



**A.R.S. Section 9-461.05
E.6. – Housing Element**

A housing element consisting of standards and programs for the elimination of substandard dwelling conditions, for the improvement of housing quality, variety and affordability, and for provision of adequate sites for housing. This element shall contain an identification and analysis of existing and forecasted housing needs. This element shall be designed to make equal provision for the housing needs of all segments of the community regardless of race, color, creed, or economic level.

4-Housing Element

Among the many elements of the Quartzsite General Plan, housing is one of the most critical because Quartzsite is defined by its ability to provide for safe and affordable housing for both residents and seasonal visitors. Substandard and neglected housing stock reduces property values and decreases tax revenues. Most importantly, without safe and affordable housing, residents of Quartzsite will be forced to seek housing in nearby cities and employers will be forced to move with the employee base. Likewise, readily available employees will be forced to locate where employment opportunities exist.

This Housing Element provides a summary of the housing market and conditions in Quartzsite; it also serves as a method of providing adequate and affordable housing for all of the community's residents, including households of every income level and persons that only live within the community for a portion of the year. Special needs households, such as those with mobility impaired handicaps and the elderly, are also considered.

The Housing Element contains six sections. The Existing Conditions and Trends section summarizes the population and household characteristics currently present in Quartzsite. The Housing Availability and Affordability section defines quality housing and evaluates the current housing stock in Quartzsite. The Evaluation and Analysis section identifies future housing needs in the community. The Constraints and Barriers to Adequate, Affordable Housing section evaluates the constraints and barriers to housing development in Quartzsite. The Goals, Objectives, and Policies section serves as a guide for the provision of safe, affordable and well-maintained housing in the Town. The Housing Assistance Programs and Plans of Action section addresses the issues stated in the previous section by suggesting programs and resources that Quartzsite could utilize in order to achieve a community in which all of its population can be adequately housed. The section concludes with an Action Plan for achieving the Housing Goals, Objectives and Policies.

4.1 EXISTING CONDITIONS AND TRENDS

Understanding population and housing characteristics and trends is important when planning a comprehensive housing strategy to address such issues within the community. Demographic, household and



employment characteristics are important indicators of current trends, as well as future population and corresponding housing growth and development. Changes in population and age distribution affect the number of housing units needed; ethnicity, household size, and other household attributes are indicative of the housing types needed; and employment characteristics and income levels relate directly to housing affordability.

4.1.1 POPULATION

POPULATION TRENDS

A community’s housing needs are reflective of population characteristics such as income, age, race/ethnicity, and employment, as well as changes in these characteristics. Historical population trend data in Quartzsite is difficult to obtain due to its small population and the fact that it was only recently incorporated. Prior to incorporation, Quartzsite’s census boundaries were different than the Town’s current boundary lines. Therefore, actual figures are only available through the Federal Census for 1990 and 2000.

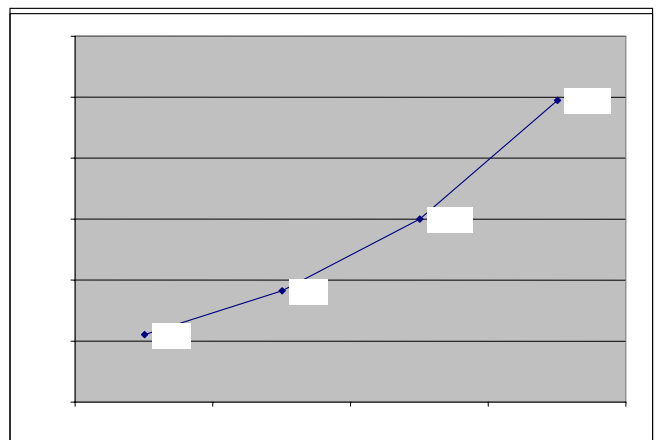
Current figures indicate that the Town of Quartzsite is currently experiencing a population boom. The Town population has increased by approximately 55 percent over the last decade with an average annual growth rate of approximately 7 percent. Growth trends of similar communities within Arizona suggest that this increase could continue through the next couple of years, especially with the expected growth of businesses within Quartzsite.

2000 Population
Quartzsite – 3,354
County – 19,715
State – 5,130,632
(Source: 2000 Census)

Population projections are used in determining the need for additional housing units for the next twenty years. Population growth rates were established based on figures from the Arizona Department of Economic Security. These figures were then adjusted to take into account a number of factors.

Figure H-1. Population Projection

Unlike natural population growth experienced in many urban and suburban areas, population increase in rural areas such as Quartzsite is highly dependent on specific issues. The sharp growth in population identified in Figure H-1 is relative to the State Route 95 improvements in Quartzsite resulting in an increase in traffic flow and



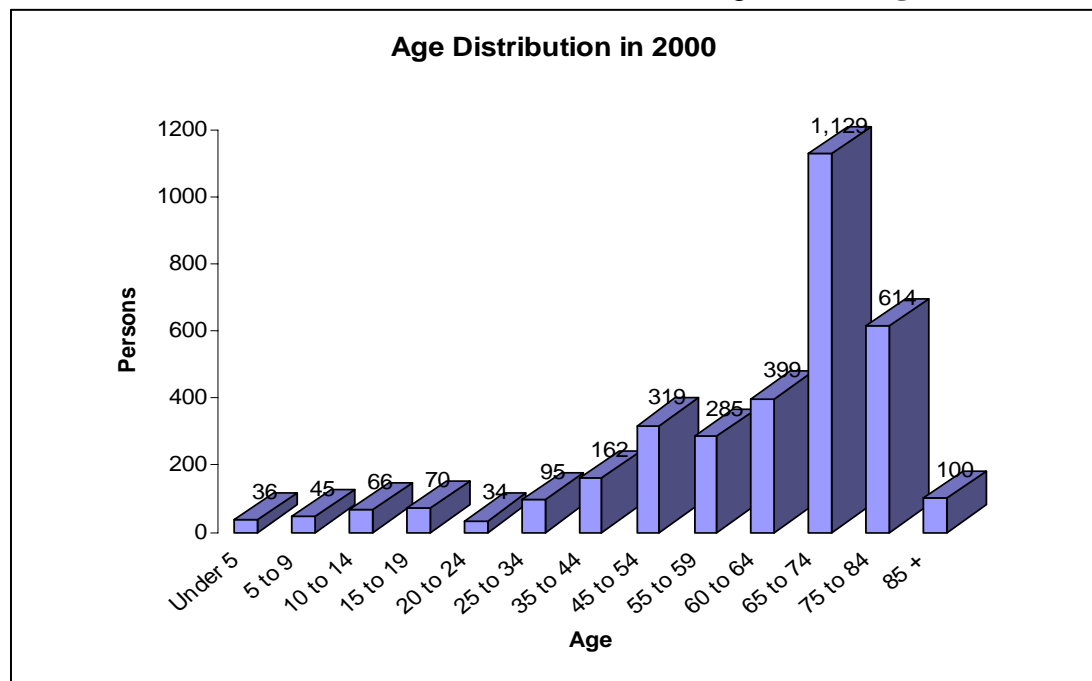


need for services which may have an indirect impact on population size and housing demand. The growth rate is also reflective of recent and planned improvements to the water and sewer facilities in Quartzsite.

AGE AND GENDER DISTRIBUTION

The need for additional housing is further reflected in age and gender distribution of the population. The population chart on this page (Figure H-2) shows that a significant portion of the population is between 65 and 85 years old. Between 1990 and 2000, the median age of Quartzsite residents increased from 62 to 66.5 years of age and the 65+ population grew by 384%. This could be due to the number of older, seasonal visitors who have chosen to live year-round in Quartzsite, as well as a lack of well-paying employment opportunities to retain younger workers. This aging of Quartzsite’s population indicates that more adequate senior housing in Quartzsite should be developed.

Figure H-2. Age Distribution



Although the current population trend in Quartzsite appears to be an aging of the residents, a number of issues within the community in regards to Quartzsite’s growth may impact this trend causing it to change course over time. The recent improvements made to State Route 95 and the rapidly increasing commerce which takes place during the winter months in Quartzsite may result in an increase of employment opportunities in the Town. These opportunities will most likely be taken advantage of by a younger segment of the population (those in the labor force) and encourage more young people and families to move to Quartzsite. The future age projections on the next page (Figure H-3) are indicative of these future changes.



Table H-3. **Age Projection**

	2005	%	2010	%	2015	%	2020	%
Under 5 years	88	1.6	246	2.7	540	3.6	1,136	4.6
5 to 9 years	100	1.8	255	2.8	600	4	1,260	5.1
10 to 14 years	127	2.3	291	3.2	570	3.8	1,112	4.5
15 to 19 years	122	2.2	246	2.7	510	3.4	1,062	4.3
20 to 24 years	77	1.4	237	2.6	585	3.9	1,186	4.8
25 to 34 years	188	3.4	482	5.3	1,215	8.1	1,976	8
35 to 44 years	287	5.2	673	7.4	1,380	9.2	2,865	11.6
45 to 54 years	553	10	992	10.9	1,740	11.6	3,162	12.8
55 to 59 years	453	8.2	710	7.8	1,080	7.2	1,680	6.8
60 to 64 years	641	11.6	965	10.6	1,380	9.2	1,976	8
65 to 74 years	1,746	31.6	2,421	26.6	3,210	21.4	4,199	17
75 to 84 years	978	17.7	1,301	14.3	1,725	11.5	2,297	9.3
85 + years	166	3	282	3.1	465	3.1	790	3.2

RACE AND HISPANIC ORIGIN

The racial and ethnic composition of the Town’s population is directly related to housing needs based on unique characteristics exhibited by different ethnic and racial groups. For the purposes of ensuring equal housing opportunity for all persons, the terminology used in this document conforms to that used in the 2000 US Census.

Racial identity is defined by common physical traits as reported in the 2000 Census; racial composition is thus categorized as Black, White, Indian/Eskimo/Aleut, Asian/Pacific Islander and Others. Most of the Town’s population is composed of Whites (94.5%), followed by Other (2.6%), Two or more races (1.2%), American Indian and Alaska Native (1.2%), Asian (.3%) and Native Hawaiian and Other Pacific Islander (.1%).

The term Hispanic origin, as used in this document, does not refer to a category of race. Rather, it is a separate category that can apply to each of the racial categories discussed above (i.e., White-Hispanic, White-Non-Hispanic, Black Hispanic, Black-Non-Hispanic, etc.) The Hispanic population in Quartzsite grew by 61% between 1990 and 2000. This trend can be expected to continue in Quartzsite over the next ten years and could have an impact on the average household size in Quartzsite.

HOUSEHOLD CHARACTERISTICS

Household size, occupancy, income, growth, the presence of special needs populations, and other characteristics determine the type and size of housing units needed in a community. For example, large families need four and five bedroom units whereas elderly retired persons need only one or two bedrooms.



Household Size

According to the 2000 Census, there are 1,850 households in the Town of Quartzsite. A significant amount of these households (94.2 %) have one or less occupant per room. The prevalence of smaller sized households suggests the need for development of apartments or smaller homes.

Household Occupancy & Tenure

The total number of occupied housing units in Quartzsite increased, from 941 to 1850 (an increase of 51 percent) and between 1990 and 2000 homeownership increased by 193% between 1990 and 2000. In 2000, 1,649 households were owner-occupied units, while another 201 households were renter-occupied units.

Household Income

Household income is indicative of housing affordability and the supply of affordable housing must be proportional to income categories for all segments of the population. Those with higher incomes have more discretionary income to spend on housing while those in the low and moderate income groups are more limited in the housing they can afford. The Town's median household income in 2000 was \$23,053, compared to the County's median household income of \$25,831 in 1999.

The mean retirement income for elderly persons living in Quartzsite is \$15,205. This amount is approximately \$8,000 less than the median income of the Town and suggests that this income could be disproportionate to the cost-of-living and housing costs in Quartzsite and that more affordable housing units for the elderly in Quartzsite must be developed.

In 1999, 7.8 percent of families in Quartzsite were living below the poverty level, 13.5 percent of individuals in the Town were doing the same. Although these figures are significantly lower than the percent of persons living below the poverty level in La Paz County (19.6%), and just slightly lower than the percent of persons in poverty in Arizona (13.9%), (US Census), they suggest the need for low-income affordable housing in Quartzsite.

SPECIAL NEEDS GROUPS

Certain segments of the population may have more difficulty in finding decent affordable housing because of their special needs and circumstances. These special-needs groups are often low-income and include the elderly, handicapped, large families, female-headed households, farm-workers and the homeless.

Elderly

Because of limited fixed income, physical disabilities and dependence, the elderly (those over the age of 65) are considered a special needs group. Many elderly persons living alone have special needs for assistance with finance, home maintenance, accessibility, and repairs, and other routine activities. Likewise, their



housing units should be located in close proximity to retail, medical and other services and special housing maintenance. Approximately 63.7 percent of the householders in Quartzsite are aged 65 or older. Of these households, approximately 19 percent consist of householders living alone. In the Town of Quartzsite there are currently few housing options for the elderly. Encouraging the development of assisted living housing units for the elderly should be a priority of the Town.

Handicapped

Persons with physical disabilities are persons who have physical impairments that substantially limit life activities. Disabilities may limit a person’s access to traditionally designed housing units, as well as potentially limiting their ability to earn adequate income to afford market rate housing.

Currently, 33 percent, or approximately 1,114 of Quartzsite residents are considered by the Arizona Department of Rehabilitation as being disabled. More than half of these residents considered to be disabled are 65 years and older.

The Federal Fair Housing Act of 1991 requires that 100 percent of the ground floor units in multifamily housing projects constructed after 1991 be “adaptable” for the physically disabled. Currently, there are no apartments or complexes in Quartzsite designed for handicapped residents.

HOUSEHOLDS BY TYPE	Number	Percent
Total households	1,850	100.0
Family households (families)	1,176	63.6
With own children under 18 years	92	5.0
Married-couple family	1,092	59.0
With own children under 18 years	60	3.2
Female householder, no husband present	54	2.9
With own children under 18 years	21	1.1
Non-family households	674	36.4
Householder living alone	583	31.5
Householder 65 years and over	354	19.1
Households with individuals under 18 years	107	5.8
Households with individuals 65 years and over	1,214	65.6
Average household size	1.81	(X)
Average family size	2.18	(X)
(Source: 2000 Census)		

Female-Headed Households

Single-parent households often require special assistance due to their greater need for affordable housing, childcare, health care, and other supportive services. Female-headed households with children tend to have a lower rate of homeownership and higher rate of poverty than other types of households. Female-headed households comprise approximately 5 percent of the total number of households in Quartzsite.

Half of these households have children under the age of 18. Of the total number of female-headed households in Quartzsite, 18.7 percent are below the poverty level, while 20.2 percent of female-headed households with related children under 18 years and 22.5 percent of these same households with children under 5 live in poverty. Special care should be taken to make sure that these female-headed households with children have access to affordable housing.



Large Families

The average household size in Quartzsite is 1.81, compared to 2.32 in La Paz County and 2.64 in the State of Arizona. This suggests that families in Quartzsite are not susceptible to overcrowding and the need for construction of additional bedrooms is not apparent. However, as younger families move into the area to take jobs, this trend could change in the future.

Migrant or Seasonal Farm Workers

Migrant or seasonal farm worker means that at least one member of the household travels from location to location to find employment in the agricultural sector. The term “seasonal” means that at least one member in the household has employment at least three months out of the year in the agricultural sector. Five persons living in Quartzsite (.8%) work in the “farming, fishing and forestry industries.” Therefore, it appears that farm worker housing is not needed in Quartzsite.

4.1.2 EMPLOYMENT TRENDS

Employment trends identify the prevalence of increasing or decreasing income levels and unemployment rates, thus reflecting housing affordability. The availability of employment opportunities within the Town limits also affect the population as people move to locations where they can find jobs.

PRIMARY EMPLOYMENT SECTORS

The economy in Quartzsite is strongly based on tourism which is subject to seasonal fluctuations. This factor contributes to the higher unemployment rate and lower median income figure found in the Town of Quartzsite due to the lower employment opportunities and greater proportion of retirees in Quartzsite. The retail trade

INDUSTRY	Number	Percent
Agriculture, forestry, fishing and hunting, and mining	11	1.8
Construction	41	6.7
Manufacturing	28	4.6
Wholesale trade	0	0.0
Retail trade	171	28.1
Transportation and warehousing, and utilities	37	6.1
Information	20	3.3
Finance, insurance, real estate, and rental and leasing	26	4.3
Professional, scientific, management, administrative, and waste management services	29	4.8
Educational, health and social services	39	6.4
Arts, entertainment, recreation, accommodation and food services	95	15.6
Other services (except public administration)	52	8.6
Public administration	59	9.7
(Source: US Census 2000)		

industry accounts for 28.1 percent of Quartzsite’s employed civilian population, while the arts, entertainment, recreation, accommodation, and food services account for another 15.6 percent. Public administration and other services account for 18.7 percent of the Town’s labor force. In an effort to improve the economic base, create jobs and improve Quartzsite’s well-being, the Town is actively recruiting major employers. Employees hired at new industries will most likely be in the 25-44 year old age groups.



UNEMPLOYMENT

Of Quartzsite's population aged sixteen and older, 648 persons (20%) are currently in the labor force. The low percentage is due to the large amount of retired persons in Quartzsite. The employment rate, according to data obtained from the State Department of Economic Security is currently 4.2%, compared with the County rate of 6%. As the number of workers increases in the future, this rate should decline with the development of new jobs and industries in the Town. The Town Council intends to implement an active Economic Development Program to create new jobs.

4.2 HOUSING AVAILABILITY/AFFORDABILITY

In October 2002, The Town of Quartzsite, through a private consulting firm, undertook a housing condition survey of all the residential units within Town limits. The results of this survey, along with data from the 2000 US Census were used to determine the availability and affordability of existing housing stock.

The following section addresses housing conditions and characteristics that affect the quality of life of Quartzsite residents. These factors include: 1) housing growth; 2) housing type and tenure; 3) public and assisted housing; 4) age and condition of housing units; 5) housing costs and affordability; 6) overcrowding; and 7) cost burden.

4.2.1 DEFINITION OF QUALITY HOUSING

Safe, decent, sanitary, adequate, and affordable housing for all residents is the primary housing goal of the Town of Quartzsite. The Town's definition of what quality housing means in Quartzsite combines local conditions and state and federal standards to establish a housing standard that the Town will be striving to achieve through implementation of its housing programs, as well as other Town actions.

The most important characteristics of quality housing relate to basic life, health, and safety needs. Quality housing should provide adequate protection from the environment, be well maintained, and be energy efficient. It should be free from hazards such as lead paint and unsafe construction, and should provide necessary utilities, such as water, sewer, energy, and telephone. Quality housing should also be of an adequate size, such as measured by the Census as having no more than two persons living per room (excluding kitchens, bathrooms, hallways, and porches), so that the household is not living in overcrowded conditions. In addition, quality housing should be affordable, so that the household does not experience a cost burden (paying over thirty percent of their gross income). All of these factors are discussed in this Housing Element and the supporting documents.



Neighborhoods and community conditions also contribute to quality of housing. These include: access to public transportation, vehicle and pedestrian access, adequate street lighting, off-street parking, and open space/park facilities. Adequate sidewalks and streets, as well as street lighting, allow residents to travel safely from home to work, shopping, and recreation.

During the winter months when Quartzsite is overwhelmed with visitors, adequate parking becomes a primary concern. Inadequate off-street parking affects neighborhood conditions by forcing people to park on the street or in others' yards.

Minimum off-street parking requirements are defined by the Town in its Zoning Ordinance. Older units may have less off-street parking, either because they were not built to code, or the code existing at time of construction required fewer parking spaces. Overcrowding of housing units often results in more cars than available off-street parking. Alleviating overcrowding and code enforcement are the best means to address off-street parking issues. Shaded off-street parking is also a concern in Quartzsite due to extreme summer heat.

Finally, provisions of adequate open space/park facilities for recreational purposes is another factor that contributes to overall quality of housing. Onsite recreation facilities for multi-family and mobile home park housing projects is important to provide recreational opportunities in-lieu of private yards. Public parks provide recreational opportunities for all residents of Quartzsite. The Parks, Recreation, and Open Space Element addresses the need for adequate recreational facilities within the community.

An understanding of current population and housing trends is important when designing a comprehensive housing strategy to address issues within the community and provide quality housing, as defined above. The following sections provide a discussion of these issues.

4.2.2 HOUSING STOCK

The number of housing units in Quartzsite grew over 50 percent during the 1990s. (building permits issued for houses during 1990s). Manufactured homes and recreational vehicle parks account for much of the Town's housing stock. The availability of these affordable properties is an asset to lower income households. However, older mobile homes may deteriorate physically faster than conventionally built housing and many of the residents in mobile home parks are elderly. These residents may have difficulty repairing their mobile homes as they age. Mobile home parks sometimes lack the infrastructure of paved public streets, street lighting, and sidewalks, etc. that conventional neighborhoods take for granted. Mobile home parks are also home to many winter residents, with seasonal residents comprising many of the total number of mobile home residents. Given the nature of manufactured



housing developments, the Town must pay careful attention to the development and maintenance of manufactured home sites.

Multiple family housing plays a critical role in providing affordable shelter to all economic classes, but especially to those of moderate means and the elderly. Quartzsite currently lacks the multiple family housing developments that it needs to house current residents as well as the future residents it hopes to attract. These properties can deteriorate quickly without proper management and maintenance and must be examined periodically to determine whether they meet the standards of quality and environmental design. This will assist in maintaining the Town's valuable rental housing stock for the future needs of the Town's citizens.

An adequate supply of affordable housing is inherent in the concept of preserving existing neighborhoods. Affordable housing is defined as housing which can be purchased or rented and maintained to a reasonable standard by persons of low income. It is possible to provide decent, Code-compliant housing for all residents of Quartzsite if all affected parties are willing to devote time and secure funding for the effort of development. Affordable housing efforts could include the rehabilitation of older single residence properties, encouragement for developers to renovate existing multiple residence housing stock, and/or incentives for developers to build on in-fill residential properties.

In addition to living in mobile home parks and non-manufactured housing, many of Quartzsite's winter visitors live in their own recreational vehicles in RV parks. Although many of these parks lie vacant during the summer months, during the winter months the parks experience overcrowding. Efforts must be made to provide space for the winter visitors so valuable to the Town's economy.

HOUSING CONDITION

Housing units over 30 years old are likely to have rehabilitation needs, which may include new plumbing, new siding, roof repairs, foundation work, and other repairs. If not maintained, housing can deteriorate over time, which can depress property values, discourage reinvestment, and impact the quality of life in a neighborhood. According to the 1990 Census, approximately 13 percent of the housing units in Quartzsite were constructed before 1970. An additional 42 percent were between 20 and 30 years old, and may require substantial repairs during the next 10 years.

In October of 2002, a housing condition survey was conducted in Quartzsite. Housing condition was determined based on a number of elements, including the condition of the foundation, roofing, siding/stucco, window and electrical, as well as the existence of frontage improvements, such as curbs, gutters, adequate side drainage, paved streets, sidewalks and driveways. Many areas of the Town are already showing signs of deterioration, such as houses needing painting, new roofs



and foundations, landscaping in disrepair, and often multiple vehicles parked on the property.

Of the 145 houses surveyed, 61 (42%) are in sound condition and do not require any repairs or improvements, while 51 (35%) are in fair condition and require minor repairs or improvements. Another 28 (19%) of the houses surveyed are in poor condition and require moderate repairs or improvements, 3 (2%) are in very poor condition, requiring substantial repairs and 2 (1%) are dilapidated and should be recycled. If the spiraling effect of this deterioration is not aggressively treated, whole neighborhoods will begin and continue to experience declining values, high turnover of residents, increasing incidence of rental vs. owner-occupied housing, and an overall deterioration in security and the quality of life.

COST OF HOUSING/OVERPAYMENT

According to the 2000 US Census, the median housing value in Quartzsite was \$84,500 and the median gross rent was \$351. This is relatively lower than the County's median housing value of \$86,500. This would indicate that although housing costs are low, they are not necessarily affordable when compared with household incomes. The cost of housing is actually high and many households are overpaying.

Overpayment occurs when a household devotes more than 30% of their income towards housing costs thereby leaving limited funds available for food, clothing and healthcare. According to the 2000 US Census, overpayment only occurred in 13.2 percent of owner-occupied households and 14 percent of renter-occupied households. However, many households whose income falls below the poverty line may be overpaying and it is therefore critical to reduce the housing cost burden for these households.

HOUSING VACANCY

According to the US Census, in 2000, the vacancy rate in the Town of Quartzsite was 41.9 percent. However, 79.2 percent of these vacant housing units were for seasonal, recreational, or occasional use. Therefore, this high vacancy rate is not unusual for a community such as Quartzsite that has a large winter visitor population. However, most of these units are not available for other residents and newcomers to the community as they are not for rent. The high vacancy rate is not indicative of the number of units actually available for rent on the rental housing market.



4.3 EVALUATION AND ANALYSIS

4.3.1 HOUSING NEEDS

Quartzsite must target its housing programs to those exhibiting the greatest need so that adequate housing is available for all segments of the community. To that extent, the Town recognizes the importance of housing for low income and special needs groups. The following section outlines the existing and projected housing needs of the Town of Quartzsite based on population and employment projections.

PROJECTED GROWTH

Providing an estimate on the future housing growth and need in the community allows the Town to strategically plan for the housing of its future residents. Based on the Town’s recent building permit records and taking into consideration population, employment, and housing growth projections for the town, as well as growth potential within the Town and its planning area, the projected increase in housing should be higher than presented by existing and historical trends.

For strategic planning purposes, the Town developed a forecast of the Town’s population and housing stock. A substantial increase in permanent site housing (both single family and apartments) will be needed within the next 18 years to accommodate both senior citizens and younger families. Using a variety of data sources, the Town should grow to a population of 5,525 by 2005, 9,100 by 2010, 15,000 by 2015 and 24,700 by 2020. Likewise, the housing stock should reach approximately 3,300 by 2005, 4,333 by 2010, 6,521 by 2015 and 9,880 by 2020, assuming an average of 2.5 persons per dwelling unit by the year 2020 (Figure H-4). Growth for all time periods will result from development within the current Town limits, as well as annexation of land as property owners request annexation into the Town.

Figure H-4. **Projections for 2005, 2010, 2015 and 2020 based on Forecast Assumptions**

	2000	2005	2010	2015	2020
Population	3,354	5,525	9,100	15,000	24,700
Housing Units	3,193	3,300	4,333	6,521	9,880

CHARACTERISTICS OF FUTURE HOUSING STOCK AND HOUSEHOLDS

Assuming that 50 percent of these units will be site built, at least 4,300 new dwelling units will need to be constructed. The remaining dwelling units will consist primarily of manufactured housing (Mobile Homes). Of the new site dwelling units, 70 percent



will be assumed to be affordable apartments (3,010 units) and 30 percent will be assumed to be site built single family homes (1,290 units). Of the 3,010 site built apartments, 35 percent (1,053 units) will be constructed as affordable senior units for persons 62 years of age and older. Of the site built apartments, approximately 20 percent (602 units) are anticipated to be income restricted affordable units with tax credits or other government subsidy restrictions. These units will only be available to lower income households. These units will be comprised of primarily housing for lower income senior citizens, however, single female heads of household with dependent children may occupy some of the units.

Figure H-5. **Chart of Housing Types (Year 2020)**

Single Family	Senior Apartments	Manufactured Homes	Income Restricted
1290 Units	1053 Units	5580 Units	602 Units

4.4 CONSTRAINTS AND BARRIERS TO ADEQUATE AFFORDABLE HOUSING

The availability and production of affordable housing is constrained by factors in both the public and private sectors. Recognizing and understanding the source of these constraints are important in the Town’s commitment to housing for all segments of the population.

4.4.1 MARKET CONSTRAINTS

The cost and availability of land, the cost of construction, and market financing are all factors that contribute to the cost of housing and can potentially hinder affordable housing production. These costs are largely influenced by market conditions and local jurisdictions have little influence over these potential constraints. However, a jurisdiction can help mitigate these constraints using policies and programs such as homebuyer assistance, and affordable housing gap financing and incentives.

CONSTRUCTION AND LAND COSTS

A major component associated with the cost of constructing a new housing unit is the cost of building materials and labor, accounting for approximately 40 to 50 percent of the sales prices of new homes. Because of the unavailability of materials, construction costs are constantly fluctuating but typically range from \$45 to \$60 per square foot for low to moderately priced new single family homes. Single-family homes typically cost more to construct on a per square foot basis than multi-family housing. Multi-family construction exceeding 15 units begins at \$42 per square foot and decreases as the number of units increase based on economy of scale. Construction costs for single family residences can be reduced with the use of pre-manufactured homes such as modular homes or mobile homes. Lower housing costs



can be further achieved by reducing amenities and quality of building materials without compromising the safety and structural integrity of the house.

Though construction costs contribute a large component of the total development cost of a project, these costs are fairly consistent throughout the industry within a climatic region and do not constitute an actual constraint on housing production in Quartzsite. The reason construction costs are generally consistent within a climatic region, such as the southern portion of Arizona, is because housing with the same level of amenities will be constructed with similar materials to meet regional climatic needs, such as heat, cold or rain. Labor costs may vary between regions or metropolitan areas, such as between rural and urban areas, though labor costs in Quartzsite will be similar to other jurisdictions within the region (La Paz County and surrounding communities) that provide competition to attract Quartzsite residents since they are within the same economic market area.

The availability and associated cost of land has a direct correlation to the cost of a new home. The main determinants of land value are location, zoning, and size, as well as supply and demand. The market value of undeveloped land has been relatively stable within the past several years and does not appear to be a constraint on the construction of affordable housing. Programs that assist with the cost of land and construction can increase the affordability of both rental and for-sale homes. Availability of land in Quartzsite is highly dependent upon the Bureau of Land Management (BLM). The BLM land surrounds Quartzsite and the BLM controls the sale of public land for private uses. Minimum bid prices are set by the BLM.

FINANCING COSTS

The market interest rate on home purchases has a significant impact on housing affordability. Fluctuations in mortgage interest rates influence the number of potential homebuyers who are able to enter the homeownership market. Typical interest rates of 12 percent make it difficult for moderate and upper income households to afford homeownership, while lower income households have difficulty qualifying for conventional loans with below-market interest rates of 8.5 to 9.5 percent. Mortgage interest rates are influenced by economic conditions and policies at the national level, over which local jurisdictions have little control.

However, the Town of Quartzsite can identify, promote and implement government insured loan programs to increase homeownership opportunities for lower income households or implement subsidy programs. Government insured loan programs, such as the Federal Housing Authority, offer lower interest rates, reduced downpayment, and/or reduce mortgage insurance for lower income households. Government guaranteed loans have a higher approval rate for Quartzsite residents compared to conventional loans, particularly for lower income households. Such programs could reduce down-payment requirements to less than the 10 to 20 percent required through conventional financing. The Town can also offer interest rate write-



downs through State Programs or a Town Housing Authority to extend the availability of affordable housing.

Lending institutions are subject to the Community Reinvestment Act (CRA). CRA is intended to encourage regulated financial institutions to help meet the credit need of the entire community, including low and moderate-income neighborhoods and eradicate the practice of red-lining (not lending within specific areas, such as lower income neighborhoods or neighborhoods with high minority concentrations). Depending on the type of institution and total assets, a lender may be examined by different supervising agencies for its CRA performance.

To promote homeownership among all households, including lower income households, the Town will continue to work with lenders to distribute information regarding opportunities for the purchase of housing through the use of government guaranteed loans, as well as other available grants and loan programs.

4.4.2 GOVERNMENTAL CONSTRAINTS

Local policies and regulations can impact the price and availability of housing in a community. Many of these regulations are intended to improve the overall quality of housing, but land use controls, building codes, site improvements, fees, and other exaction required of developers, local development processing and permit procedures, and other issues may sometimes act as constraints to housing production, maintenance, and improvements.

LAND USE CONTROLS

Land use controls can impact the rate and cost of residential development in a number of ways. The two primary land use documents affecting residential development in Quartzsite are the Land Use Element and the Zoning Ordinance.

General Plan/Land Use Element

The Land Use Element establishes the overall character and development of the community, and identifies a range of permitted residential and nonresidential development, including maximum permitted development intensity throughout the Town and planning area. Quartzsite's General Plan was adopted in 1994 and an updated version of the General Plan is scheduled to be adopted mid-2003. This Housing Element update is being done concurrently with the update of the General Plan. The update of the General Plan and Land Use Element will minimize any constraints on the development of affordable housing.

Housing supply and costs are affected by the amount of land designated for residential use and the density at which development is permitted. The Land Use Element identifies the location and density/intensity of development within Quartzsite and the Town/County joint land use planning area.



The table on this page depicts the various General Plan land use categories that allow for residential uses. Additional information on the various land uses is contained in the Land Use Element.

Table H- 3. **General Plan Residential Land Use Categories**

Land Use Category	Minimum Residential Density Dwelling units/acre
Rural Density Residential	1
Suburban Density Residential	3
Low Density Residential	7
Medium Density Residential	15
High Density Residential	22

The Town has limited new residential development within areas subject to environmental and safety hazards. Quartzsite is subject to flooding as much of the Township lies within a flood plain. Residential development along these areas is limited and subject to strict engineering standards. While excluding or limiting residential uses within these areas does reduce the amount of land available for housing, allowing additional residential uses in these areas would expose residents to increased safety hazards.

Zoning Ordinance

The Zoning Ordinance depicts zoning for all properties within the Town limits. The Zoning Ordinance provides specific standards for the use of land, buildings, and structures under Town jurisdiction, as well as specific limitation on the development of land to maintain a level of quality for all types of housing.

The Quartzsite Zoning Ordinance provides for the following residential zones:

- Suburban Ranch/Residential Districts (SR and SR43)
- Rural Residential District (RA5)
- Low Density Residential (R1)
- Medium Density Residential (R2-M-R)
- High Density Residential

Development standards, as defined in the Zoning Ordinance, are established to ensure quality housing and to protect public health and safety. However, strict developmental standards can raise development costs and apply additional constraints to development. For example, the lack of land designated for High Density Residential could limit the opportunities for development of higher density housing in Quartzsite. The Town will continue to evaluate the impacts of Town development standards on the provision of housing in Quartzsite and identify programs to remove impediments.



Quartzsite's development standards and regulations under the Zoning Ordinance also strive to provide a diverse range of housing types in the community while preserving the character and quality of the community. While the Town allows for diversity in housing, market preference is for single-family units and mobile homes/manufactured housing. The Town should consider developing a strategy to promote the provision of affordable units in market rate housing projects. The strategy could be a mixture of incentives and requirements. Incentives may include a reduction in fees, priority processing, assistance with the provision of infrastructure and site improvements, reduction of zoning requirements such as parking and landscaping requirements, and/or increased allowable density. Incentives to encourage residential mixed-use development in targeted growth areas should also be evaluated. The specific incentives will need to be analyzed for appropriateness to the Town and for financial feasibility to the development community.

The Zoning Ordinance identifies allowable residential uses for the various zones. The Town will continue to evaluate its Zoning Ordinance to ensure that adequate housing is provided to all segments of the community, including the special needs groups identified earlier. If necessary, the Town should consider rezoning additional land for appropriate residential uses.

Quartzsite allows for a variety of residential uses including:

- Boarding House
- Manufactured Home
- Mobile Home
- Mobile Home Park
- Modular Home
- Multi-Family Dwelling
- One-Family Dwelling
- Recreational Vehicle
- Recreational Vehicle Park
- Two-Family Dwelling
- Group Home
- Homeless Shelter
- Congregate Care

BUILDING CODES AND ENFORCEMENT

The Town is dedicated to enforcing nationally accepted codes for safe housing construction and has adopted the Uniform Building Code. The Town building inspector is responsible for enforcing these codes.



FEES AND EXACTIONS

Fees and exactions are typically imposed upon developers to offset the cost of processing permits and providing government services. The developer, in turn, offsets these costs by increasing the prices on housing units. Fees and exactions in Quartzsite are relatively low and reasonable compared to some other Arizona communities. Thus, the impact on housing affordability is minimal, if any.

4.4.3 SUBSTANDARD HOUSING

As was discussed previously, a significant portion of the housing in the Town of Quartzsite is over 30 years of age which requires ongoing maintenance. Based on the housing condition survey, 58 percent of the housing stock in Quartzsite is in need of some repairs and improvements.

Many homeowners and landlords are unable to pay for needed maintenance. While some landlords are able to afford ongoing maintenance, they may not have the financial motivation to do so as long as they can continue to command relatively high rents without adequately maintaining the units.

To address the issue of poor property maintenance that occurs on individual properties throughout the community, the Town must consider adopting a property maintenance ordinance to ensure that the visual quality of Quartzsite is maintained and improved, and to ensure that unsafe and unsanitary conditions are promptly corrected by landlords.

4.4.4 EMPLOYMENT OPPORTUNITIES

Quartzsite's economy is heavily based on tourism, which offers primarily lower paying, seasonal jobs. According to Census indicators, many of the younger people of Quartzsite are leaving the community in search of improved economic opportunities and higher paying jobs. Without the ability to improve their pay, many Quartzsite residents are paying in excess of 30 percent of their wages for housing and/or living in housing conditions that are substandard.

By providing job training programs and expanding the economic base of the community, lower income households will be able to improve their income, thereby reducing the dependence on housing assistance.

4.4.5 PUBLIC TRANSPORTATION

While the lack of adequate public transportation is not a direct constraint to the provision of affordable housing, it may affect the ability of a transit-dependent person to travel to and from employment and needed services. If people are unable to travel to their place of employment, their ability to earn an adequate income to pay for



housing is directly impacted. In other cases, households are forced to spend significant portions of their limited income that should be used for housing costs to purchase and maintain private vehicles. Typically, lower income, disabled, and elderly households are most dependent on public transportation. These are also the households that typically have the most difficulty finding affordable, adequate housing.

4.4.6 ENERGY CONSERVATION

The cost of energy is a major concern because of the extreme high temperatures experienced in desert climates. In older homes, energy costs are one of the largest household expenses. Upgrading insulation, weather stripping and other weather protection measures can significantly reduce energy expenses thereby increasing a household's available income. However, the consolidated costs of energy improvements are out of reach for most low income households. For many lower income households, the costs of cooling and heating their homes already results in a significant portion of their income going towards utility bills. For some households, such as those with poor credit, there is also the additional cost of a high utility deposit. The Town can make loans and grants available to low income-qualified households for energy-efficiency improvements. USDA and other government agencies also offer assistance to low income households.

4.5 GOALS, OBJECTIVES AND POLICIES

The Housing Plan presented in this section of the Housing Element summarizes the issues and sets forth goals, objectives and policies to address the housing needs of all economic segments of the community. The purpose of this section is to establish general and specific guidelines for Town actions to meet the requirements of State law and work for the statewide goal of providing a decent home and a satisfying environment for all residents of the community. Quartzsite is currently experiencing a shortage of safe, decent, sanitary and affordable housing. Efforts must be made to develop and enforce strict standards regarding the development of housing for all residents, while at the same time, maintaining the quality of current housing units.

Goal: To be a Town that encourages the provision of safe, quality residential neighborhoods which are sound and affordable offering a variety of housing opportunities for all residents.

Objective: Encourage and promote a variety of housing types to meet all socioeconomic segments of the population, including both full time and seasonal residents.

Policy: The Town shall actively encourage an adequate supply of housing for low-



and moderate-income residents and assist developers in the creation of affordable housing.

Policy: The Town shall encourage a variety of housing types to accommodate the various needs of different groups in the community.

Policy: The Town shall help mitigate the constraints to housing development through financial and regulatory incentives.

Policy: The Planning Commission shall periodically review and update the Zoning Ordinance so as to accommodate the siting of affordable housing units.

Objective: Maintain and enhance the quality of existing housing stock for all residents.

Policy: The Town shall continue to pursue programs to fund housing construction and initiate a continuous prevention program to prevent the deterioration of all affordable housing units.

Policy: The Town shall develop strategies for recycling, rehabilitation, or condemnation of housing that does not meet minimum housing code requirements.

Policy: The Town shall work with citizens for community improvement to develop formal and informal housing maintenance programs to better target the housing needs by monitoring housing conditions and affordable housing units at risk.

Objective: Maintain strict development and subdivision standards for quality residential development and balance these standards with aesthetic and cost concerns.

Policy: The Town shall continue to review and update building standards.

Policy: The Town shall strictly enforce adopted building standards.

Policy: The Town shall develop a strategy to address the need for off-street parking.

Objective: Ensure equal housing opportunities to all regardless of race, ethnicity, color, national origin, religion, sex, disability, or family status.

Policy: The Town shall publicly promote and enforce the Fair Housing Laws to protect against arbitrary housing discrimination by the placement of posters and/or brochures. The information shall be posted at Town Hall and other public places.



- Policy: The Town shall assist private sector and public agencies that are capable of producing or assisting in the production of housing for special needs households.
- Objective: Provide a means by which the citizens of the community may furnish a meaningful contribution to the realization of the overall housing goals.
- Policy: The Town shall promote and encourage citizen participation in the planning and monitoring of the Housing Element and housing policies.
- Policy: The Town shall conduct community education and outreach programs to generate more knowledge, interest and ability for citizens to participate in planning issues relating to the accomplishment of housing goals.
- Policy: The Town shall continue to publicize all public meeting issues to increase community awareness and participation.
- Objective: Utilize Community Development Block Grant funds to further the provision of affordable housing in the community.
- Policy: The Town shall conduct a public hearing annually on the future uses of CDBG funds for housing or other eligible projects.
- Objective: Maintain and protect the character of established residential neighborhoods by identifying opportunities to provide assistance to property owners for renovations and rehabilitations.
- Policy: Investigate establishing programs which provide financial and technical assistance to property owners to help them improve their homes and properties.
- Policy: Develop a neighborhood improvement plan to identify areas that need and desire to be rehabilitated.

4.6 HOUSING ASSISTANCE PROGRAMS AND PLANS OF ACTION

In implementing the goals, objectives and policies of this Housing Element, the housing assistance programs and action plans identified in this section will outline specific actions to achieve those goals, objectives and policies. The housing programs include both the current and projected programs that will address the Town's unmet housing needs. Each action plan identified in this section includes a description of the housing assistance program, program objectives, funding source, program implementer and implementation time frame.



4.6.1 HOUSING PRODUCTION ON IDENTIFIED SITES

It is important for Quartzsite to identify adequate sites with appropriate zoning and development standards for housing types because, as discussed earlier, Quartzsite’s plan for residential uses directly affects the affordability of housing within the community. The table below illustrates the amount of land currently available in Quartzsite and zoned for various uses.

Figure H-5. Current Quartzsite Zoning

Zone	Square feet	Acres	Percentage of Total
Industrial – 1	1,493,382	34.28	0.149%
Industrial – 2	3,579,822	82.18	0.357%
Commercial – 1	2,088,886	47.95	0.208%
Commercial – 2	50,028,043	1,148.49	4.985%
Suburban Residential	76,556,502	1,757.50	7.629%
Rural Residential	867,394,728	19,912.64	86.432%
Low Density Res.	1,816,331	41.70	0.181%
Medium Density Res.	21,660	0.50	0.002%
High Density Res.	573,826	13.17	0.057%
Total	1,003,553,180	23,038.41	100.000%

Approximately 94 percent of the land in Quartzsite is designated for residential use. However, 91 percent of the land designated for residential use is zoned rural residential which only allows a density of 1 dwelling units per acre. The table below (Figure H-6) estimates the amount of land needed for future development by category, as well as the expected number of dwelling units that will be built on each land use category. As shown, approximately 6,687 new units could be installed in Quartzsite over the next couple of years. The total number of housing units to be constructed in the future could vary depending on the density of actual development. Additional land will also become available as developers request the Town to annex land within its planning area based on a pre-annexation agreement.

Figure H-6. Expected Dwelling Units & Required Acres by 2020

General Plan Land Use Category	Available Acres	Expected Dwelling Units by 2020	Acres Needed
Suburban Residential	1,757.50	129	645
Rural Residential	19,912.64	516	516
Low Density Res.	41.70	1504	173
Medium Density Res.	0.50	1718	122
High Density Res.	13.17	6013	273
Total	21,725.51	9,880	1,729



While the Town has over 21,000 acres available for residential development, the majority of land is designated as rural residential, a low density designation. The Town should continue to monitor its vacant land inventory and Land Use Element to identify appropriate locations for higher density housing, including mobile homes, multi-family, senior housing and RV parks if needed to house the Town's winter visitors, and re-designate land for higher density purposes. If necessary, the Town should consider increasing the density on properties where affordable housing is provided as part of the proposed project. Due to the concern of neighbors when increased property density is proposed, the Town should consider creating an education program, such as an Affordable Housing Guide, to educate the public about what affordable housing is and dispel some of the myths associated with affordable housing.

4.6.2 PROGRAMS FOR THE DEVELOPMENT OF AFFORDABLE HOUSING UNITS

While residential land costs in the Town of Quartzsite are generally lower than in the nearby communities, homeownership opportunities for the low and very-low income households remains limited. The following programs attempt to address the need for additional housing.

FEDERAL PROGRAMS

Community Development Block Grants

The Community Development Block Grant (CDBG) Program is a state sponsored program that grants money to rural cities and towns to administer in the form of housing rehabilitation and local business assistance loans.

Federal Housing Administration

Many low income families do not readily qualify for private home loans because of the high risk involved. The Federal Housing Administration (FHA) increases the possibility of home ownership by providing federal guarantees on loans made by private lending institutions to qualified low income home buyers.

USDA Rural Housing

The Rural Housing Service (RHS), an Agency within the Rural Development mission area of the USDA, administers Guaranteed Rural Housing Loans which helps very low to low income families finance their own homes. Applicants must be U.S. citizens or permanent residents and have an adequate adjusted household income with at least a 24-month work or income history.

Only new or existing homes in eligible rural areas qualify for USDA Rural Housing Loans. Benefits of this program include: no downpayments, 100 percent loan to value financing, no monthly mortgage insurance, and fixed rate interest rates.



Veterans Administration (VA) Loan Program

The main purpose of the VA home loan program is to help veterans finance home purchases. More than 29 million veterans and service personnel are eligible for VA financing. Some of the benefits of these kinds of loans include: no downpayment in most cases, financing of up to 100 percent of the VA-established home value, and no monthly mortgage insurance.

To obtain a VA loan, the law requires that: the applicant is an eligible veteran who has available entitlement, the loan is for an eligible purpose, and the veteran occupy or intend to occupy the property as a home. VA loans can be used to buy a home, townhouse, or condominium unit, to build a home, to purchase and improve a home, to refinance an existing home loan, or to buy a manufactured home and/or lot. For more information regarding VA loans, please refer to www.homeloans.va.gov.

STATE PROGRAMS

Arizona Department of Housing

The Arizona Department of Housing (ADOH) was established to make homeownership a reality for more Arizona families. ADOH has numerous programs available to first-time homebuyers, low-income residents and residents of rural counties in Arizona. Information regarding any of these programs can be found at www.housingaz.com.

Low Interest Mortgage Programs

Programs are available throughout Arizona for first-time homebuyers who meet the minimum requirements such as having decent credit and income at or below prescribed limits. Programs such as Mortgage Credit Certificate Programs and the Mortgage Revenue Bond can provide down payment assistance, low interest rates and other ways to make buying a home affordable.

Rural Home Purchase Assistance Program (RHAP)

RHAP provides assistance to the rural counties of Arizona. Families, including single people, whose yearly income does not exceed 80 percent of the area median income where the housing unit will be purchased, are eligible for the RHAP. The value of the house that is purchased cannot exceed specific limits and must be occupied by the family as a primary residence for at least five years. The maximum amount of RHAP assistance is \$10,000.

Special Needs Programs

Many of Arizona's low-income individuals and families have special needs, in addition to low incomes, which makes the search for affordable housing extremely difficult. This group includes, but is not limited to, persons with a serious mental illness, and/or other behavioral health diagnoses, persons living with HIV or AIDS, persons with physical disabilities, farmworkers, homeless persons, elderly persons or single-headed households. ADOH administers a variety of state housing programs



that can provide funding to agencies providing assistance to special needs populations. Included in these programs are the development of emergency shelters, transitional supportive housing facilities, permanent supportive housing and programs educating the public on eviction prevention, mortgage foreclosure, and emergency housing.

4.7 ACTION PLAN

Phase	Project	Responsible Agency/ Department	Funding Source
1-5 years	Re-designation/ Rezoning for Higher Density Residential – Re-designate land for higher density residential development to promote housing diversity and the development of additional rental and lower cost ownership units. Consider creating a public education Affordable Housing program to address the concerns regarding increased density and affordable housing. Once the Zoning Ordinance is modified, actively rezone or zone newly annexed lands to represent every type of zone.	Town of Quartzsite	Town of Quartzsite
	Affordable Housing Strategy – Consider developing an Affordable Housing Strategy that provides incentives to encourage development of affordable units. To best design an affordable housing strategy, a feasibility study should be completed and developers consulted.	Town of Quartzsite	Town of Quartzsite
	First-time homebuyers program – Continue to provide assistance to first-time homebuyers.	Town of Quartzsite/ ADOH/ FHA/ USDA	Private/ ADOH/ FHA/ USDA
	Persons with special needs and housing for the homeless – Consider implementing programs providing financial support for emergency and transitional housing programs.	Town of Quartzsite/ ADOH	Town of Quartzsite/ ADOH
	Promote equal housing opportunity – Distribute information to provide for the protection of the citizenry against discrimination through the dissemination of housing information.	Town of Quartzsite	Town of Quartzsite
	Winter Visitors – Consider monitoring the housing needs of the community’s winter visitors to ensure that adequate housing opportunities are provided. If necessary, the Town should consider rezoning	Town of Quartzsite	Town of Quartzsite



	additional land to provide appropriate housing opportunities.		
	Housing Rehabilitation – Consider providing emergency repairs, major home repair, and major home rehabilitation loans. Consider implementing a rental rehabilitation program.	Town of Quartzsite	CDBG
	Code Enforcement – Continue to enforce the Town’s code enforcement policies.	Town of Quartzsite	Town of Quartzsite
	Distressed mobile home and RV park improvement program – Consider adopting an improvement program to target distressed mobile home parks and subdivisions and RV parks to provide rehabilitation assistance that meets the needs of mobile home and RV owners.	Town of Quartzsite	Town of Quartzsite/ CDBG
	In-fill Development – Consider amending the Zoning Ordinance to include incentives for in-fill development. Incentives can target mixed-use development, accessory dwelling units, and in-fill within target neighborhoods.	Town of Quartzsite	Town of Quartzsite
	Citizen Participation – Maximize citizen participation in the implementation of this Housing Element. Initiate periodic workshops to evaluate the implementation of housing programs.	Town of Quartzsite	Town of Quartzsite
	Community Organizations – Continue to foster strong ties with and support the activities of local organizations that are involved with the provision of affordable housing and services.	Town of Quartzsite	Town of Quartzsite
	Neighborhood Revitalization – Consider implementing a neighborhood revitalization applied to appropriate areas within the community with concentrated rehabilitation needs.	Town of Quartzsite/ CDBG	Town of Quartzsite/ CDBG
6 + years	Property maintenance ordinance – Consider adopting a property maintenance ordinance to maintain and improve the visual appearance of the community.	Town of Quartzsite	Town of Quartzsite
	Annexation – Consider annexing approximately 1,280 acres of land by the year 2010.	Town of Quartzsite Planning Commission	Town of Quartzsite



4.8 SUMMARY AND CONCLUSION

This Housing Element was prepared to identify the existing and projected housing needs in the Town of Quartzsite. Several action plans were outlined to serve as a framework for achieving the Town's goal of providing decent housing and an adequate living environment for all segments of the community. The Town is not limited to those action plans identified in this document, and can incorporate any plan of action it determines beneficial to the overall quality of housing in the Town.

It is important to note that while the primary focus of this Element was affordable housing, a successful housing program will depend on a balance of all levels and types of housing. A diverse housing stock is essential to a healthy community.

Finally, this Element is intended to be used as a planning tool by the Town and the general public. Active participation and continual re-evaluation of this document is necessary to accomplish those goals identified in this Housing Element.