HOW SCHOOL DISTRICTS AND CITIES CAN WORK TOGETHER TO CREATE ATTAINABLE HOUSING OPPORTUNITIES

Presenters:
- Suzanne Pfister, CEO Vitalyst Health Foundation
- Tom Simplot, Director of Arizona Dept. of Housing
- Darlene Newsom, Consultant for Vitalyst Health Foundation
Vitalyst’s Vision: All individuals and communities in Arizona are healthy and resilient
The average life expectancy in Arizona is **79.5 years**.
Six of the state’s counties fall below the nation average life expectancy of 78.6 years.
Short Distances to Large Gaps in Health

Life expectancy at birth (years)

- Shorter
- Longer
SOCIAL DETERMINANTS OF EDUCATION

Poverty  Healthcare  Mental Health
School to Prison Pipeline

Housing  Food Insecurity  Immigration  Climate Environmental  Economy
Implications of the Pandemic
Teacher Shortage

- Arizona schools have turned to staff who do not meet standard teacher requirements
- 31% of teacher vacancies remain unfilled
- 48% of the vacancies were filled by teachers who did not meet state certification standards

(Az School Personnel Administration 2022)
Educator's Pay Gap

- AZ educators face significant wage penalties, about 36%, compared to other college-educated workers.
- Average salary for public school teachers is $58,489.

https://reports.mysidewalk.com/cd86c91751#c-745375
Challenges for Cities: Housing Shortage

- State needs 270,000 additional homes/apartments to keep up with the state’s growing affordable housing problem. (ADOH)

- Rents in the Valley expect to reach $1,750/month by the end of 2022.....2021 avg, rent was $1,480. (AZ Republic 2022)

- Housing shortages will hurt Arizona’s ability to attract and retain employers and employees.
U.S. CITIES WITH FASTEST RENT INCREASES IN 2021

# 1 New York 33.5%
# 2 Tampa, Fla. 31.4%
# 3 Scottsdale 31.1%
# 5 Mesa 29.5%
# 8 Phoenix 27.9%
# 9 Glendale 27.5%
#14 Chandler 26.3%
#16 Gilbert 25.8%

Source: Apartment List Rent Estimates
Connecting Housing and Schools

KEY HOUSING FACTS

• The median home price in the Phoenix area rose 216% since 2000, but the median salary rose only 48%.

• By 2025, it is possible that only 21% of the Valley’s population will be able to buy a home.

• Police officers, firefighters, school teachers, construction and retail workers are already priced out of the home-buying market, and are already priced out or close to being priced out of the rental market.

• Homebuilding did not keep up with the Valley’s population, affecting every Valley community, from entry-level homes to mansions.

How School Districts Can Create Attainable Housing Opportunities
Legal and Financial Pathways to Attract and Retain Employees

June 2021  School districts around the country have been searching for opportunities so teachers and support staff are able to live close to the schools they work at. This report highlights creative attainable housing solutions in Arizona and other markets.
Arizona Dept of Housing
Tom Simplot, Director

Supporting the Schools and Housing Effort
Funding Mechanisms

- 9% Tax Credit Program
- 4% Tax Credit Program
- Local Government Funding
- American Rescue Plan Act
- General Obligation Bonds
- Pre-development loans through Local Initiatives Support Corporation (LISC)
- Tax Exempt Bonds
- Private Development Funds
- Social Impact Funds
So How Might This Actually Work?
Arizona Efforts

• Vail Unified SD: built 24 tiny houses on a 14-acre lot.
• Yavapai County’s Board of Supervisors approved the Home of My Own Program.
• Tuba City Unified School District: part of the employment benefits offered to teachers includes teacher housing.
• Native Housing Partnership: 13-acre site consisting of single-family homes, apartment complexes, commercial, and governmental offices.
School-Owned Land for Housing

• School districts are exempt from local zoning laws.
• Public land policies make government-owned land available for housing.
• Schools have underutilized assets that could be re-purposed.
School-Owned Land for Housing

• Schools may collaborate with for-profit or non-profit builders/developers.
• HUD favors public-private partnerships for housing finance and rental assistance program.
• Teachers and Staff living in the district is great for everyone!
Shared Use Agreements

• Shared use or community use agreements allows for multi-purposes.
• Allows for improved health, greater equity, increased community cohesion.
• Examples like Boys & Girls Clubs and school-based AHCCCS clinics
• Conflicting state statutes related to "teacherages" and laws allowing governing board actions.
• Requiring public vote on projects needing more than a 20-year lease.
• So much going on in the education space right now.
Other Options

- Rental deposit assistance for staff.
- Homebuyer Education
- Establish relationships with banks to offer affordable loans.
- Monthly rental subsidies-financial support to help offset monthly rent.
School Property

- Community Health Center instead of Nurses Office
  - Billable services as a revenue source
  - City Human Services
- Daycare center – sick care for staff
- Community use – Boys and Girls Club
- Multi-family housing for teachers, support staff and neighbors
- Funded by a combination of City, County, and affordable housing tax credits
Initial Discussions

- Globe Unified School District
- Washington Elementary School District
- Alhambra Elementary District
- Phoenix Elementary District
- Phoenix Union High School District
- Mesa Unified District
- Roosevelt Elementary District
- Isaac Elementary School District
- Pendergast Elem. School District
- Oracle Elem. School District
- Cottonwood-Oak Creek Elementary District
- Payson Unified District
- Yuma School District
- Avondale Elementary District
- Buckeye School District
- Showlow School District
- Paloma School Elementary
- Gila Bend Unified School District
- Dysart Unified District
- Osborn Elementary District
- Baboquivari Unified School District
- Creighton Elementary District
- Paradise Valley Unified District
Progress Thus Far

- Many funding partners.
- Contracted with Dr. Denton Santarelli, former Supt. of Peoria Unified School District to assist in school relationships.
- Met with potential non-profit and for-profit developers as well as Community Health Centers.
Progress Thus Far

- Outlined several financial models.
- Convened state depts. including ADE, ADOH, DES, ADOH and AzDHS to collaborate on resources and expertise.
- City of Phoenix Mayor Kate Gallego hosted forum with Phoenix School Superintendents
- Conversations with several cities and towns on partnerships.
Work Through the Next Year

- Develop a toolkit that can be used by school districts to create housing options.
- Create the opportunity for shared use agreements.
- Model RFP for districts.
- Match 7-9 districts with health centers and developers/financers.
Your Mission:

• School district(s) and city staff should meet together

• Look for city property as well as school land.
• Bring in affordable housing and healthcare providers: multi-use facility.
• Look at church land and other places with opportunities.
• Work with us on the development of the toolkit.
A CATALYST FOR COMMUNITY HEALTH

VitalystHealth.org
## Building Housing for District Employees

<table>
<thead>
<tr>
<th>Process</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site and Partner Selection with District</td>
<td></td>
</tr>
<tr>
<td>Density Studies</td>
<td>(How many units? Study workforce/community needs.)</td>
</tr>
<tr>
<td>Financial Modeling</td>
<td>(What rents are being charged? What are expenses? What type of financing works-low income housing tax credits, traditional financing?)</td>
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<tr>
<td>Site Due Diligence</td>
<td>(Market Studies, Environmental Reports, working with partners, etc.)</td>
</tr>
<tr>
<td>Closing on All Financing</td>
<td>(obtaining all permits and clearances to begin construction)</td>
</tr>
<tr>
<td>Financing Application Process</td>
<td></td>
</tr>
<tr>
<td>Architectural Design</td>
<td></td>
</tr>
<tr>
<td>Construction Process</td>
<td></td>
</tr>
<tr>
<td>Lease-Up of all Eligible District Employees</td>
<td></td>
</tr>
<tr>
<td>On-going Compliance with all Financing Sources</td>
<td></td>
</tr>
</tbody>
</table>