,329	\$61,529
2021	\$56,170	\$65,913
2022	\$62,430	\$72,581
2023	\$66,106	\$76,872
<b>2018-2023 % Change</b>	<b>31.7%</b>	<b>36.8%</b>
<b>Average Income</b>		
2018	\$65,629	\$77,221
2019	\$68,419	\$80,779
2020	\$70,548	\$84,380
2021	\$74,262	\$89,693
2022	\$83,305	\$98,569
2023	\$88,175	\$104,138
<b>2018-2023 % Change</b>	<b>34.4%</b>	<b>34.9%</b>
Source: 2018-2023 ACS 5-year estimate		

## 2.2 Population Forecast

Population estimates and projections have been gathered from the Arizona Office of Economic Opportunity (AZ OEO). The latest forecasts were published by OEO in 2023 and do not reflect the official annual population estimates for the past two years. Therefore, the OEO forecast used for this analysis has been benchmarked to the official 2024 population estimate.

The unincorporated area of Yavapai County is forecasted to experience the most growth in the county by 2040 with an increase of nearly 14,700 people. Both Prescott and Prescott Valley are also forecasted to continue to experience significant growth. More than 70% of the growth in Yavapai County is forecasted to occur within those three jurisdictions.



## Yavapai County Housing Needs Assessment & Market Analysis

2024-2040 Population Forecast												
Place	Actual					Forecast						
	2020	2021	2022	2023	2024	2025	2030	2035	2040	2024-2040 Change	% Change	% of County's Growth
Camp Verde	12,147	12,216	12,430	12,495	12,390	12,597	13,630	14,667	15,719	3,329	26.9%	7.1%
Chino Valley	13,113	13,429	13,662	13,833	13,915	14,205	15,349	16,179	16,910	2,995	21.5%	6.4%
Clarkdale	4,426	4,563	4,792	4,920	4,964	5,035	5,392	5,749	6,112	1,148	23.1%	2.5%
Cottonwood	12,048	12,185	12,296	12,688	12,658	12,823	13,373	13,669	13,906	1,248	9.9%	2.7%
Dewey - Humboldt	4,369	4,440	4,488	4,550	4,584	4,649	4,882	5,029	5,158	574	12.5%	1.2%
Jerome	464	467	467	463	459	459	461	463	464	5	1.2%	0.0%
Prescott	45,985	46,826	47,450	47,697	48,082	48,805	51,380	52,957	54,280	6,198	12.9%	13.2%
Prescott Valley	46,991	47,998	49,069	50,122	51,532	52,681	57,284	60,702	63,734	12,202	23.7%	26.1%
Sedona*	7,137	7,178	7,228	7,245	7,197	7,255	7,393	7,396	7,378	181	2.5%	0.4%
Wickenburg*	899	1,028	1,255	1,511	1,665	1,884	3,190	4,563	5,937	4,272	256.6%	9.1%
Unincorporated Area	89,494	90,843	92,252	93,375	94,322	95,910	101,795	105,669	108,995	14,673	15.6%	31.3%
<b>Yavapai Total</b>	<b>237,073</b>	<b>241,173</b>	<b>245,389</b>	<b>248,899</b>	<b>251,768</b>	<b>256,302</b>	<b>274,127</b>	<b>287,044</b>	<b>298,595</b>	<b>46,827</b>	<b>18.6%</b>	

\* Portion of city in Yavapai County  
Source: AZ Office of Economic Opportunity

The above population forecast translates into a significant demand for housing in the county over 16 years totaling 21,480 units or an average of 1,432 units per year which includes all cities, towns and unincorporated area. The unincorporated area could see an increase of more than 6,700 units through 2040 or an average of 449 units per year.

Yavapai County Housing Demand					
2025-2040					
	2025	2030	2035	2040	Total
<b>Total Yavapai County</b>					
Population Change	4,534	17,825	12,917	11,551	46,827
<b>Housing Unit Demand</b>	<b>2,080</b>	<b>8,177</b>	<b>5,925</b>	<b>5,299</b>	<b>21,480</b>
Unit Average/Year		1,635	1,185	1,060	1,432
<b>Unincorporated Yavapai County</b>					
Population Change	1,588	5,885	3,875	3,326	14,673
<b>Housing Unit Demand</b>	<b>728</b>	<b>2,700</b>	<b>1,777</b>	<b>1,526</b>	<b>6,731</b>
Unit Average/Year		540	355	305	449

Sources: AZ Office of Economic Opportunity, ACS 5-Yr Estimates



### 3.0 Yavapai County Economy

Yavapai County has a broad economy that is built on a variety of industries. The strengths and weaknesses of a local economy can be illustrated by a very simple metric known as the “Location Quotient” or LQ. The LQ compares the percentage of jobs in each industry in a community or county to a larger economy, such as the state. An LQ over 1.0 indicates that a particular industry has a greater presence in the local economy compared to the state – hence a strength of the local area. An LQ less than 1.0 shows the potential weaknesses of an economy.

As shown on the following chart, Yavapai County has a variety of strength’s with some of the higher industry LQs in Mining (3.7 LQ), Construction (1.28 LQ), Retail Trade (1.27 LQ), Educational Services (1.18 LQ), and Accommodation and Food Services (1.22 LQ). Other industries with above average LQs include Real Estate, Health Care, and Government. Some of the important industries that are lagging the state averages include Manufacturing, Transportation and Warehousing, Finance and Insurance, Professional, Scientific, and Technical Services.

2024 Location Quotient Yavapai County					
Industry	Yavapai County	Percent	Arizona	Percent	LQ
Agriculture, Forestry, Fishing and Hunting	569	0.7%	25,613	0.7%	0.95
<b>Mining, Quarrying, and Oil and Gas Extraction</b>	<b>1,297</b>	<b>1.5%</b>	<b>14,819</b>	<b>0.4%</b>	<b>3.74</b>
Utilities	225	0.3%	13,403	0.4%	0.72
<b>Construction</b>	<b>7,890</b>	<b>9.4%</b>	<b>263,612</b>	<b>7.3%</b>	<b>1.28</b>
Manufacturing	3,927	4.7%	201,516	5.6%	0.83
Wholesale Trade	2,016	2.4%	122,538	3.4%	0.70
<b>Retail Trade</b>	<b>10,728</b>	<b>12.7%</b>	<b>360,188</b>	<b>10.0%</b>	<b>1.27</b>
Transportation and Warehousing	2,008	2.4%	160,520	4.5%	0.53
Information	593	0.7%	52,958	1.5%	0.48
Finance and Insurance	1,561	1.9%	188,546	5.2%	0.35
<b>Real Estate and Rental and Leasing</b>	<b>2,062</b>	<b>2.5%</b>	<b>79,253</b>	<b>2.2%</b>	<b>1.11</b>
Professional, Scientific, and Technical Services	3,315	3.9%	204,078	5.7%	0.69
Management of Companies and Enterprises	330	0.4%	43,867	1.2%	0.32
Administrative and Support and Waste Mgmt and Remediation Serv.	5,515	6.6%	275,634	7.7%	0.86
<b>Educational Services</b>	<b>2,601</b>	<b>3.1%</b>	<b>94,564</b>	<b>2.6%</b>	<b>1.18</b>
<b>Health Care and Social Assistance</b>	<b>11,731</b>	<b>13.9%</b>	<b>479,288</b>	<b>13.3%</b>	<b>1.05</b>
Arts, Entertainment, and Recreation	1,304	1.5%	65,278	1.8%	0.85
<b>Accommodation and Food Services</b>	<b>9,331</b>	<b>11.1%</b>	<b>317,485</b>	<b>8.8%</b>	<b>1.26</b>
<b>Other Services (except Public Administration)</b>	<b>4,732</b>	<b>5.6%</b>	<b>165,289</b>	<b>4.6%</b>	<b>1.22</b>
<b>Government</b>	<b>12,412</b>	<b>14.8%</b>	<b>469,500</b>	<b>13.0%</b>	<b>1.13</b>
<b>Total</b>	<b>84,146</b>		<b>3,597,946</b>		

Source: Lightcast.io

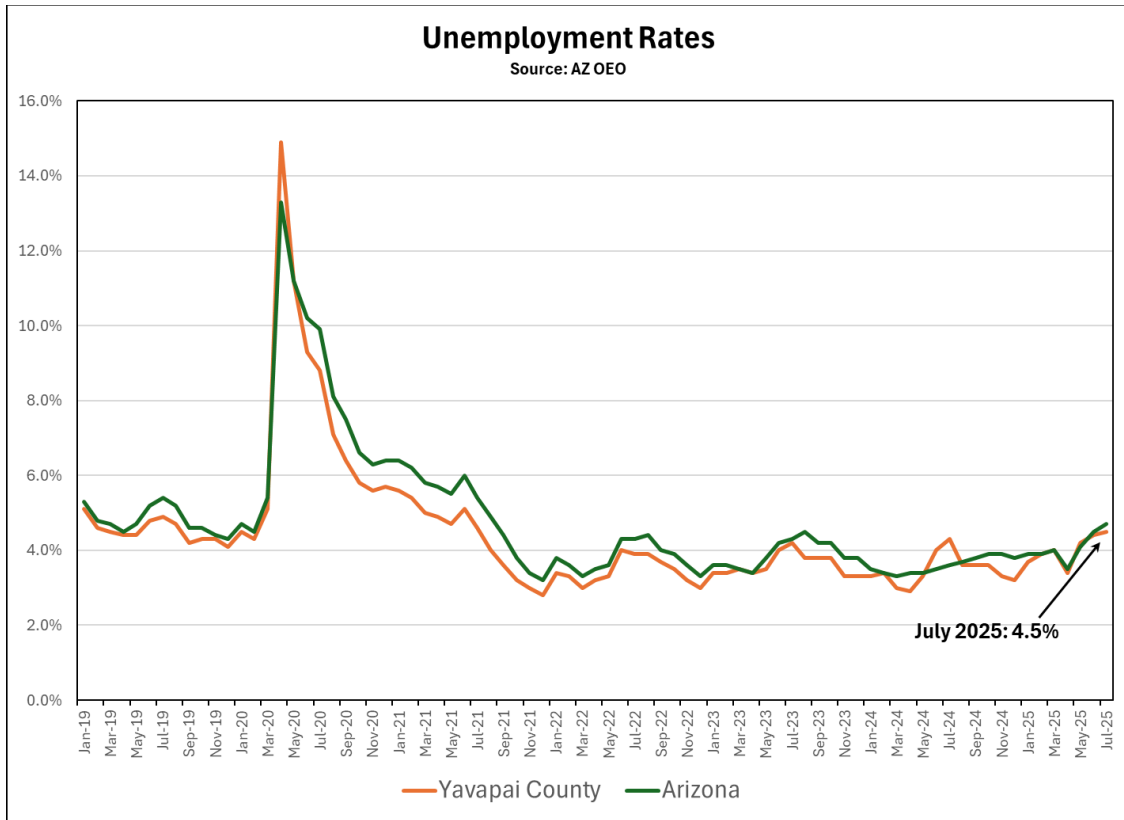


The list of major employers in the county shows that the local economy is heavily weighted towards healthcare, mining, and educational services. Major private employers that contribute to high LQs in the local economy include Sturm Ruger, Embry Riddle, and Fann Contracting.

<b>Major Employers Yavapai County</b>	
<b>Company</b>	<b>Employees</b>
Yavapai Regional Medical Center	2,081
Yavapai County	1,658
Walmart	1,222
Freeport McMoran Copper Mine	1,222
Veterans Medical Center	1164
Verde Valley Medical Center	804
Humboldt Unified School District	685
State of Arizona	667
Yavapai College	637
Embry-Riddle Aeronautical University	620
Source: Yavapai County CAFR	

Yavapai County’s unemployment rate stood at 4.5% as of July 2025, slightly below the state-wide average of 4.7%. While unemployment in the county has risen from a low of 3.4% in April of this year, this level of unemployment is an indicator of near full employment both locally and across the state. Unemployment in the county has been very stable in the 3.0% range since September 2021. Historically, the county’s unemployment level tracks closely with state levels and is usually a few percentage points lower. The county’s unemployment rate hit 14.9% in April 2020 but recovered to 5.7% by year end.





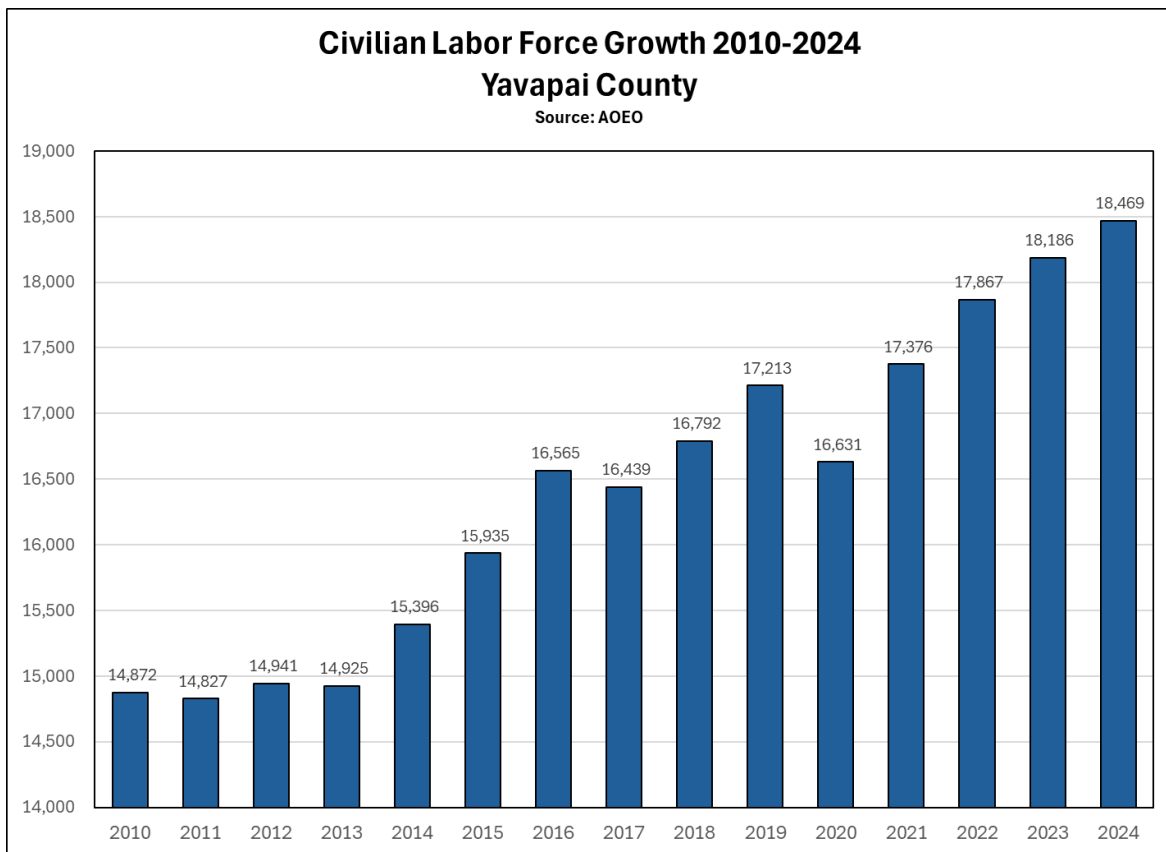
The labor force participation rate for Yavapai County of 48.3% is well below the state average of 60.1%. Age and retirement trends usually affect the labor force participation rate. The percentage of the county population over the age of 65 stands at 33.5% compared to 18.6% for the state. Currently, the participation rate across the country is also declining as baby boomers retire. The U.S. rate hit 67.2% in 2000; today the participation rate stands at 62.5%. This issue raises questions about how the county economy can continue to operate without an influx of workers to provide services for the local population.

<b>Labor Force Participation 2023</b>		
	<b>Yavapai County</b>	<b>Arizona</b>
Population 16 year and over	209,074	5,862,117
Civilian Labor Force	100,945	3,522,511
Employment	96,693	3,340,327
Unemployment	4,252	182,184
<b>Labor Force Participation Rate</b>	<b>48.3%</b>	<b>60.1%</b>
Source: ACS 2023 5-year estimate		



The labor force participation rate is a useful measurement for employers. The higher the rate is, the healthier the economy. This means more people are working and contributing to the economy with their wages, which translates into more retail sales tax revenue for the county and cities. Additionally, a higher labor force participation rate may mean there are more people actively seeking employment than in the past, and employers could have more hiring options for open positions. The low participation rate for Yavapai County, however, may serve to suppress economic growth without an abundant labor force.

Despite the county’s low labor force participation rate, the civilian labor force has continued to grow and outpaced population growth. Since 2010, the labor force has increased by 24% since 2010 after the Great Recession according to the Arizona Office of Economic Opportunity. At the same time, the county’s population increased by 19%. This trend needs to continue to improve the participation rate.



### 3.1 Commuting

In order for an economy to operate efficiently, it must have employees to provide for the daily needs of its residents as well as the employment needs of its businesses. The availability of



affordable housing for those workers is essential without forcing those employees to commute long distances to work. Affordable housing is an important economic development issue for Yavapai County’s continued growth and financial wellbeing.

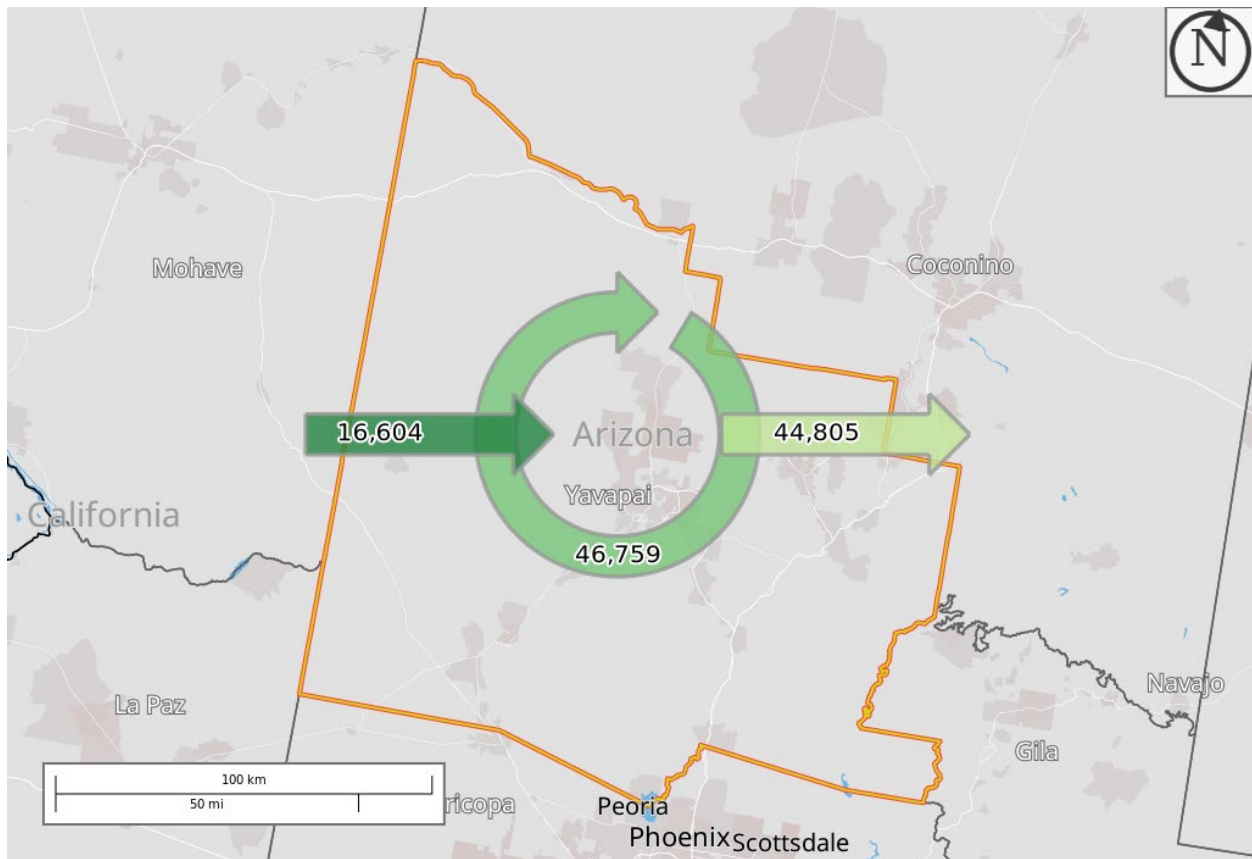
While county’s employment base has grown over the past decade, data from the U.S. Census indicates there is substantial commuting within and outside the county. For instance, the data suggests that more than 16,600 workers travel into the county for work each day. Another 44,800 of county residents in the workforce leave the county each day for work. At the same time, 46,800 people live and work in the county. The top locations for workers leaving Yavapai County include Phoenix, Flagstaff, Scottsdale and Chandler. The top cities for workers commuting to Yavapai County for employment include Phoenix and Flagstaff. A more balanced housing market in the county could help to reduce commuting for some of these workers.

<b>Yavapai County Commuting</b>					
<b>Where Employees Working in Yavapai County Live</b>			<b>Where Residents of Yavapai County are Working</b>		
<b>Community</b>	<b>Jobs</b>	<b>%</b>	<b>Community</b>	<b>Jobs</b>	<b>%</b>
Prescott Valley	10,613	16.7%	Prescott	17,272	18.9%
Prescott	9,203	14.5%	Phoenix	15,662	17.1%
Chino Valley	3,045	4.8%	Prescott Valley	8,920	9.7%
Phoenix	2,869	4.5%	Sedona	4,259	4.7%
Verde Village	2,764	4.4%	Cottonwood	3,864	4.2%
Cottonwood	2,742	4.3%	Flagstaff	3,272	3.6%
Camp Verde	2,498	3.9%	Scottsdale	3,090	3.4%
Flagstaff	1,324	2.1%	Chino Valley	3,014	3.3%
Sedona	1,238	2.0%	Camp Verde	2,539	2.8%
Paulden	1,208	1.9%	Chandler	2,480	2.7%
All Other Locations	25,859	40.8%	All Other Locations	27,192	29.7%

Source: US Census On The Map



### Commuting Trends



### 3.2 Employment Forecast

The Arizona Office of Economic Opportunity (OEO) has prepared a ten-year employment forecast for Yavapai County from 2023 to 2033. The forecast has been updated to the latest employment estimates for the county for 2024. Overall, employment in Yavapai County is expected to grow by nearly 10,800 jobs through 2034 or an average of 1,080 jobs each year. This equates to a 12.8% increase over those ten years. Approximately 84% of the job growth will occur in five industries with Health Care and Social Assistance accounting for 28.8% of the total. The other industries that are expected to grow include Professional and Business Services, Trade Transportation and Utilities, Construction, and Accommodation and Food Services. Retail trade, which is included in the Trade Transportation and Utilities industry, is expected to account for about 50% of the growth in the industry. In the Accommodation and Food Services industry, all of the growth is forecasted in the Food Services sector, with no growth in Accommodations (hotels and motels).

Employment growth in the county is expected to maintain pace with population growth over the near term. The most current population forecast shows a 13.0% growth rate through 2034, similar to the forecasted employment rate of 12.8%.



<b>Employment Forecast Yavapai County</b>				
	<b>2024</b>	<b>2034</b>	<b>Change</b>	<b>% Change</b>
<b>Total Employment</b>	<b>84,146</b>	<b>94,920</b>	<b>10,774</b>	<b>12.8%</b>
<b>Industry</b>				
Health Care and Social Assistance	12,847	15,951	3,103	28.8%
Professional and Business Services	7,576	9,194	1,618	15.0%
Trade Transportation and Utilities	14,838	16,304	1,466	13.6%
Construction	6,514	7,959	1,444	13.4%
Accommodation and Food Services	10,363	11,792	1,428	13.3%

Sources: Lightcast, AZ OEO



## 4.0 Housing Market Dynamics

Yavapai County’s housing inventory is comprised of 124,032 units according to the 2023 American Community Survey 5-year estimates with 108,900 of those units (87.8%) occupied on a year-round basis by permanent residents.

Yavapai County has a slightly higher percentage of single-family detached units, and a much lower percentage of multifamily units compared to the state. The Census reports 6.7% of all housing units in the county are considered apartments or multifamily (buildings with five or more units in a building) compared to 16.3% statewide. Recent multifamily development is not reflected in the U.S. Census data. Mobile homes make up a large percentage of the housing inventory in the county at 16.5%.

Units in Structure				
	Yavapai County		Arizona	
	Units	%	Units	%
<b>Total:</b>	<b>124,032</b>		<b>3,142,443</b>	
1, detached	83,199	67.1%	2,015,127	64.1%
1, attached	4,162	3.4%	160,484	5.1%
2	2,936	2.4%	42,026	1.3%
3 or 4	3,633	2.9%	104,684	3.3%
5 to 9	3,253	2.6%	114,410	3.6%
10 to 19	1,031	0.8%	121,050	3.9%
20 to 49	1,675	1.4%	79,589	2.5%
50 or more	2,407	1.9%	196,018	6.2%
Mobile home	20,479	16.5%	297,155	9.5%
Boat, RV, van, etc.	1,257	1.0%	11,900	0.4%
<b>Traditional Apartment Units</b>	<b>8,366</b>	<b>6.7%</b>	<b>511,067</b>	<b>16.3%</b>

Source: ACS 2023 5-year estimate

An estimated 15,132 units in Yavapai County are considered vacant or 12.2% of the total inventory. Vacant units are classified in several ways including units that are in the process of being sold or rented and those used for seasonal or recreational purposes. Seasonal housing comprises 62.2% of all vacant units in the county or 7.6% the total housing inventory, a higher ratio than found in the state. This could add another 19,000 people to the population of the county during the summer months. Some of the vacant seasonal units could be short-term rentals, but the Census does not track this type of rental housing.



<b>Housing Vacancy Status</b>				
	<b>Yavapai County</b>		<b>Arizona</b>	
	<b>Units</b>	<b>%</b>	<b>Units</b>	<b>%</b>
<b>Total Housing Units</b>	<b>124,032</b>		<b>3,142,443</b>	
Total Occupied Units	108,900	87.8%	2,796,790	89.0%
Total Vacant Units	15,132	12.2%	345,653	11.0%
For rent	1,344	8.9%	52,788	15.3%
Rented, not occupied	185	1.2%	12,150	3.5%
For sale only	499	3.3%	19,787	5.7%
Sold, not occupied	517	3.4%	13,138	3.8%
For seasonal, recreational, or occasional use	9,419	62.2%	172,996	50.0%
For migrant workers	31	0.2%	899	0.3%
Other vacant	3,137	20.7%	73,895	21.4%
<b>Seasonal Units as Percent of Total Units</b>	<b>7.6%</b>		<b>5.5%</b>	

Source: ACS 2023 5-year estimate

Yavapai County’s mix of owner-occupied units and renter-occupied units is different from the statewide average. Owner occupied units total 73.5% compared to the statewide average of 67.0%.

<b>Tenure</b>				
	<b>Yavapai County</b>		<b>Arizona</b>	
	<b>Units</b>	<b>%</b>	<b>Units</b>	<b>%</b>
<b>Total occupied units</b>	<b>108,900</b>		<b>2,796,790</b>	
Owner occupied	80,054	73.5%	1,873,231	67.0%
Renter occupied	28,846	26.5%	923,559	33.0%

Source: ACS 2023 5-year estimate

Homeownership has been robust in the county, growing markedly since 2015 after the Great Recession caused a huge dislocation of owners. Homeownership now stands at 73.5%, above the level found in 2000 and above the statewide average.

<b>Homeownership</b>		
	<b>Yavapai County</b>	<b>Arizona</b>
2000	73.4%	68.0%
2010	72.5%	67.4%
2015	69.9%	62.8%
2020	72.6%	65.3%
2023	73.5%	67.0%

Source: Decennial Census 2000; ACS 5-year est.

The inventory of occupied single-family housing in Yavapai County totals 63,263 units according to the 2023 U.S. Census. Approximately 13.4% of those

homes or 9,859 single family homes are rented, lower than the statewide average of 16.1%. The Census also reports that of the 28,846 rental units in the county, 34% are single family homes



versus an average of 32% for the state. The county also has 3,552 units that are classified as occupied “one unit attached” which are townhomes or condo. About 45% of these units are rented compared to 33% for the state.

<b>Tenure by Occupied Units in Structure</b>				
	<b>Yavapai County</b>		<b>Arizona</b>	
	<b>Units</b>	<b>%</b>	<b>Units</b>	<b>%</b>
<b>Total</b>	<b>108,900</b>		<b>2,796,790</b>	
<b>Owner-occupied housing units:</b>	<b>80,054</b>	<b>73.5%</b>	<b>1,873,231</b>	<b>67.0%</b>
1, detached	63,263	79.0%	1,540,834	82.3%
1, attached	1,938	2.4%	95,592	5.1%
2	100	0.1%	3,554	0.2%
3 or 4	221	0.3%	12,973	0.7%
5 to 9	379	0.5%	12,431	0.7%
10 to 19	26	0.0%	6,315	0.3%
20 to 49	9	0.0%	5,760	0.3%
50 or more	18	0.0%	11,827	0.6%
Mobile home	13,505	16.9%	175,325	9.4%
Boat, RV, van, etc.	595	0.7%	8,620	0.5%
<b>Renter-occupied housing units:</b>	<b>28,846</b>	<b>26.5%</b>	<b>923,559</b>	<b>33.0%</b>
1, detached	9,859	34.2%	297,696	32.2%
1, attached	1,614	5.6%	47,677	5.2%
2	2,566	8.9%	33,175	3.6%
3 or 4	3,178	11.0%	80,528	8.7%
5 to 9	2,337	8.1%	88,830	9.6%
10 to 19	886	3.1%	97,475	10.6%
20 to 49	1,490	5.2%	61,851	6.7%
50 or more	2,084	7.2%	162,554	17.6%
Mobile home	4,170	14.5%	50,493	5.5%
Boat, RV, van, etc.	662	2.3%	3,280	0.4%

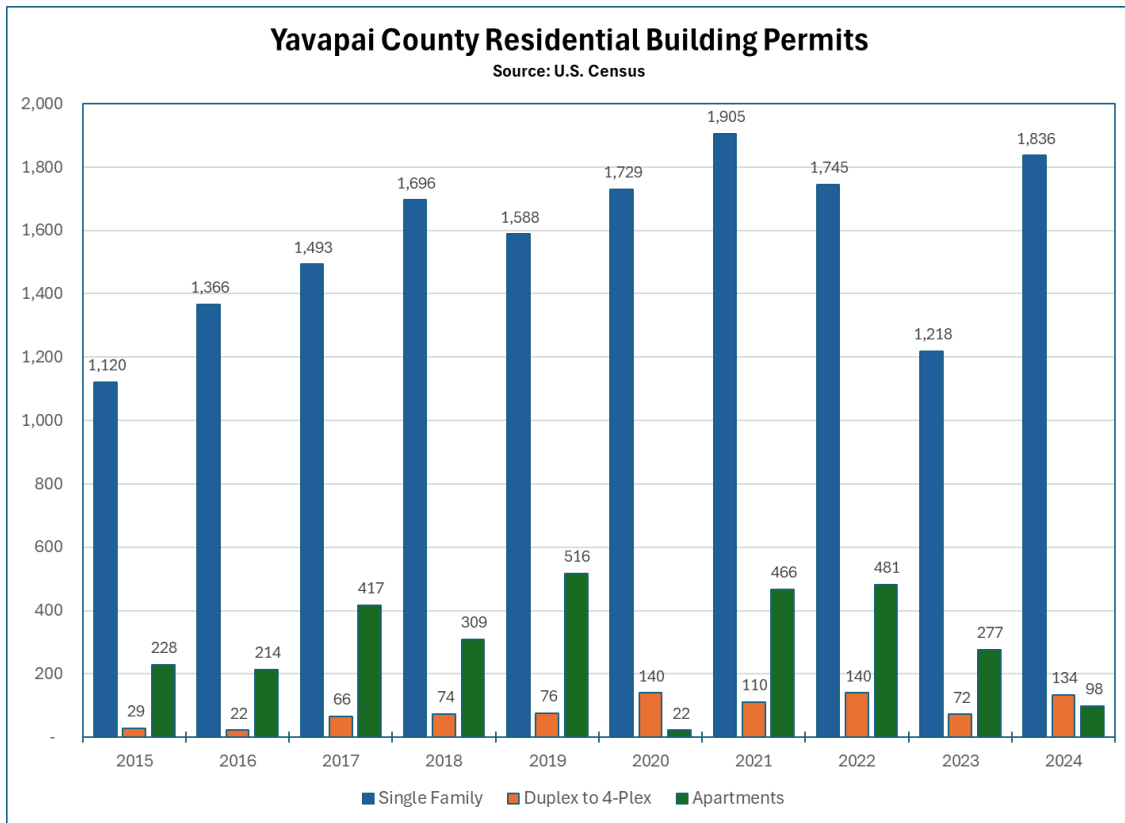
Source: ACS 2023 5-year estimate

Residential building permit activity in the county has been strong since 2015 reaching a peak of 2,481 units in 2021. Single family permit activity has historically been stable although there was a sharp drop in 2023. Despite the rise in mortgage interest rates and new home prices, 2024 was a strong year. Permits for apartments have also been strong since 2019. Based on this construction activity, growth in the county is on pace to meet or exceed OEO’s projected population forecast over the next five years and beyond.

Most apartment development in the county is occurring in the cities and towns. For instance since 2016, 76% of all apartment units built in the county were developed in Prescott and Prescott Valley. An even higher 87% of duplex, triplex, and 4-plex buildings permitted in the county were



built in Prescott and Prescott Valley. These higher density developments are found in the cities where utility infrastructure is available.



Residential permit data for unincorporated Yavapai County was provided to the study team and geocoded by address and general location within the county. Location is determined by proximity to one of the county’s cities or towns as well as unincorporated communities.

The following table shows single family and manufactured home permits by location in the unincorporated area from 2020 through 2024. To be clear, a permit identified as issued for Prescott means the location is near Prescott, but not within the city. A total of 328 permits or 8.9% of the permit total could not be geocoded.

Over those five years, 3,698 residential permits were issued with 68% classified as single family. About 37% of permits were issued for sites near Prescott and Prescott Valley followed by Paulen accounting for 10.5% of all permits. Mayer, Sedona, Chino Valley, and Rimrock also accounted for a large number of permits over the last five years. When adding in communities like Mayer



and Chino Valley, approximately 64% of all permits were issued in or near the Prescott and Prescott Valley area.

Yavapai County Residential Building Permits Unincorporated Area 2020-2024									
Community	Single Fam. Permits	MF Home Permits	Total	% of Total	Community	Single Fam. Permits	MF Home Permits	Total	% of Total
Prescott	712	28	740	20.0%	Peebles Valley	20	3	23	0.6%
Prescott Valley	499	123	622	16.8%	Ash Fork	10	12	22	0.6%
Paulden	94	294	388	10.5%	Yarnell	17	4	21	0.6%
Unknown	192	136	328	8.9%	Camp Verde	13	5	18	0.5%
Mayer	149	118	267	7.2%	Williamson	11	5	16	0.4%
Sedona	236	19	255	6.9%	Bagdad	1	12	13	0.4%
Chino Valley	111	101	212	5.7%	Dewey-Humboldt	4	1	5	0.1%
Rimrock	93	60	153	4.1%	Morristown	5	-	5	0.1%
Cottonwood	73	24	97	2.6%	Spring Valley	4	1	5	0.1%
Dewey	41	56	97	2.6%	Cottonwood-Verde Vill.	4	1	5	0.1%
Cornville	58	36	94	2.5%	Lake Montezuma	4	-	4	0.1%
Congress	29	42	71	1.9%	Clarkdale	2	1	3	0.1%
Seligman	22	44	66	1.8%	Skull Valley	2	1	3	0.1%
Kirkland	16	23	39	1.1%	Crown King	2	-	2	0.1%
Black Canyon City	14	24	38	1.0%	Groom Creek	1	-	1	0.0%
Wickenburg	30	1	31	0.8%	Peach Springs	1	-	1	0.0%
Iron Springs	25	2	27	0.7%	Village Of Oak Creek	1	-	1	0.0%
Cordes Lakes	16	9	25	0.7%	Jerome	-	-	-	0.0%
<b>Total</b>						<b>2,512</b>	<b>1,186</b>	<b>3,698</b>	<b>100.0%</b>

Note: All permits are in the unincorporated area of the County. If a permit is listed with a city or town name, it means it is near that city/town but outside the community's boundary.

Source: Yavapai County

#### 4.1 Apartment Inventory

An inventory of traditional market rate apartment complexes was conducted for this study. The inventory was prepared for complexes with 20 or more units from CoStar. The inventory outlined in the following table may not include all apartment units in smaller apartment developments but is the best information available.

The inventory of traditional market-rate apartment complexes in the county totals more than 6,300 units in 80 complexes as of the third quarter of 2025, virtually all of which are found in the county's cities and towns. Included in that list are complexes known as Built-To-Rent (BTR) which have become popular in the last ten years. Several have now been completed and one is under construction. BTRs are typically single or duplex units, mostly single story, and built at a density of about 11 to 12 units per acre. Comparatively, traditional two to four-story apartment complexes are built at densities greater than 20 units per acre. BTR units typically have a rent premium of 20% over traditional apartment complexes because of the lower density and higher land cost per unit.



<b>Apartment Complex Inventory Yavapai County</b>		
<b>Community</b>	<b>Complexes</b>	<b>Units</b>
Camp Verde	4	283
Chino Valley	2	96
Clarkdale	1	47
Cottonwood	14	998
Jerome	1	24
Mayer	2	40
Prescott	32	2216
Prescott Valley	17	2232
Sedona	7	395
<b>Total</b>	<b>80</b>	<b>6,331</b>
Source: Costar		

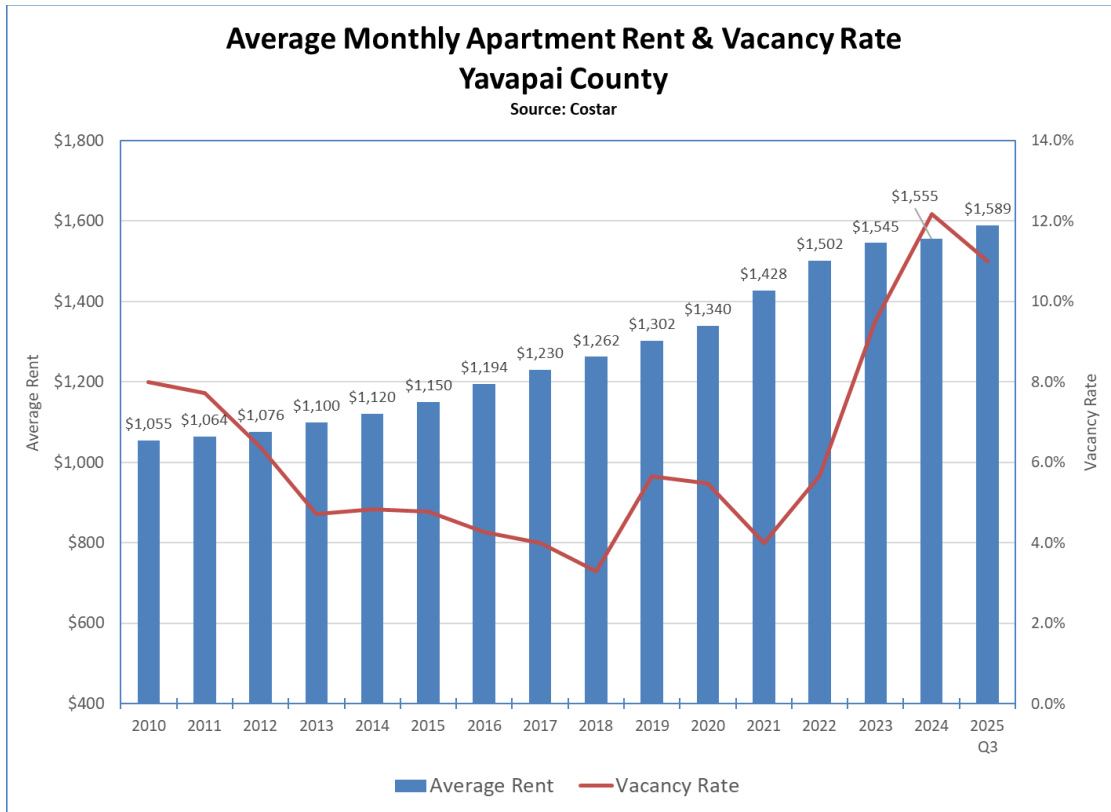
The average apartment rent is \$1,589 per month with a vacancy rate in the third quarter of 2025 estimated at 11.1% which is above the normal stabilized rate for the market of about 7%. Average unit size is 837 square feet. The current vacancy rate indicates the market is experiencing some distress, likely due to the development of new complexes in the county.

Rents in Yavapai County have been trending upward since 2010 at an average rate of 3.0% per year. In 2021 and 2022, rents increased by 6.6% and 5.2%, similar to what happened across the state after the pandemic. However, the increase in rents in the county was more muted than that found in Greater Phoenix.

The vacancy rate for the county has been affected by the increase in the apartment inventory. In 2021, the vacancy rate stood at 4.0%, indicating a tight market. That rate increased to 12% in 2024 before declining slightly in 2025. Since 2019, an average of 340 new apartment units have been delivered each year, including 551 units delivered in 2024. There are also another 858 units that are under construction or nearing completion that will be added to the inventory. These new units may further elevate the vacancy rate. Since 2019, the Yavapai County apartment market has absorbed an average of 300 units per year.

While the vacancy rate data points to an apartment market in some distress, it is a normal occurrence in the market where over building occurs followed by rising vacancies, then followed by absorption of units and the market returning to stabilization. For Yavapai County to return to a 6% or 7% vacancy rate, the market would only need to absorb 300 new units which could be done in a year. However, the new units in the pipeline may keep the vacancy rate elevated for the near term.





Included in the apartment inventory are 32 affordable complexes totaling 1,902 units built under the Low Income Housing Tax Credit program, often with additional financial assistance from USDA housing programs. These complexes offer housing for persons earning less than 60% of the area median income (AMI). Eleven of the complexes were built before 2000 and may have completed their affordable commitments under the LIHTC program. That means they can be converted to market-rate units although many do not. The newest affordable family complexes approved for construction in 2023 and 2024 include Fort Whipple Quarters in Prescott, Granite Point Apartments in Cottonwood and Sycamore Vista in Camp Verde.

<b>Affordable Apartment Complexes Yavapai County</b>		
<b>Community</b>	<b>Complexes</b>	<b>Units</b>
Camp Verde	3	219
Chino Valley	2	96
Cottonwood	7	446
Prescott	8	547
Prescott Valley	10	550
Sedona	1	24
Mayer	1	20
<b>Grand Total</b>	<b>32</b>	<b>1,902</b>
Source: Costar		

In addition to the LIHTC complexes, the Arizona Public Housing Authority (AZPHA) administers the Section 8 Housing Choice Voucher program in Yavapai county, including approximately 89 regular vouchers, 70 VASH vouchers for veterans, and approximately 75 incoming portable vouchers. Vouchers are provided to individuals who can then present them to landlords for housing. The tenant pays 30% of their income for the housing unit and the voucher pays for the remainder of the lease payment.

The income required to rent the typical apartment in Yavapai County is typically more than the median household income for the county (\$66,106) and much higher than the median income for a renter which stands at \$50,824. The income required to rent an apartment unit is based on spending 30% of household income on rent plus \$150 for monthly utilities. The required income of \$69,560 to rent an apartment is beyond the ability of a large segment of the population to afford a unit. Median income represents the midpoint of the income range where 50% of the population earns less than the median and 50% earn more than the median.

<b>Apartment Affordability Yavapai County</b>	
Average Rent	\$1,589
Utilities	\$150
Total Housing Cost	\$1,739
<b>Required Income</b>	<b>\$69,560</b>
<b>Median Household Income</b>	<b>\$66,106</b>
<b>Renter Median Household Income</b>	<b>\$50,824</b>
Source: Costar, Elliott D. Pollack & Co.	



#### 4.2 Ownership Housing Market

Housing sales data over the past ten years was provided for this study by the Yavapai County Assessor. Housing prices across Yavapai County have increased dramatically over the past five years. Since 2019 prior to the pandemic, the average housing price in the market rose by 63% from \$338,700 to \$551,200, an increase of \$212,500. Single family homes rose the most to an average of nearly \$645,000, an increase of 67%. The increase in the average price of townhomes and condos in the county was more modest, but the average price of \$416,000 puts these units beyond the reach of many households.

Average Residential Housing Sale Price Yavapai County									
Year	Single Family Homes		Manufactured Homes		Townhome/Condo		Total Market		
	Price	Sales	Price	Sales	Price	Sales	Price	% Change	Sales
2016	\$311,269	4,981	\$110,234	1,193	\$216,940	449	\$268,607		6,623
2017	\$343,333	5,863	\$123,581	1,365	\$232,066	504	\$297,190	10.6%	7,732
2018	\$371,305	5,887	\$137,795	1,438	\$250,079	437	\$321,850	8.3%	7,762
2019	\$385,517	5,876	\$160,895	1,402	\$271,670	432	\$338,717	5.2%	7,710
2020	\$447,237	6,738	\$178,253	1,523	\$297,673	493	\$392,520	15.9%	8,754
2021	\$527,177	7,280	\$219,889	1,692	\$375,307	515	\$465,252	18.5%	9,487
2022	\$588,430	5,693	\$253,390	1,475	\$425,229	398	\$516,020	10.9%	7,566
2023	\$610,357	4,281	\$249,042	1,240	\$442,932	354	\$525,528	1.8%	5,875
2024	\$640,759	4,169	\$251,860	1,132	\$428,074	355	\$551,514	4.9%	5,656
2025 Thru April	\$644,796	788	\$238,717	201	\$416,264	81	\$551,201	-0.1%	1,070
<b>% Increase Since 2019</b>	<b>67.3%</b>		<b>48.4%</b>		<b>53.2%</b>		<b>62.7%</b>		
<b>\$ Increase Since 2019</b>	<b>\$259,280</b>		<b>\$77,822</b>		<b>\$144,594</b>		<b>\$212,484</b>		

Source: Yavapai County Assessor

For the unincorporated areas of the county, the average single family home price rose by an even greater amount of 81% since 2019 or an increase of \$317,000. That increase even exceeded the price increases for homes in the county’s cities and towns, which came in at 60% or an increase of about \$229,000. Condos, townhomes, and manufactured homes also increased by a similar amount. Much of that increase occurred in 2020 through 2022. The unincorporated area’s single family prices increased by 17.7% in 2020, 20.1% in 2021 and 10.5% in 2022. The number of home sales also peaked in 2020 and 2021 as people considered moving or purchasing second homes as a result of the pandemic. The number of single family homes sales declined by 40% in the unincorporated areas by 2023.



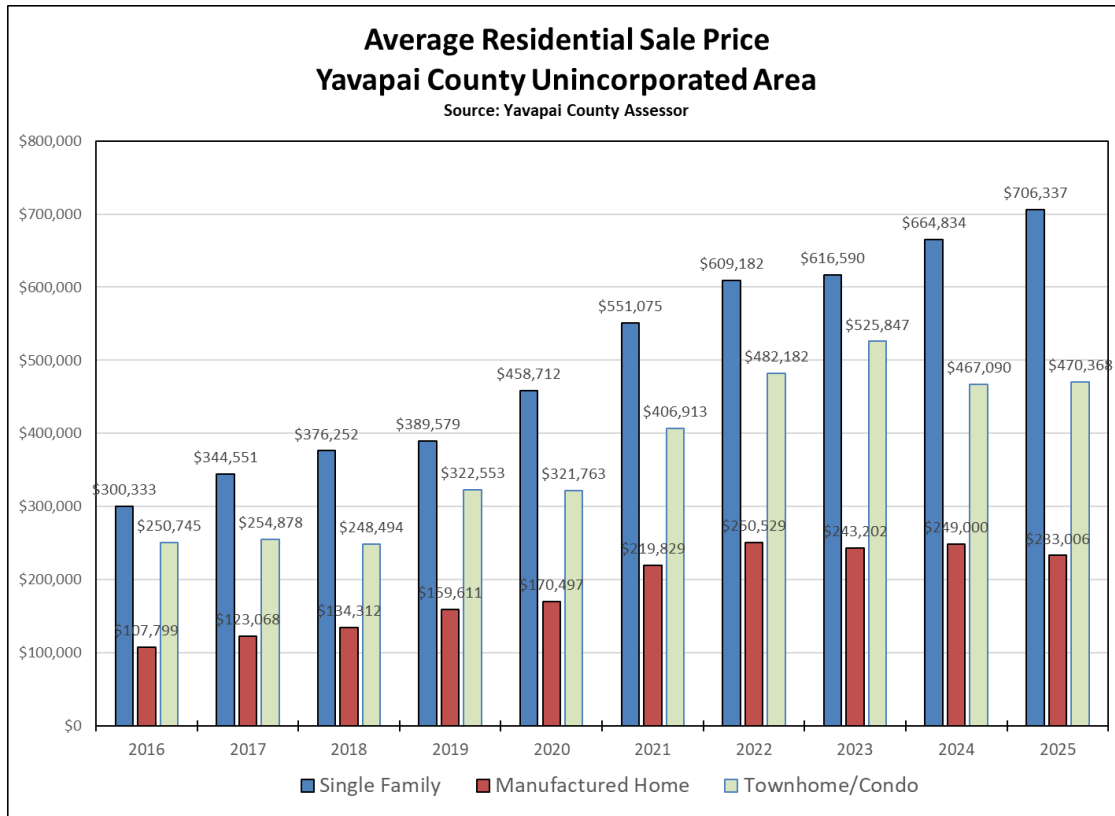
Yavapai County Housing Sales												
Comparison of Sales in Cities/Towns Vs. Unincorporated Area												
Year	Single Family Homes				Manufactured Homes				Townhome/Condo			
	Unincorporated Area		Cities/Towns		Unincorporated Area		Cities/Towns		Unincorporated Area		Cities/Towns	
	Price	Sales	Price	Sales	Price	Sales	Price	Sales	Price	Sales	Price	Sales
2016	\$300,333	1,660	\$316,735	3,321	\$107,799	646	\$113,109	547	\$250,745	74	\$210,269	375
2017	\$344,551	1,921	\$342,740	3,942	\$123,068	763	\$124,232	602	\$254,878	103	\$226,206	401
2018	\$376,252	1,950	\$368,856	3,937	\$134,312	798	\$142,137	640	\$248,494	105	\$250,580	332
2019	\$389,579	1,947	\$383,504	3,929	\$159,611	765	\$162,436	637	\$322,553	113	\$253,646	320
2020	\$458,712	2,312	\$441,242	4,426	\$170,497	805	\$186,950	718	\$321,763	114	\$290,427	379
2021	\$551,075	2,367	\$515,664	4,913	\$219,829	959	\$219,966	733	\$406,913	125	\$365,176	390
2022	\$609,182	1,850	\$578,364	3,842	\$250,529	837	\$257,142	638	\$482,182	94	\$407,619	304
2023	\$616,590	1,423	\$607,253	2,858	\$243,202	719	\$257,101	521	\$525,847	66	\$423,930	288
2024	\$664,834	1,453	\$627,879	2,716	\$249,000	667	\$255,963	465	\$467,090	95	\$413,818	260
2025 Thru April	\$706,337	272	\$612,356	516	\$233,006	115	\$246,353	86	\$470,368	19	\$399,684	62

Source: Yavapai County Assessor

Interestingly, the price of single family and townhome/condo units has been historically higher in the unincorporated parts of the county compared to the incorporated communities. This appears to be the result of home sales in communities such as Sedona and Williamson Valley where larger lots are found outside of the cities and towns. Some sales also involve large homesites of five and ten acres in size. Manufactured homes sales in the county’s cities and towns are more costly than in the unincorporated areas. Townhome and condo sales follow the same pattern as the single family sales although there are far fewer sales and inventory in the unincorporated area. Townhome/condo sales peaked in price at \$525,800 in 2023, but have since declined by about 12%. A modest decline is also noted for manufactured homes.

A graph of home sales in the unincorporated area is shown on the following page.





Mobile and manufactured homes continue to be the most affordable housing option with an average price of less than \$250,000. Condos and townhomes may also offer some options for more affordable units. However, only 34 sales out of a total 95 townhome/condo sales in the unincorporated area in 2024 occurred at a price under \$300,000. Townhome and condo inventory is extremely limited in the unincorporated parts of Yavapai County and, due to their age, could require significant improvements.

### 2024 Home Sales By Price Range Unincorporated Yavapai County

Price Range	Single Family Homes		Manufactured Homes		Townhome/Condo		Total	
	Sales	%	Sales	%	Sales	%	Sales	%
Less than \$200,000	79	5.4%	91	13.6%	11	11.6%	181	8.2%
250,000-\$300,000	49	3.4%	57	8.5%	7	7.4%	113	5.1%
\$250,000-\$300,000	73	5.0%	45	6.7%	16	16.8%	134	6.0%
\$300,000-\$350,000	112	7.7%	13	1.9%	10	10.5%	135	6.1%
\$350,000-\$400,000	160	11.0%	6	0.9%	7	7.4%	173	7.8%
\$400,000-\$500,000	204	14.0%		0.0%	7	7.4%	211	9.5%
\$500,000-\$600,000	157	10.8%	2	0.3%	9	9.5%	168	7.6%
\$600,000-\$700,000	147	10.1%	236	35.4%	21	22.1%	404	18.2%
\$700,00-\$800,000	100	6.9%	98	14.7%	2	2.1%	200	9.0%
\$800,000+	372	25.6%	119	17.8%	5	5.3%	496	22.4%
<b>Total</b>	<b>1,453</b>	<b>100.0%</b>	<b>667</b>	<b>100.0%</b>	<b>95</b>	<b>100.0%</b>	<b>2,215</b>	<b>100.0%</b>

Source: Yavapai County Assessor



The average sale price by unincorporated community for single family and manufactured homes is shown on the following table. The average sale price for each community can vary widely depending upon the number of sales and the type of housing unit and/or lot size. Full year sales in 2024 are generally modest across most communities. Prescott, Prescott Valley, Sedona, and Wickenburg show the highest prices across all three years from 2023 to April 2025. However, even sales near Cottonwood (Verde Village), Clarkdale, Chino Valley, Cornville, and Paulden are well into the \$400,000 and \$500,00 range. Mobile and manufactured homes are much less expensive.

<b>Unincorporated Yavapai County Housing Sales</b>						
<b>Unincorporated Community/Area</b>	<b>Single Family Residence</b>			<b>Mobile or Manufactured Home</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Ash Fork	\$137,581	\$257,250	\$298,000	\$153,571	\$104,444	\$195,000
Bagdad	\$178,415	\$671,000	-	\$120,000	-	-
Black Canyon City	\$403,909	\$427,053	\$354,667	\$200,695	\$218,090	\$343,242
Camp Verde	\$465,364	\$491,313	\$360,000	\$231,750	\$311,100	\$395,000
Castle Hot Springs	\$1,187,500	\$695,000	-	-	-	-
Cherry	-	-	-	\$311,177	\$324,493	\$287,903
Chino Valley	\$529,573	\$527,311	\$375,100	-	-	-
Clarkdale	\$455,668	\$972,500	-	-	-	-
Congress	\$347,496	\$361,648	\$372,250	\$243,561	\$239,347	\$261,333
Cornville	\$569,570	\$544,716	\$587,290	\$252,629	\$292,920	\$148,571
Cottonwood	\$461,396	\$478,542	\$434,533	\$182,585	\$229,253	\$206,238
Crown King	\$246,686	\$241,100	-	-	-	-
Dewey	\$462,691	\$428,023	\$398,643	\$267,653	\$277,109	\$250,000
Dewey-Humboldt	\$588,811	\$363,863	\$740,000	\$326,936	\$342,983	\$360,000
Humboldt	-	-	-	-	\$250,000	-
Jerome	-	-	-	-	\$150,000	-
Kirkland	\$484,000	\$356,854	\$510,000	\$177,525	\$222,663	\$155,250
Mayer	\$305,650	\$326,105	\$342,104	\$170,775	\$176,660	\$153,093
Paulden	\$514,626	\$450,282	\$456,714	\$290,498	\$297,389	\$249,500
Peoples Valley	\$563,083	\$370,560	\$462,500	\$144,333	\$276,800	\$185,225
Prescott	\$672,043	\$785,274	\$834,493	\$287,535	\$286,196	\$307,000
Prescott Valley	\$713,320	\$734,675	\$643,461	\$305,451	\$359,114	\$407,200
Rimrock	\$379,498	\$376,545	\$395,600	-	-	-
Rock Springs	-	\$910,000	-	\$240,512	\$248,016	\$260,000
Sedona	\$1,084,266	\$1,229,768	\$1,156,965	\$457,283	\$341,036	\$628,000
Seligman	\$196,368	\$190,632	\$116,250	\$232,257	\$211,863	\$182,500
Skull Valley	\$437,191	\$350,400	\$679,600	\$292,500	\$310,000	-
Wickenburg	\$972,111	\$972,234	\$923,750	-	\$360,000	-
Yarnell	\$255,513	\$268,417	\$305,000	\$167,000	\$210,250	-
Unnamed	\$469,068	\$539,957	\$395,000	\$153,283	\$195,556	\$65,860
<b>Average Price</b>	<b>\$616,590</b>	<b>\$664,834</b>	<b>\$706,337</b>	<b>\$243,202</b>	<b>\$249,000</b>	<b>\$233,006</b>
Note: 2025 sales are through April.						
Source: Yavapai County Assessor						



Sales in Wickenburg are primarily driven by newly developed Wickenburg Ranch which is situated north of the town center. Single family home prices are still affordable in Ash Fork, Crown King, Mayer, People’s Valley, Rimrock, Seligman, and Yarnell.

The affordable housing value for Yavapai County based on the county median income of \$66,106 is shown in the adjacent table. With a 10% down payment and a 6.5% loan, the maximum house value the typical county household can afford is \$240,000. **In 2024, out of 5,656 home sales (including condos, townhomes, and manufactured homes) in the entire county, only 740 (13.1%) sold for less than \$240,000.** And 72% of those 740 homes were manufactured homes.

<b>Affordable Housing Payment Estimator Yavapai County</b>	
	<b>Calculation</b>
House value	\$240,000
Down payment %	10%
Down payment	\$24,000
Mortgage amount	\$216,000
Interest rate	6.50%
Loan term in years	30
% of income devoted to mortgage payment	30.0%
Monthly loan payment (P & I)	\$1,365
Monthly property tax, insurance, PMI	\$290
Total monthly payment	\$1,655
<b>Yearly income required</b>	<b>\$66,217</b>
Sources: EDPCo, Freddie Mac	

The household income required to afford a housing unit at various price ranges is shown on the following table. The loan payment column is the mortgage component of a housing payment. The required income columns include the mortgage payment (10% down and 6.5% interest rate), property taxes, home insurance, and private mortgage insurance. A home or unit with an average price of \$300,000 requires an income of \$79,700. A \$400,000 unit would require an income above \$106,000. The current interest rate environment makes it difficult for first time buyers to afford a home, assuming they can contribute a 10% down payment.



2024 Home Sales By Price Range & Required Income						
Unincorporated Yavapai County						
Price Range	SF Sales	MH Sales	TH Sales	Total Sales	Required Income	
					Min	Max
Less than \$200,000	79	91	11	181		\$53,154
\$200,000-\$250,000	49	57	7	113	\$53,154	\$66,443
\$250,000-\$300,000	73	45	16	134	\$66,443	\$79,732
\$300,000-\$350,000	112	13	10	135	\$79,732	\$93,020
\$350,000-\$400,000	160	6	7	173	\$93,020	\$106,309
\$400,000-\$500,000	204		7	211	\$106,309	\$132,886
\$500,000-\$600,000	157	2	9	168	\$132,886	\$159,463
\$600,000-\$700,000	147	236	21	404	\$159,463	\$186,040
\$700,00-\$800,000	100	98	2	200	\$186,040	\$212,618
\$800,000+	372	119	5	496	\$212,618	
<b>Total</b>	<b>1,453</b>	<b>667</b>	<b>95</b>	<b>2,215</b>		

Source: Yavapai County Assessor

In summary, the housing market in Yavapai County may offer limited opportunities for first-time home buyers to enter the market. The percentage of homes priced under \$300,000 represents only 20.3% of all sales and 67% of those units are manufactured homes. Essential personnel and service workers earning moderate incomes are likely locked out of the ownership market.

### 4.3 Short Term Rentals

Communities across the country have experienced the conversion of traditional rental units and owner-occupied homes to short-term rentals (STRs). The result is a decline in the available housing supply often impacting residents who depend on affordable housing for shelter. STRs can also present a variety of negative impacts for residential neighborhoods including the introduction of commercial uses in residential areas, the lack of parking for homes that can accommodate large tourist groups, and the violation of building and safety codes that normally apply to hotels or other guest properties. Of utmost concern is the conversion of housing units from year-round occupancy which may be affordable to low- and moderate-income households.

Arizona law currently restricts the ability of local governments to regulate STRs. The law states that a city or town may not prohibit, restrict the use of, or regulate STRs based solely on their classification, use, or occupancy. In other words, an STR must be treated the same way as an owner or long-term-tenant occupied home. In response, most cities and towns now assess transient occupancy taxes on STR units, similar to taxes imposed on hotels.



In tourist dominated economies, such as parts of Yavapai County, STRs have resulted in the loss of housing available for low- and moderate-income households. According to AirDNA, a website that provides data on the STR industry, Yavapai County has nearly 4,900 active STRs. The majority of those STRs are in Sedona (although some are located in Coconino County) with another 1,026 units in the Prescott and Prescott Valley area. The Village of Oak Creek also has a substantial inventory of STRs. The inventory for the county likely includes some hotel units and timeshare units that advertise on the STR platforms such as Airbnb and Vrbo and therefore the count of traditional STRs is probably lower.

<b>Short Term Rentals Yavapai County</b>		
<b>Community</b>	<b>Units</b>	<b>%</b>
Prescott/PV/Chino Valley/Paulden/Dewey	1,026	21.0%
Clarkdale	35	0.7%
Cottonwood	288	5.9%
Cornville	146	3.0%
Camp Verde	77	1.6%
Rimrock	76	1.6%
Village of Oak Creek	640	13.1%
Sedona	2,555	52.3%
Seligman	16	0.3%
Wickenburg	20	0.4%
Mayer	4	0.1%
<b>Total</b>	<b>4,883</b>	<b>100.0%</b>
Source: AirDNA		

Regardless of the actual count of STRs, they do affect the housing inventory that is available to full-time residents. Even if the inventory is reduced by 15% to 4,150 units (to account for hotels and timeshare units), STRs represent a significant inventory of housing units. As will be shown in the following section of this report, there are 11,793 renter households in the county that spend more than 30% of their income on housing. While not all STR units would be affordable to moderate income households, the inventory of 4,150 STR units represents 35% of the county's households that are burdened by housing costs. If even a portion of these STR units could be converted to housing for permanent residents of the county, they could assist in addressing the shortage of affordable housing that exists in the area.

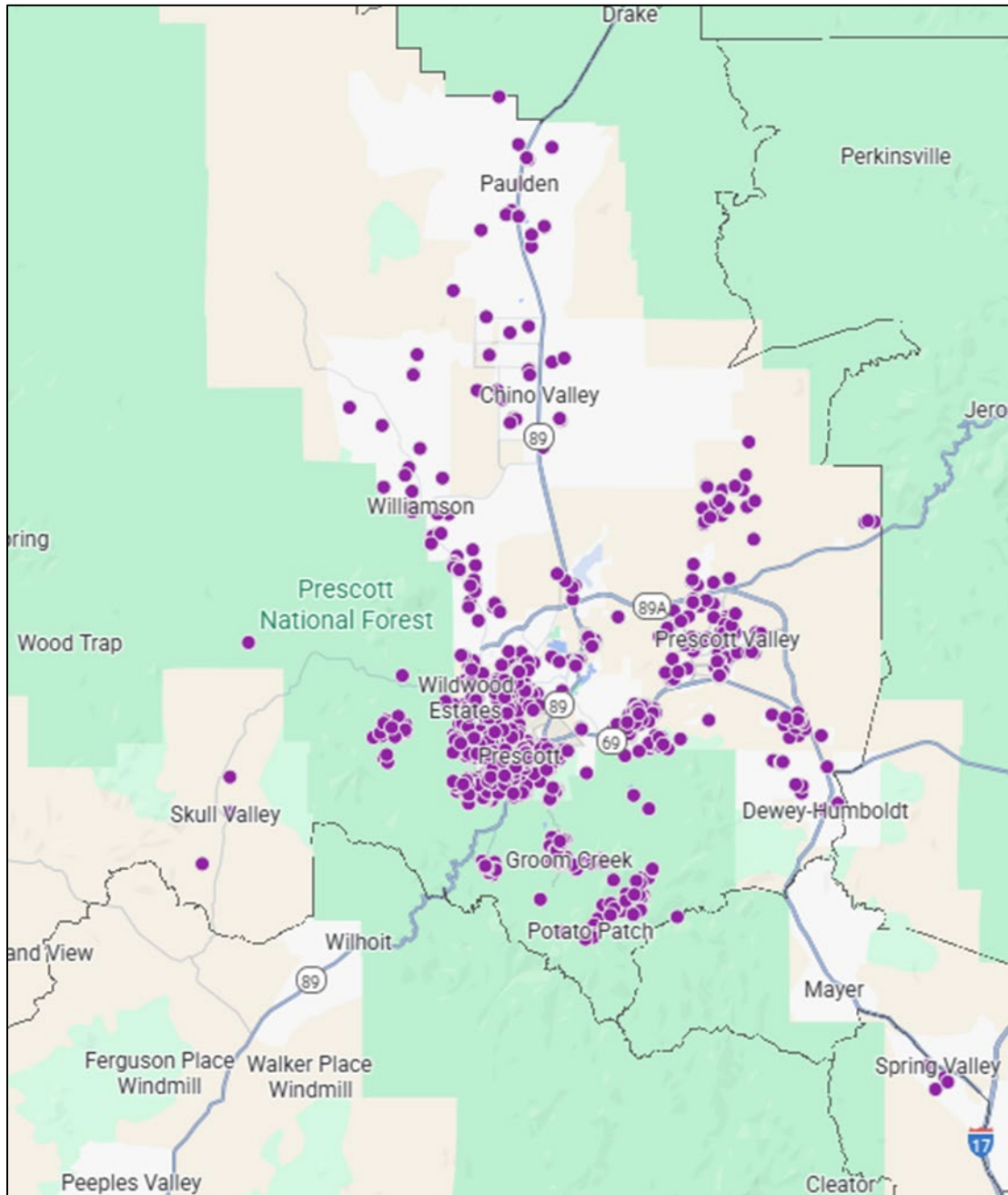
Since cities and towns in Arizona may not regulate or restrict the conversion of housing units to STRs, the inventory of affordable housing in many parts of the state will continue to be affected.



Employees who provide services for local residents as well as the tourist industry, who are most in need of affordable housing, will continue to struggle to find safe and affordable shelter.

The following map shows the distribution of STRs in the Prescott/Prescott Valley area. A map for the Verde Valley area is not available.

**Short Term Rentals in Prescott/Prescott Valley Area**



## 5.0 Affordable Housing Demand & Forecast

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### 5.1 Housing Affordability Gap

The housing affordability gap is the difference between the rents or housing values in a community and the ability of households to afford those rents or values. Affordability has become an issue over the past five years for many income levels due to rents and values that have increased well above the rate of inflation. At the same time, wages have not kept pace. **Housing affordability affects low- and moderate-income households the most, including many essential occupations such as teachers, police, firefighters, healthcare personnel, and service workers.**

There has been much discussion about the term “affordable housing”. “Affordable” is often associated with housing for the lowest income households. “Workforce” or “attainable” housing is often associated with the demand from critical service providers or essential personnel such as police, firefighters, nurses, schoolteachers, and others. In the context of this study, the term “affordable” will apply to all households who are burdened by housing costs or those that can’t find housing due to its cost relative to household income. Affordable housing refers to a continuum of housing demand that affects people from the lowest income levels to those earning above the area median income. A healthy economy and housing market should address all these demand sectors.

As outlined in this report, households are considered burdened by the cost of housing if rent and other housing costs total more than 30% of total household income. For a homeowner, the cost of housing typically includes a mortgage, property taxes, and insurance. For a renter, the cost of housing is rent and utilities. The U.S. Department of Housing and Urban Development also recognizes households that pay more than 50% of income towards housing known as an “severely cost burdened.” Across the country, approximately 29% of all households are considered cost burdened and about 13.4% are severely burdened.

The methodology for estimating the housing affordability gap for Yavapai County uses data directly from the U.S. Census that shows the number of households spending more than 30% of income on housing.

The following table outlines the housing cost burden for renters in Yavapai County, including an estimate for the unincorporated area and the county’s cities and towns. Overall, the county-wide estimate is 40.9% of renter households are burdened by housing or 11,793 households. The cities and towns have a slightly higher burden of 43.2% while the unincorporated area’s burden is



35.1%. Within those estimates there are a substantial number of households who spend more than 50% on housing. These households are considered severely rent burdened. Overall, the rent burden for Yavapai County is below the state averages.

Renter Housing Cost Burden								
Gross Rent as % of Household Income								
% of Income Spent on Housing	Unincorporated Yavapai County		Yavapai County Cities/Towns		Yavapai County		Arizona	
	Households	%	Households	%	Households	%	Households	%
<b>Total:</b>	<b>8,366</b>		<b>20,480</b>		<b>28,846</b>		<b>923,559</b>	
Less than 10.0 percent	643	7.7%	699	3.4%	1,342	4.7%	35,020	3.8%
10.0 to 14.9 percent	1,031	12.3%	1,646	8.0%	2,677	9.3%	70,637	7.6%
15.0 to 19.9 percent	399	4.8%	2,014	9.8%	2,413	8.4%	104,368	11.3%
20.0 to 24.9 percent	1,180	14.1%	2,851	13.9%	4,031	14.0%	115,422	12.5%
25.0 to 29.9 percent	684	8.2%	3,058	14.9%	3,742	13.0%	102,684	11.1%
30.0 to 34.9 percent	358	4.3%	1,575	7.7%	1,933	6.7%	80,245	8.7%
35.0 to 39.9 percent	371	4.4%	1,040	5.1%	1,411	4.9%	62,372	6.8%
40.0 to 49.9 percent	800	9.6%	1,670	8.2%	2,470	8.6%	83,870	9.1%
50.0 percent or more	1,407	16.8%	4,572	22.3%	5,979	20.7%	207,164	22.4%
Not computed	1,493	17.8%	1,355	6.6%	2,848	9.9%	61,777	6.7%
<b>Total Spending More Than 30%</b>	<b>2,936</b>	<b>35.1%</b>	<b>8,857</b>	<b>43.2%</b>	<b>11,793</b>	<b>40.9%</b>	<b>433,651</b>	<b>47.0%</b>
<b>Total Spending More Than 50%</b>	<b>1,407</b>	<b>16.8%</b>	<b>4,572</b>	<b>22.3%</b>	<b>5,979</b>	<b>20.7%</b>	<b>207,164</b>	<b>22.4%</b>

Source: ACS 2023 5-year estimate

The U.S. Census also collects information for certain unincorporated communities known as Census Designated Places (CDPs). Data is available for 17 communities in the county as outlined below. Some communities have very low renter housing cost burden while others such as Black Canyon City, Mayer, Paulden, Peeples Valley, and Spring Valley, have more than 50% of total households burdened by housing costs. Overall, 34.2% of the households in the unincorporated communities pay more than 30% of their income on rental housing.



<b>Renter Cost Burden</b>				
<b>Yavapai County Unincorporated Communities</b>				
<b>Unincorporated Community</b>	<b>Paying More Than 30%</b>		<b>Paying More Than 50%</b>	
	<b>Households</b>	<b>% of Total</b>	<b>Households</b>	<b>% of Total</b>
Ash Fork	-	0.0%	-	0.0%
Bagdad	17	2.3%	-	0.0%
Black Canyon City	67	62.6%	-	0.0%
Congress	24	35.8%	-	0.0%
Cordes Lakes	53	24.1%	-	0.0%
Cornville	118	33.0%	81	22.6%
Lake Montezuma	293	36.9%	212	26.7%
Mayer	57	64.8%	-	0.0%
Paulden	167	56.4%	52	17.6%
Peeples Valley	19	51.4%	19	51.4%
Seligman	81	47.4%	42	24.6%
Spring Valley	86	50.3%	9	5.3%
Verde Village	329	32.8%	194	19.3%
Village of Oak Creek	567	42.7%	313	23.6%
Wilhoit	3	5.5%	-	0.0%
Williamson	72	46.5%	27	17.4%
Yarnell	15	18.1%	15	18.1%
<b>Total</b>	<b>1,968</b>	<b>34.2%</b>	<b>964</b>	<b>16.8%</b>
Data is for Census Designated Places (CDPs) calculated by the U.S. Census Source: ACS 2023 5-year estimate				

For owner occupants, the housing cost burden for Yavapai County is higher than the statewide average. An estimated 19,420 owner households in Yavapai County or 24.3% are considered to be burdened by housing costs. Of that amount, 9,637 households (12.0%) are considered severely rent burdened. For the unincorporated area, an estimated 8,053 households or 24.8% of total households are burdened by housing, similar to the county-wide average.

It should be noted that homeowners typically have more options than renters to address their housing burden. For instance, an owner could sell the home and move to a less costly unit if one is available. Similarly, homeowners could have voluntarily increased their housing costs by taking out a second mortgage or home equity loan on the home. These factors all affect the housing burden of homeowners while renters have limited opportunities to reduce their housing burden beyond seeking a smaller or older unit or moving in with a roommate.

The housing cost burden for homeowners within the county’s CDPs is consistent with county-wide trends. There are only a few communities that deviate from the county-wide cost burden estimates.



Owner Housing Cost Burden								
Housing Cost as Percent of Household Income								
	Unincorporated Yavapai County		Yavapai County Cities/Towns		Yavapai County		Arizona	
	Households	%	Households	%	Households	%	Households	%
<b>Total Owners</b>	<b>32,411</b>		<b>47,643</b>		<b>80,054</b>		<b>1,873,231</b>	
Less than 10.0 percent	8,690	26.8%	13,060	27.4%	21,750	27.2%	482,151	25.7%
10.0 to 14.9 percent	5,260	16.2%	7,736	16.2%	12,996	16.2%	341,879	18.3%
15.0 to 19.9 percent	5,004	15.4%	7,012	14.7%	12,016	15.0%	295,596	15.8%
20.0 to 24.9 percent	2,953	9.1%	4,707	9.9%	7,660	9.6%	208,141	11.1%
25.0 to 29.9 percent	2,202	6.8%	3,382	7.1%	5,584	7.0%	134,621	7.2%
30.0 to 34.9 percent	1,485	4.6%	2,310	4.8%	3,795	4.7%	89,783	4.8%
35.0 to 39.9 percent	1,007	3.1%	1,512	3.2%	2,519	3.1%	59,715	3.2%
40.0 to 49.9 percent	1,287	4.0%	2,182	4.6%	3,469	4.3%	72,363	3.9%
50.0 percent or more	4,274	13.2%	5,363	11.3%	9,637	12.0%	167,545	8.9%
Not computed	249	0.8%	379	0.8%	628	0.8%	21,437	1.1%
<b>Total Spending More Than 30%</b>	<b>8,053</b>	<b>24.8%</b>	<b>11,367</b>	<b>23.9%</b>	<b>19,420</b>	<b>24.3%</b>	<b>389,406</b>	<b>20.8%</b>
<b>Total Spending More Than 50%</b>	<b>4,274</b>	<b>13.2%</b>	<b>5,363</b>	<b>11.3%</b>	<b>9,637</b>	<b>12.0%</b>	<b>167,545</b>	<b>8.9%</b>

Source: ACS 2023 5-year estimate

Owner Cost Burden				
Yavapai County Unincorporated Communities				
Unincorporated Community	Paying More Than 30%		Paying More Than 50%	
	Households	%	Households	%
Ash Fork	24	18.2%	5	3.8%
Bagdad	18	47.4%	-	0.0%
Black Canyon City	155	15.5%	28	2.8%
Congress	56	7.6%	33	4.5%
Cordes Lakes	203	17.8%	54	4.7%
Cornville	236	21.5%	74	6.7%
Lake Montezuma	423	24.0%	387	22.0%
Mayer	126	25.7%	44	9.0%
Paulden	391	23.0%	194	11.4%
Peeples Valley	76	24.1%	24	7.6%
Seligman	14	11.9%	14	11.9%
Spring Valley	127	26.6%	50	10.5%
Verde Village	1,136	28.4%	498	12.4%
Village of Oak Creek	510	23.8%	339	15.8%
Wilhoit	91	23.0%	47	11.9%
Williamson	683	24.5%	379	13.6%
Yarnell	42	15.0%	15	5.4%
<b>Total</b>	<b>4,311</b>	<b>23.2%</b>	<b>2,185</b>	<b>11.7%</b>

Data is for Census Designated Places (CDPs) calculated by the U.S. Census  
Source: ACS 2023 5-year estimate



**The total housing affordability gap for Yavapai County under this methodology is 31,213 households, or approximately 28.7% of total households. Renters are the most cost-burdened households in the county on a percentage basis at 40.9%.**

**For the unincorporated area of the county, 10,989 households are burdened by housing costs or 26.9%. Renters are the most cost burdened on a percentage basis at 35.1%.**

The housing burden for renters at different incomes for households in the unincorporated area is outlined below.

- Housing cost burden falls on the lowest income households. There are 1,095 renter households in the unincorporated area earning less than \$20,000 who are burdened by rent (representing 100% of all households in that income range) and 2,106 owner households who are similarly burdened. **These households are most appropriately housed in public housing units, typically owned by a government entity or non-profit, or subsidized with vouchers, with rents set at 30% of the household's income.**
- There are 1,908 renter households in the unincorporated area earning between \$20,000 and \$50,000 per year and 79% of them, or 833 households, are burdened by housing costs. **This group could be served by Low Income Housing Tax Credit projects or other government subsidized housing programs targeting 30%-60% AMI households.** The county has a number of apartment communities offering subsidized rent to this target population virtually all of which are situated in the cities and towns.
- The third group of households, representing 1,341 renter households, earn between \$50,000 and \$75,000. About 23% of these households or 313 households are burdened by housing costs. **Most of these households would likely qualify for workforce housing units targeting 60%-100% AMI. Additionally, a portion of these households at the higher end of the range could be candidates for homeownership assistance programs.** Alternatively, market rate apartments are positioned to offer rents affordable to households towards the middle to upper end of the income range. However, additional moderate rent units would need to be developed. With interest rate relief, a portion of these households could affordably purchase homes in the low \$300,000 range.
- The final group of 2,529 renter households earn \$75,000 or more with only 1.1% burdened by housing costs. Market rate apartments are affordable to this group of households. There are also many options among new and resale homes that would be affordable, especially if mortgage interest rates decline.



<b>Yavapai County Renter Cost Burden Housing Costs as a Percent of Household Income</b>				
<b>Income Range</b>	<b>Unincorporated Area</b>	<b>Cities/Towns</b>	<b>Yavapai County</b>	<b>Arizona</b>
<b>Renter-occupied housing units:</b>	<b>8,366</b>	<b>20,480</b>	<b>28,846</b>	<b>923,559</b>
Households earning less than \$20,000:	1,095	3,341	4,436	122,567
Paying more than 30% on housing	1,095	2,816	3,911	113,927
<b>% paying more than 30% on housing</b>	<b>100.0%</b>	<b>84.3%</b>	<b>88.2%</b>	<b>93.0%</b>
Households earning \$20,000 to \$34,999:	1,028	2,840	3,868	123,065
Paying more than 30% on housing	883	2,355	3,238	109,901
<b>% paying more than 30% on housing</b>	<b>85.9%</b>	<b>82.9%</b>	<b>83.7%</b>	<b>89.3%</b>
Households earning \$35,000 to \$49,999:	880	2,963	3,843	130,533
Paying more than 30% on housing	616	1,916	2,532	97,037
<b>% paying more than 30% on housing</b>	<b>70.0%</b>	<b>64.7%</b>	<b>65.9%</b>	<b>74.3%</b>
Households earning \$50,000 to \$74,999:	1,341	4,291	5,632	177,433
Paying more than 30% on housing	313	1,297	1,610	82,140
<b>% paying more than 30% on housing</b>	<b>23.3%</b>	<b>30.2%</b>	<b>28.6%</b>	<b>46.3%</b>
Households earning \$75,000 or more:	2,529	5,690	8,219	308,184
Paying more than 30% on housing	29	473	502	30,646
<b>% paying more than 30% on housing</b>	<b>1.1%</b>	<b>8.3%</b>	<b>6.1%</b>	<b>9.9%</b>
<b>Total Paying More Than 30% of Income</b>	<b>2,936</b>	<b>8,857</b>	<b>11,793</b>	<b>433,651</b>
<b>% Paying More Than 30% of Income</b>	<b>35.1%</b>	<b>43.2%</b>	<b>40.9%</b>	<b>47.0%</b>
Source: ACS 2023 5-year estimate				

Many homeowners are in a similar situation as renters but have more options to alleviate their housing burden. The cost burden for homeowners in the unincorporated area is consistent with the county and state averages. The previous summary of housing prospects for renters among the different income groups is the same for owners. The development of housing for low- and moderate-income households, both rental and ownership housing products, would help to alleviate housing burden among a broad range of income levels. Those homeowners with low incomes could then use their equity to move up to newer, better housing.



Yavapai County Owner Cost Burden Housing Costs as a Percent of Household Income				
Income Range	Unincorporated Area	Cities/Towns	Yavapai County	Arizona
<b>Owner-occupied housing units:</b>	<b>32,411</b>	<b>47,643</b>	<b>80,054</b>	<b>1,873,231</b>
Households earning less than \$20,000:	2,731	4,363	7,094	124,661
Paying more than 30% on housing	2,106	3,319	5,425	98,942
<b>% paying more than 30% on housing</b>	<b>77.1%</b>	<b>76.1%</b>	<b>76.5%</b>	<b>79.4%</b>
Households earning \$20,000 to \$34,999:	4,036	5,345	9,381	153,271
Paying more than 30% on housing	2,221	2,347	4,568	78,585
<b>% paying more than 30% on housing</b>	<b>55.0%</b>	<b>43.9%</b>	<b>48.7%</b>	<b>51.3%</b>
Households earning \$35,000 to \$49,999:	3,551	6,226	9,777	169,997
Paying more than 30% on housing	1,250	2,424	3,674	67,957
<b>% paying more than 30% on housing</b>	<b>35.2%</b>	<b>38.9%</b>	<b>37.6%</b>	<b>40.0%</b>
Households earning \$50,000 to \$74,999:	5,785	7,740	13,525	291,613
Paying more than 30% on housing	1,403	1,717	3,120	80,082
<b>% paying more than 30% on housing</b>	<b>24.3%</b>	<b>22.2%</b>	<b>23.1%</b>	<b>27.5%</b>
Households earning \$75,000 or more:	16,059	23,590	39,649	1,112,252
Paying more than 30% on housing	1,073	1,560	2,633	63,840
<b>% paying more than 30% on housing</b>	<b>6.7%</b>	<b>6.6%</b>	<b>6.6%</b>	<b>5.7%</b>
<b>Total Paying More Than 30% of Income</b>	<b>8,053</b>	<b>11,367</b>	<b>19,420</b>	<b>389,406</b>
<b>% Paying More Than 30% of Income</b>	<b>24.8%</b>	<b>23.9%</b>	<b>24.3%</b>	<b>20.8%</b>

Source: ACS 2023 5-year estimate

## 5.2 Summary

An estimated 31,213 households in Yavapai County, or approximately 28.7% of total households are burdened by housing costs, spending more than 30% of their income on housing. This number includes 11,793 renters who are burdened the most on a percentage basis and 19,420 owners. As noted previously, owners have more options to resolve their housing cost issue by selling their home and moving to a lower cost unit or renting. Renters by comparison have fewer options. While there are few opportunities for homeownership for households who earn less than \$50,000, a target for homeownership could be the more than 5,600 renter households who earn between \$50,000 and \$75,000.

For the unincorporated parts of the county, an estimated 10,989 households are burdened by housing costs, representing about 26.9% of all households. The vast majority of those burdened households are homeowners. About one-quarter of all owner households are burdened by housing costs compared to 35.1% for renters. The trend of housing cost burden for the unincorporated area is similar to the county-wide averages.



The county has an inventory of 1,902 affordable LIHTC units that provide benefit to low- and moderate-income households. Virtually all of these units are situated in the county’s cities and towns. Housing choice vouchers are also available across Yavapai County from the Arizona Public Housing Authority. Vouchers for the county are fully committed with a long waiting list. Resources available to low- and moderate-income households are limited and do not fully address the county’s housing needs.

<b>Summary Housing Cost Burden Yavapai County &amp; Unincorporated Area</b>			
	<b>Yavapai County</b>	<b>Unincorporated Area</b>	<b>% of County</b>
<b>Renters</b>			
Households	28,846	8,366	29.0%
Paying more than 30% of income on housing	11,793	2,936	24.9%
<b>% paying more than 30% of income on housing</b>	<b>40.9%</b>	<b>35.1%</b>	
<b>Owners</b>			
Households	80,054	32,411	40.5%
Paying more than 30% of income on housing	19,420	8,053	41.5%
<b>% paying more than 30% of income on housing</b>	<b>24.3%</b>	<b>24.8%</b>	
<b>Total Households</b>			
Households	108,900	40,777	37.4%
Paying more than 30% of income on housing	31,213	10,989	35.2%
<b>% paying more than 30% of income on housing</b>	<b>28.7%</b>	<b>26.9%</b>	

Source: ACS 2023 5-year estimate

**Affordability Guidelines**

HUD income limits for multifamily tax subsidy projects for Yavapai County are based on the area median family income (AMFI) of \$87,300 for 2025. This means a family of four qualifies for an LIHTC complex at an income of \$54,360 (60% of AMFI). Therefore, about 16,600 households out of 44,777 households in the unincorporated area of the county or 36% (subject to household size) could potentially qualify for a tax subsidy unit.



FY 2025 Multifamily Tax Subsidy Project Income Limits Yavapai County, AZ								
Area Median Family Income \$87,300								
% of Median Income	Persons in Family							
	1	2	3	4	5	6	7	8
80%	\$50,750	\$58,000	\$65,250	\$72,500	\$78,300	\$84,100	\$89,900	\$95,700
70%	\$44,400	\$50,700	\$57,100	\$63,420	\$68,500	\$73,580	\$78,700	\$83,740
60%	\$38,040	\$43,500	\$48,900	\$54,360	\$58,740	\$63,060	\$67,440	\$71,760
50%	\$31,700	\$36,250	\$40,750	\$45,300	\$57,950	\$52,550	\$56,200	\$59,800
40%	\$25,360	\$29,000	\$32,600	\$36,240	\$39,160	\$42,040	\$44,960	\$47,840
30%	\$19,020	\$21,750	\$24,450	\$27,180	\$29,370	\$31,530	\$33,720	\$35,880
20%	\$12,860	\$14,500	\$16,300	\$18,120	\$19,580	\$21,020	\$22,480	\$23,920

Source: Department of Housing & Urban Development

Allowable rents for tax subsidy complexes correspond to the size of the households as shown below. For a two-bedroom unit that could accommodate up to four people, rent for a household earning 60% of AMFI would be \$1,222.

FY 2025 Tax Credit Program Allowable Rents Yavapai County						
% of Median Income	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
60%	\$951	\$1,019	\$1,222	\$1,413	\$1,576	\$1,740
50%	\$792	\$849	\$1,018	\$1,178	\$1,313	\$1,450
40%	\$634	\$679	\$815	\$942	\$1,051	\$1,160
30%	\$475	\$509	\$611	\$706	\$788	\$870
20%	\$317	\$339	\$407	\$471	\$525	\$580

Source: Department of Housing & Urban Development

The chart below shows Yavapai County median wages for a variety of occupations, some of which are considered critical service jobs such as firefighters, teachers, paramedics, and police officers. Beyond these critical service occupations, even waiters, construction laborers, and retail salespersons are important for a functioning economy. The monthly affordable housing cost for each occupation shows that nearly all the occupations would have difficulty affording the market rents in Yavapai county much less purchase a home as a single income household.



<b>Housing Affordability By Occupation</b>			
<b>Occupation</b>	<b>Yavapai County 2023 Median Wage</b>	<b>Monthly Affordable Housing Cost (30% of Income)</b>	<b>Monthly Affordable Rent (Less Utilities)</b>
Retail Salespersons	\$33,886	\$847	\$747
Receptionists and Information Clerks	\$36,094	\$902	\$802
Restaurant Cooks	\$37,432	\$936	\$836
Nursing Assistants	\$38,572	\$964	\$864
Waiters and Waitresses	\$41,273	\$1,032	\$932
Construction Laborers	\$43,233	\$1,081	\$981
Pharmacy Technicians	\$44,675	\$1,117	\$1,017
Paramedics	\$45,446	\$1,136	\$1,036
Elementary School Teachers	\$48,488	\$1,212	\$1,112
Middle School Teachers	\$48,994	\$1,225	\$1,125
Firefighters	\$51,838	\$1,296	\$1,196
Secondary School Teachers	\$53,240	\$1,331	\$1,231
Police and Sheriff's Patrol Officers	\$67,315	\$1,683	\$1,583
Registered Nurses	\$91,166	\$2,279	\$2,179

Prepared by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, April 2024

The wage data above does not consider that a household may have two wage earners. However, for single person households, particularly headed by a female head of household or families where only one person works, the availability of affordable housing is a critical need. Census data shows that about 38% of all Yavapai County households have only one working member while 22% of households have two working. Another 39% have no working members of the household, mostly reflecting retired households (33% of all households in the county are headed by a person who is 65 years or older). Affordable housing is critical for those households with one working member and for single person households.

### 6.3 Future Housing Demand

As noted previously in this report, Yavapai County is expected to grow by 46,827 people between 2024 and 2040. This will create demand for at least 21,480 housing units based on the current household size of 2.18 persons per unit. Taking into account a 5% vacancy rate, total housing demand should approach 22,555 units. The unincorporated area is forecasted to grow by 14,673 people through 2040 with an estimated housing demand of 6,731 units. Accounting for a vacancy rate of 5%, total demand is 7,067 units with an average annual demand of 449 units.



For perspective, residential building permits have averaged 481 units in the unincorporated area since 2018. The OEO population forecast may be slightly conservative but some of the permitting activity is likely related to seasonal residents which is not factored into the forecast.

Following from the gap analysis, the following table outlines the future demand for housing by today’s income range. Rental housing demand, much of which could be in the form of subsidized units, will be driven by households with less than \$50,000 in income. Total demand is estimated at 2,524 units through 2040. Another 2,334 units of ownership housing will be needed for critical service employees who earn between \$50,000 and \$100,000. This population may need support to acquire housing that is within their reach. At today’s interest rate, the households in this income category could afford a home ranging from \$200,000 to \$350,000.

<b>Forecasted Housing Demand By Income Unincorporated Yavapai County</b>			
<b>Income Range</b>	<b>Households</b>	<b>%</b>	<b>Housing Target</b>
Less than \$25,000	1,131	16.0%	Rental Housing
\$25,000 to \$34,999	622	8.8%	Rental Housing
\$35,000 to \$49,999	771	10.9%	Rental Housing
<b>Sub-Total</b>	<b>2,524</b>	<b>35.7%</b>	
\$50,000 to \$74,999	1,279	18.1%	Ownership Housing
\$75,000 to \$99,999	1,055	14.9%	Ownership Housing
<b>Sub-Total</b>	<b>2,334</b>	<b>33.0%</b>	
\$100,000 to \$149,999	1,242	17.6%	
\$150,000 to \$199,999	432	6.1%	
\$200,000 or more	536	7.6%	
<b>Sub-Total</b>	<b>2,211</b>	<b>31.3%</b>	
<b>Total</b>	<b>7,067</b>	<b>100.0%</b>	
Sources: AZ Office of Economic Opportunity, ACS 5-Yr Estimates			



## 6.0 Recommendations

Over the last five years, housing in Yavapai County has experienced declining affordability conditions, similar to that occurring across Arizona. The same situation has affected the unincorporated area of the county. In total, about 27% of households in the unincorporated county are currently burdened by their housing costs, including 35% of all renters. The county is projected to experience moderate growth for the foreseeable future, and affordability challenges will continue. Following are some observations and recommendations regarding housing affordability in Yavapai County and, in particular, the issues facing the unincorporated area.

### 6.1 Potential Residential Development Areas

In general, housing affordability can primarily be addressed through cluster and higher-density housing alternatives which use less land, have smaller unit sizes, and use common wall building design. This type of housing has become known as “missing middle housing” which describes diverse housing options such as duplexes, fourplexes, cottage courts, and multiplexes, which fit seamlessly into existing residential neighborhoods. The “missing middle” are units that provide a transition between single family homes and high density mid-rise apartments. Because of the slightly higher density of these building types, they can promote ownership opportunities for young families and individuals as well as rental opportunities. The following sketch illustrates the range of missing middle housing types.



The question is whether missing middle units can be supported in the unincorporated areas of Yavapai County. Quite often the unincorporated parts of a county have limited utility infrastructure to support cluster or high-density housing, particularly wastewater services. Many counties including Yavapai County have chosen to leave utility and infrastructure development to the municipalities. While there are many private water providers in Yavapai County, sewer service, which is imperative to the development of higher density housing products, is very limited. This appears to be the case for Yavapai County where there are few areas of the unincorporated area where sewer service may be available.

It appears to be only a few opportunities in unincorporated Yavapai County where cluster development or apartments might be supported. The most important element that will determine where growth might occur is the presence of a wastewater system due to the limitations of septic systems. Following are some parts of the unincorporated area that were evaluated for affordable housing opportunities.

- **Verde Village near Cottonwood:** Verde Village was developed in the unincorporated area along SR 260 in the 1970s with lots as small 10,000 square feet under the county's R1-10 zoning district. Ten subdivision units were built over a series of years. Commercial zoning was established along the SR 260 frontage. Verde Village is by far the largest community in the unincorporated area with an estimated population of 12,662 (Census estimate) and a median age of 44.4 years. The average household size is 2.53 which is quite different from the county-wide population.

Verde Village is served domestic water by the city of Cottonwood which has a number of reservoirs throughout the area. However, all housing units are on septic tanks which restricts development for higher density housing beyond the existing single family uses. News reports from 2023 indicate a study was undertaken to consider developing a sewer system in order to protect groundwater and the Verde River. The study evaluated connection to either the city of Cottonwood or the Yavapai-Apache Nation or developing a Verde Village system. For any of the alternatives, the cost would be extensive and require construction of collection lines in the Village's streets, connections to individual homes, and construction of a trunk line to the ultimate treatment plant, if the plant has adequate capacity to serve Verde Village. If the chosen wastewater plant lacks capacity, Verde Village could be required to contribute to the cost to upgrade the plant. No further news articles were found on a proposed wastewater system for the Village.



Overall, the feasibility of constructing additional housing units in Verde Village is limited. While there are still available lots in the area including commercially zoned lots, the use of septic tanks will limit any efforts to address affordable or missing middle housing.

- **The Village of Oak Creek:** The Village is provided sewer service by the Big Park Domestic Wastewater Improvement District. The District is a Special Taxing District formed in 1972 as a County Improvement District with the Yavapai County Board of Supervisors sitting as the Board of Directors. On November 10, 1997, due to new legislation, the District was converted to a Domestic Wastewater Improvement District with a locally elected Board of Directors.

The presence of the sewer system in the Village of Oak Creek has allowed it to accommodate a variety of housing types, commercial uses, and hotels. The Village includes residential uses such as townhomes, duplexes, and apartments and is intensely developed relative to most of the unincorporated communities. The presence of a wastewater system has supported mixed-use development and it could be a location for affordable housing opportunities.

- **Areas Adjacent to the County's Cities and Towns:** Most of the county's cities and towns have water and sewer service to support their growth. Residential growth in the unincorporated areas could potentially be accomplished in areas adjacent to cities and towns. However, most municipalities do not desire to extend services to properties outside their city/town limits, instead requiring annexation for water or sewer service.
- **Sanitary Districts:** The Yavapai County website lists four sanitary districts in the county including Ash Fork, Creekside, Inspiration Canyon Ranch (IRC), and Seligman. Creekside is a small district for a subdivision that is connected to the City of Prescott sewer system. IRC serves three communities in Williamson Valley including Preserve at the Ranch, Talking Rock, and Whispering Canyon. Seligman is a small system serving only 27 customers. No specific information was available on the Ash Fork system.

Excepting Creekside, the other sanitary districts could likely accommodate some level of growth. However, the capacity of the systems may limit the amount of development that can occur without expanding the plants. The Williamson Valley is not identified as a Growth Area in the County's Comprehensive Plan. Development occurring there is primarily in the form of large lots in master planned communities. Both Seligman and Ash Fork are identified as Growth Areas and could be future locations for more intensive



development. More detailed analysis of the housing market in those areas is required to determine the demand for affordable housing.

## **6.2 Potential Affordable Housing Initiatives**

Counties in Arizona typically have limited resources to deal with affordable housing compared to Arizona cities and towns. Some of this is self-imposed, particularly in the non-urban areas of the state where counties have limited their investment in utility infrastructure. However, outlined below are recommendations for initiatives Yavapai County can take to address affordable housing.

It is notable that Yavapai County was one of the first governmental agencies to adopt the “A Home of My Own! Program” in response to the housing affordability crisis. The county has designed and preapproved single family home plans that are available at no cost. Homes range in size from 576 square feet livable to 1,613 square feet with options for one, two, or three bedrooms.

Over the last two years, the Arizona State Legislature adopted new laws that are intended to address housing affordability at the municipal level. Counties are not subject to the requirements, but can learn from some of the rules that have been passed. Following are the individual bills that have been passed.

- HB 2720 applies to cities with a population of more than 75,000 people and established new rules for Accessory Dwelling Units (ADUs). Subject to certain standards, ADUs are now permitted on any lot or parcel where a single-family dwelling is the principal use. If the lot is more than one acre in size, a second ADU is permitted, but it must be restricted to a tenant earning no more than 80% of the area median income.
- HB 2721 requires cities with a population of 75,000 or larger to allow townhomes, duplexes, triplexes, and fourplexes as a permitted use on (1) any single family lot within one mile of a central business district or (2) at least 20% of any new development of more than 10 acres in size. Cities cannot pass any rules or provisions that discourage middle housing.
- SB 1162 affects cities with a population of 150,000 or more and establishes a requirement for determining if a zoning application is administratively complete within 30 days with additional timelines for denial and resubmittal. It also requires the completion of a



housing need assessment every five years and submittal of an annual housing report to the state.

- HB 2447 applies to all municipalities and requires cities/towns to review and approve site plans, development plans, preliminary and final plats without a public hearing. These types of approvals are now considered administrative once zoning is in place. It also requires the review and approval of design review plans based on objective standards without a public hearing. The purpose of this provision is to remove subjective design standard interpretations based on the taste of the city employee that may cause continued redesign of a project.
- HB 2297 requires a city to allow adaptive reuse of a commercial building into residential or mixed-use without application for rezoning if at least 50% of the building is converted to residential or mixed-use. The bill established standards for density and building heights and where 20% of the units are set aside for low and moderate-income housing.

Based on the above laws affecting municipalities, the county could enact the following.

- The County zoning code permits ADUs but provides they must be compatible with the district in which it is located and cannot alter the character of the premises. There is also an extensive administrative review period that requires the site to be posted, and notices sent to surrounding property owners and community organizations. Under the provisions of a “Guest Home”, there is a required minimum lot size, and one guest home is permitted per parcel.

The requirements imposed by the state on the cities attempts to make it easy for homeowners to construct an ADU by right. The county’s rules could be amended to conform to the city rules but certain standards may need to be adjusted such as whether the county would allow more than one ADU on a lot.

- The county zoning code could be amended to establish maximum timelines related to rezoning applications similar to SB 1162.
- Following from HB 2447, the county could amend its approval processes for subdivision plats so they are administratively approved and are not subject to Planning Commission or Board of Supervisors public hearings. The assumption is that public hearings are only required for a change of zoning as a legislative act. Once zoning is approved, the



requirements of the zoning code and subdivision regulations should ensure that all standards are met. Appeals could be forwarded to the Commission or Board to resolve any issues or conflicts.

- The county may want to consider adopting an adaptive reuse policy for obsolete commercial properties but the amount of commercial uses in the unincorporated area is limited and such a policy may have limited use.

The above recommendations are intended to improve the ability of developers and non-profits to create affordable housing in unincorporated Yavapai County. Some of the suggested changes would bring the county more into conformance with the requirements imposed by the State Legislature on the state's municipalities.

### 6.3 Affordable Housing Tools

As noted previously, Arizona counties have few resources at their disposal to address affordable housing. However, the tools that are available could provide some assistance in the effort.

- **GPLET:** The Government Property Lease Excise Tax ("GPLET") has been established by the State of Arizona and is a redevelopment tool to initiate development by reducing a project's operating costs by replacing the real property tax with an excise tax. Under the state statute an excise tax is established for the building type of use and is calculated on the gross square footage of the building. The use of the excise tax cannot continue for more than twenty-five years and requires that the land and improvements are conveyed to a government entity and leased back for private use. The excise tax rate can be abated for the first eight years after a certificate of occupancy on the building is issued if the property is located within a Central Business District and a Redevelopment Area.

The GPLET is available to cities and counties although only two counties, Maricopa and Pima, have used the GPLET to date. Many communities are using the GPLET for affordable housing purposes. For instance, the City of Phoenix grants GPLETS to developers in exchange for reserving 20% of the units in a complex for workforce housing (defined as households earning 89% to 120% of area median income). If Yavapai County is presented with a proposal for a multifamily project, the GPLET could be offered among other incentives to secure affordable units.

- **Industrial Development Authority:** The Yavapai County Industrial Development Authority (IDA) could be a significant partner in assisting in the creation of affordable



housing, both for the unincorporated area as well as for the county's cities and towns. IDA financing can be used as part of the capital stack for affordable housing complexes such as Low Income Housing Tax Credit (LIHTC) projects. As an example, the Maricopa County IDA provides financing for affordable complexes and requires that 20% of the units are rented to persons who make less than 50% of Area Medium Income or 40% of persons who make less than 60% of Area Medium Income.

A common IDA program is down payment assistance programs that offer financial aid to help homebuyers, especially first-time buyers, to manage the upfront costs of purchasing a home. These programs aim to make homeownership more accessible by alleviating the burden of the down payment, a significant barrier for many prospective buyers.

For instance, the Arizona IDA offers two Down Payment Assistance (DPA) programs within the State of Arizona known as the Home Plus and Arizona Is Home. Home Plus offers a competitive interest rate along with up to 4% assistance for down payments and closing costs. Both forgivable and non-forgivable loan options are available. The Home Plus DPA program is available year-round and does not deplete its funding.

The Arizona is Home – Mortgage Assistance Program initiative is a collaboration between the Arizona Department of Housing (ADOH) and the Arizona Industrial Development Authority (Arizona IDA). Eligible homebuyers receive a below-market 30-year fixed-rate mortgage combined with 4% of down payment assistance. AIH Homebuyers must have annual incomes at or below 100% of the Area Median Income (AMI). The program is available in all counties except Pima and Maricopa.

The Maricopa County IDA has similar programs that include up to a 6% down payment assistance and a competitive mortgage rate.

- **Community Development Block Grant Program (CDBG):** CDBG funds are allocated to Apache, Coconino, Navajo and Yavapai counties and cities in northern Arizona through the Northern Arizona Council of Governments (NACOG). A formula is used to allocate the funds to communities and counties primarily based on poverty and population. In order to provide a large enough allocation to each community, allocations are made on a four to five-year rotating schedule. In 2025, Yavapai County received \$1,308,728.

Block grant funds are used to benefit low- and moderate-income persons, aid in the prevention or elimination of slums or blight or meet community development needs



having a particular urgency. In 2025, Yavapai County made the following allocations of block grant funds:

- Meals on Wheels – Prescott Valley Hub/Prescott Valley Food Bank (\$519,500)
- Verde Valley Habitat for Humanity, Housing Repair Program (\$400,000)
- Yavapai County Development Services Replace Cesspools with Septic (\$280,000)

Block grant funds can be used to support the repair or construction of affordable housing. The county has made its 2025 allocation based on community needs and response from stakeholders. The Habitat for Humanity allocation for home repair is important for preserving the current inventory of homes for low- and moderate-income households.

- **Community Land Trust (CLT):** A CLT is a non-profit organization that holds title to land to preserve long term availability for affordable housing. Affordability of housing under the CLT is achieved through the separation of the ownership of the land and the improvements on the land. The CLT holds title to the land and leases the property to a homeowner or developer for 99 years at a nominal rate, reducing the cost of the entire land and improvements by 15% to 25%. The CLT can purchase existing homes on the open market, then resell the home to an income-qualified household usually earning between 80% and 120% of area median income. The homeowner can sell the home, but the equity is usually split between the CLT and the owner, thereby maintaining the affordability of the unit.

In addition, CLTs can also provide land for low and moderate-income affordable housing programs including LIHTC projects that benefit the lowest income households. Land is often acquired through donations from developers, or the property could be underutilized municipality-owned land that is transferred to the trust. Trusts often partner with a non-profit to construct units on the site.

Municipalities are a driving force behind CLTs and they can take many forms in terms of governance. Some are non-profit corporations where municipal officials sit on the board along with other members of the public while other CLTs are totally controlled by the municipality. The separation of a CLT from its supporting municipality is subject to much discretion. In some cases, a municipal-run CLT may be viewed with suspicion as to its purpose while a non-profit organization independent from the local government may be considered a function of the community as a whole.



CLTs are found across Arizona. Flagstaff has had a program operating for a number of years to provide homeownership opportunities to qualifying households who would otherwise not be able to achieve ownership. They are assisted by Housing Solutions of Northern Arizona, a non-profit agency in Flagstaff. Newtown CDC operates a CLT in several cities in the metro Phoenix region homes, providing workforce ownership housing for families earning less than 80% of area median income.

- **Fee Waivers & Expedited Plan Processing:** The County could provide waiver of building permits fees and other fees associated with the “A Home of My Own! Program” for households earning less than 120% of area median income. This could incentivize the program leading to greater use. If the program was combined with a down payment assistance program such as that provided by the Arizona IDA, it could further provide the opportunity for development of workforce housing in the unincorporated area.

#### 6.4 Summary Recommendations

Yavapai County, in general, only has a few parts of the unincorporated area where sewer service is available and where small lot development or high-density housing could be supported. The Village of Oak Creek is one community where commercial and moderate to high density complexes have been built and can be supported. Other communities with a sanitary improvement district include Seligman and Ash Fork although the demand for residential development is limited.

Given these limitations, the recommendations of this report are:

- Update the County Zoning Code and Subdivision Regulations for ADUs and processing of subdivision plats.
- Consider the use of all development tools at the disposal of the county such as the GPLET, the County IDA, and CDBG funding for affordable housing.
- Consider the establishment of a Community Land Trust that can, at minimum, purchase housing units for workforce households. The IDA may be able to assist with providing funding for this program. Partnerships with non-profit organizations could assist with establishing the program and management of it.
- Expand the A Home of My Own! Program by providing fee waivers for permits, down payment assistance, and mortgage loans for workforce households.
- Commit financial resources for affordable housing in the unincorporated area including dedicated staff who will manage a housing program and monitor progress.

