



# Follow-Up – 2022 Council Strategic Planning Session Multi-Family

Town Council



# 2022 Planning Session

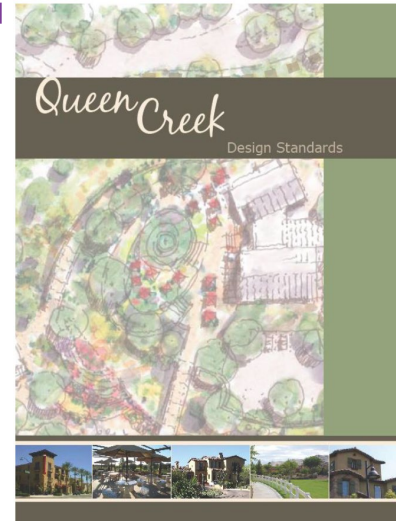
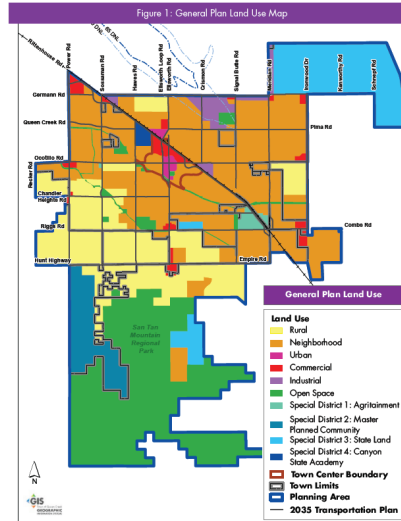
1. Update the 2020 Elliot Pollack Land Use Balance Report
2. Provide an update on the implementation of the General Plan and Zoning Map related to multi-family development
3. Provide a review of multi-family design standards



2022

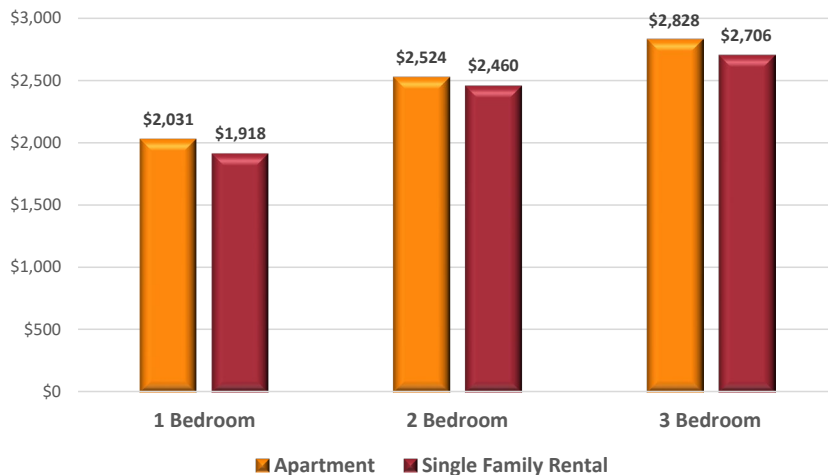
Queen Creek Land Use Balance & Fiscal Impact

APPLIED ECONOMICS  
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Phoenix, AZ 85028

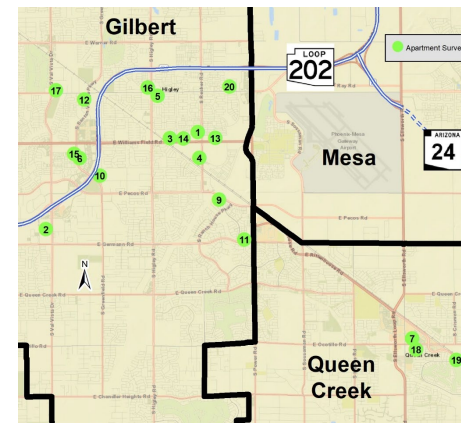


# Current Single Family and Multifamily prices

- Two bedroom apartments in the area average about \$2,500 per month
- Average apartment rents rank among the highest in the Phoenix metro
- Survey prices show single family rentals slightly less than apartments
- Median single family home price of \$625,000 is well above the market average
- Increase in interest rates combined with the recent increase in housing prices, impacts housing affordability



Apartment & SFR Survey

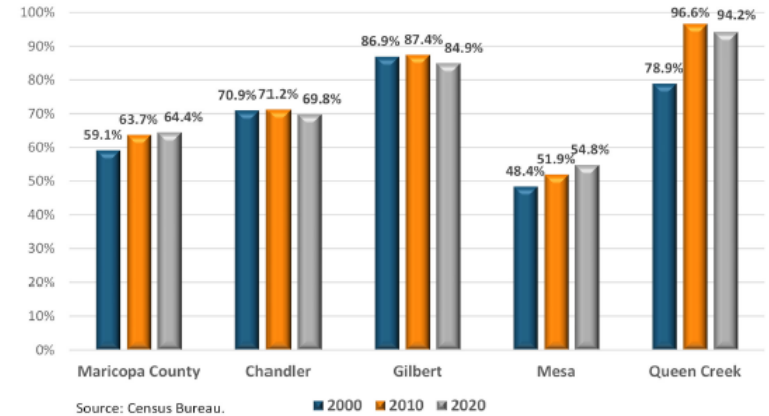


# Residential Balance

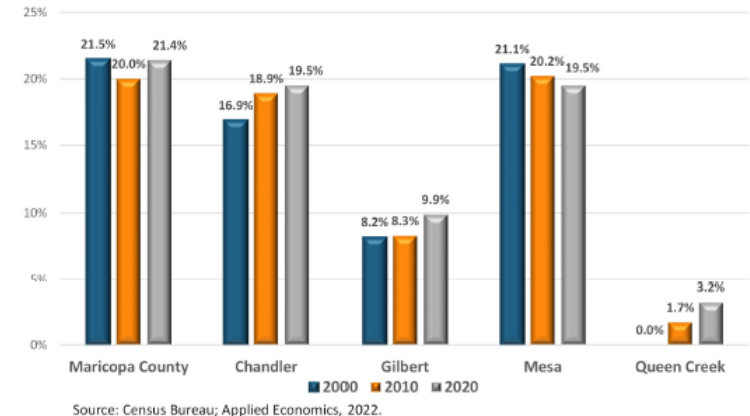
- Single family units comprise a smaller share of the housing stock in more established communities
- About 20% of the housing stock is apartments and condominiums in communities with large jobs centers like Chandler and Mesa
- The current lack of apartments and other types of rental housing in Queen Creek is a potential barrier to economic growth



Single Family Units as a Percentage of Total Housing Inventory



Apartment and Condominium Units as a Percentage of Total Housing Inventory



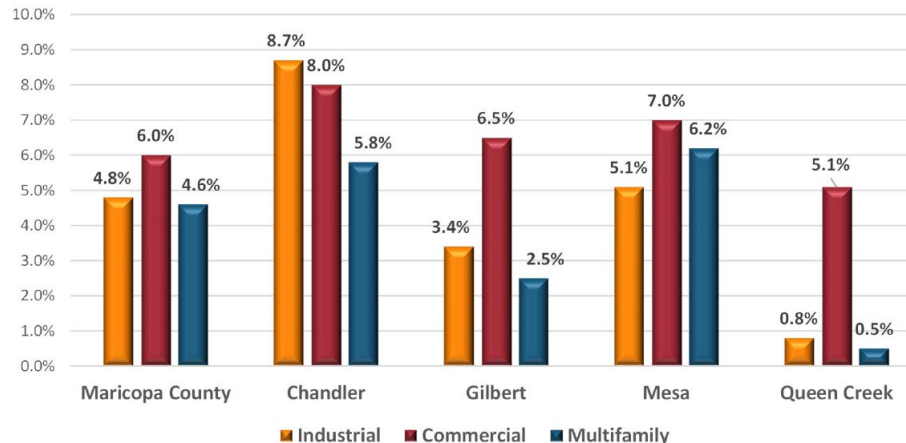




# Land Use Sustainability

- Commercial development, which is largely population driven in the suburbs, appears to comprise a fairly consistent share of developed land area
- Industrial development, which is at least partially workforce driven, tends to be proportional to the share of multifamily development
- Southeast Valley communities with highest levels of multifamily development also have the highest levels of commercial development.

Industrial, Commercial and Multi-Family Land Uses as a Percent of Developed Acreage



# Residential Development Pro-Formas

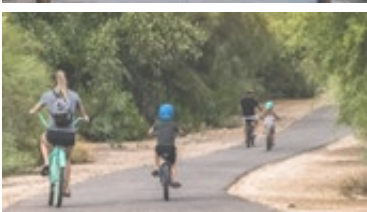
Pro-Forma	Rent/ Price	Units/ Acre	Square Feet	HH Income
Large Lot	\$912,000	1.5	3,850	\$270,329
Move-Up	\$672,000	3.0	2,900	\$199,190
Small Lot	\$517,500	4.5	2,100	\$153,394
SF Rental	\$2,361	12	1,350	\$113,344
Apartments	\$2,461	21	1,000	\$118,128



# Revenue Impact Results

- Fiscal analysis assumes a 14-acre site
- Primary revenues generated by residents include sales tax, property tax and state shared revenues
- Total revenues for the 14-acre site largely depend on density, but revenues per unit are proportional to housing values/rent levels
- Apartments and single family rentals include sales tax on rents
- Household spending is proportional to income to a point, but households with incomes over \$200K tend to save or invest more and spend a lower percentage of their income (Census Consumer Expenditure Survey)

Pro Forma	Sales Tax	Property Tax	State Shared	Total	Per Unit
Large Lot (21 units)	\$14,600	\$24,500	\$22,800	\$61,900	\$2,947
Move Up (42 units)	\$30,400	\$36,100	\$45,500	\$112,000	\$2,666
Small Lot (63 units)	\$43,300	\$41,700	\$68,300	\$153,300	\$2,433
SF Rental (168 units)	\$201,700	\$59,200	\$153,300	\$414,200	\$2,466
Apartment (294 units)	\$367,900	\$72,800	\$211,000	\$651,600	\$2,216



# Conclusions from Land Use Balance Analysis

- A diverse range of quality housing, rental and for-sale, is needed to support economic development and provide a the range of options needed in a diverse community
- Apartments and other rental may generate higher revenues on a per acre basis due to taxable rents and density
- Higher household incomes only generate more local spending to a point
- Market-orientation of for-rent housing in Queen Creek is attracting residents with very similar income profiles to existing single family units, including renters-by-choice that do not fit traditional profile of apartment dwellers
- Given the impact of increased interest rates on housing prices, the need for more “affordable” units is only going to increase. This will likely lead to requests for increases in density and potentially other zoning changes.





# Types of Multi-Family (MDR)

Attached and Detached for Rent  
Avanterra at Madera

MDR

DU: ~8 du/acre



Single-Story For Rent

EVR at Spur Cross

MDR

DU: ~10-12 du/acre



Condominiums/Townhomes

Encanterra Resort Casitas

MDR

DU: ~8-11 du/acre



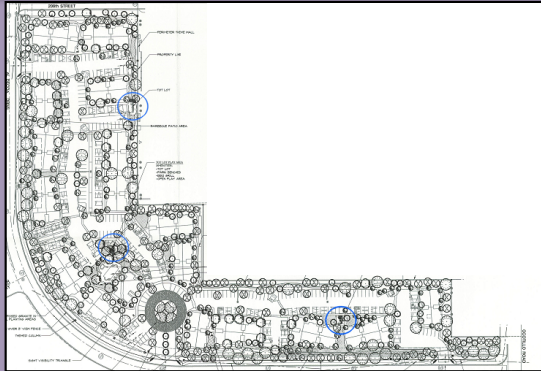
# Types of Multi-Family (HDR)

Apartments

HDR

DU: ~17 du/acre

Towne Center Apartments

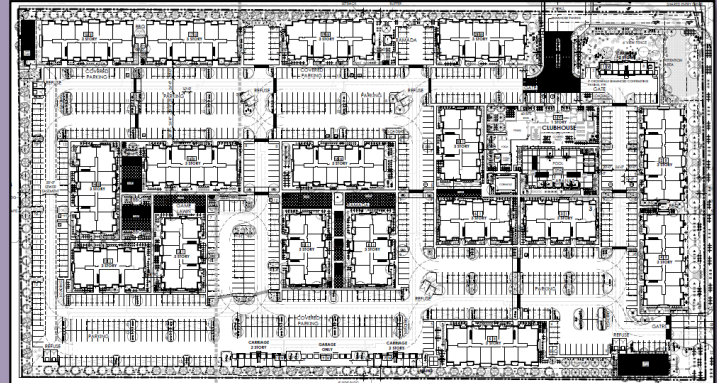


Apartments

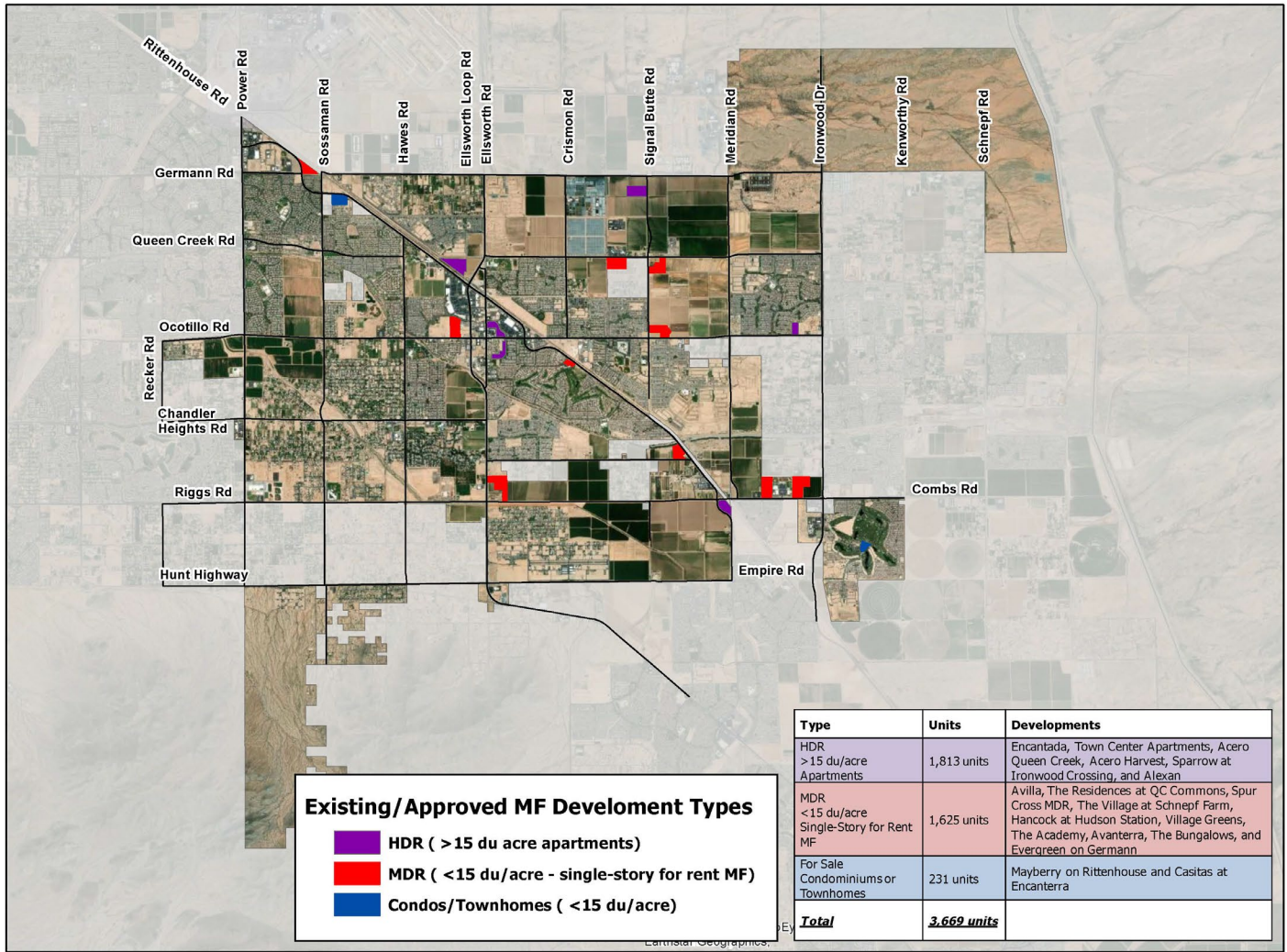
HDR

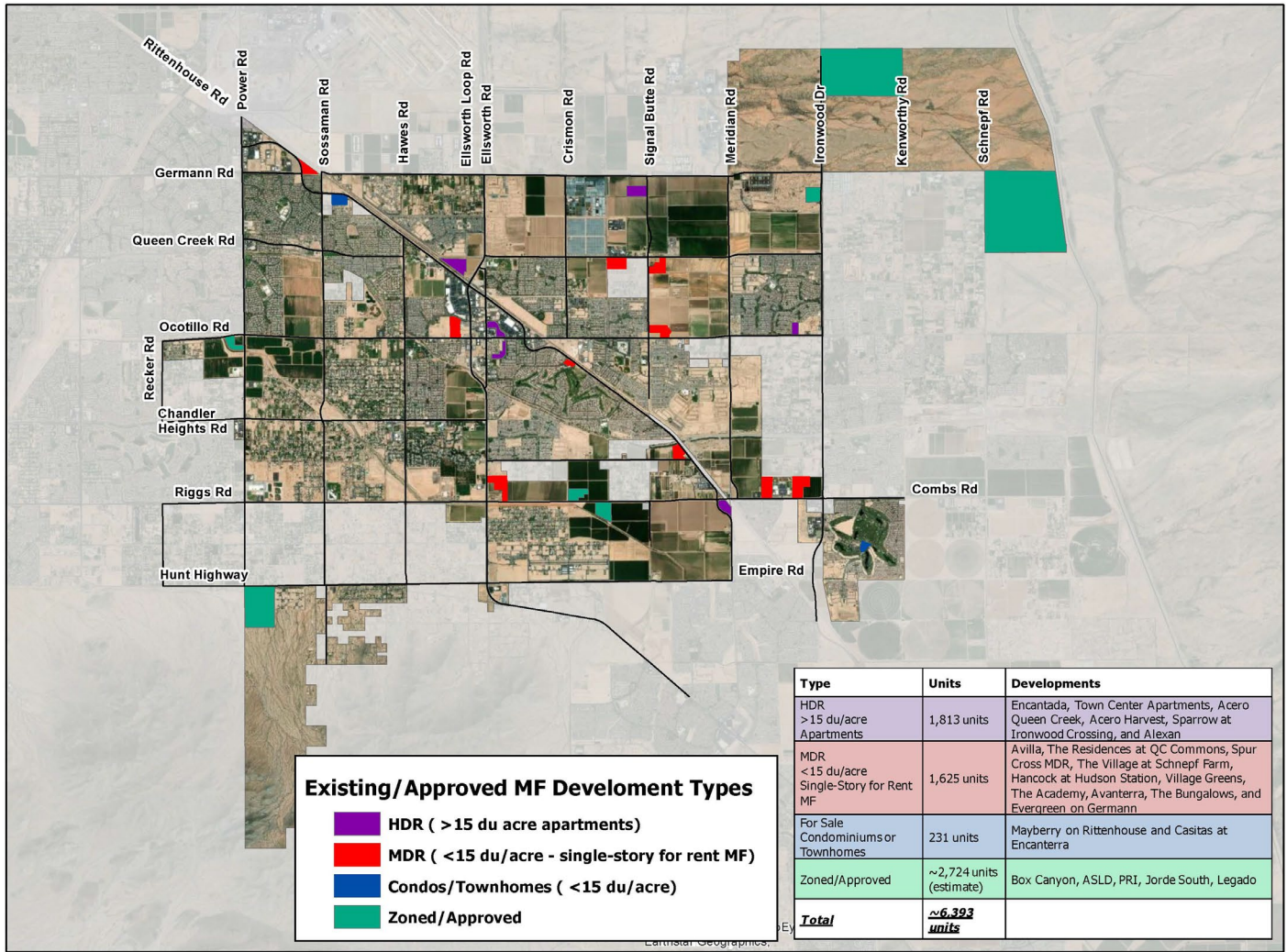
DU: ~25 du/acre

Alexan

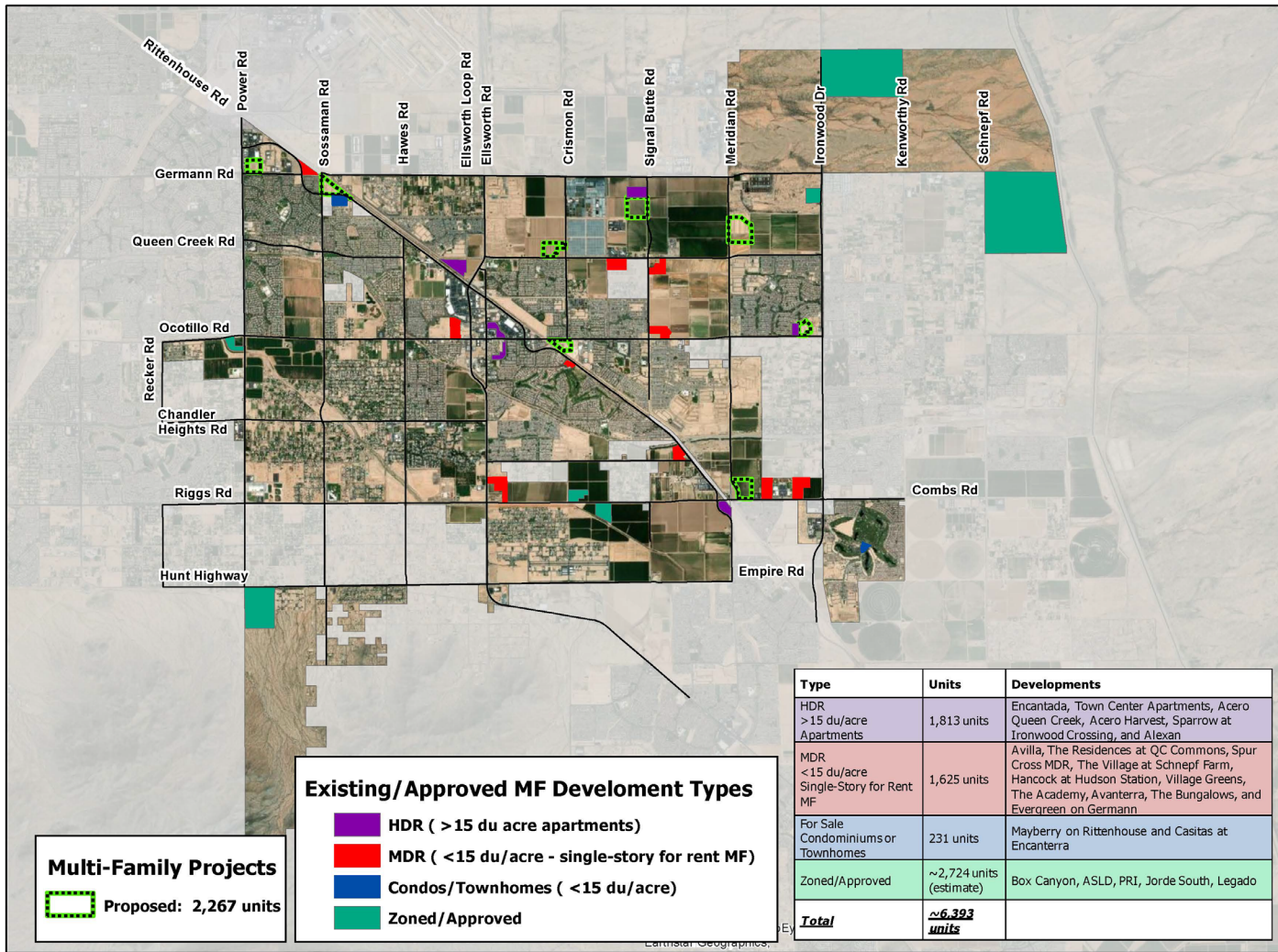

















**Multi-Family Projects**  
 Proposed: 2,267 units

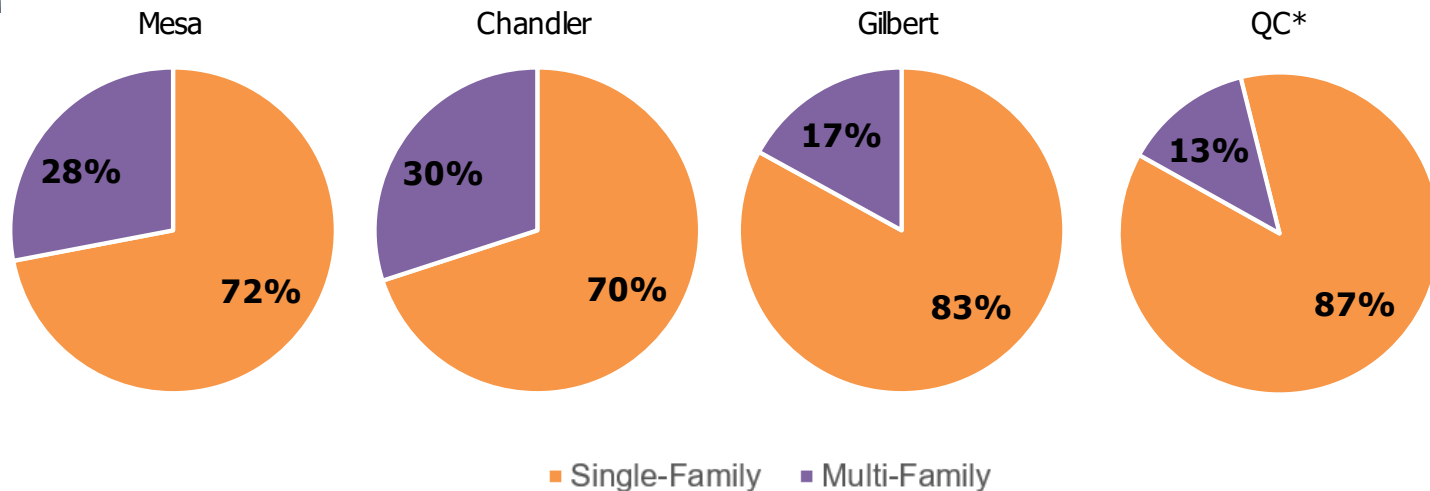
**Existing/Approved MF Development Types**

-  HDR ( >15 du/acre apartments)
-  MDR ( <15 du/acre - single-story for rent MF)
-  Condos/Townhomes ( <15 du/acre)
-  Zoned/Approved

Type	Units	Developments
HDR >15 du/acre Apartments	1,813 units	Encantada, Town Center Apartments, Acero Queen Creek, Acero Harvest, Sparrow at Ironwood Crossing, and Alexan
MDR <15 du/acre Single-Story for Rent MF	1,625 units	Avilla, The Residences at QC Commons, Spur Cross MDR, The Village at Schnepf Farm, Hancock at Hudson Station, Village Greens, The Academy, Avanterra, The Bungalows, and Evergreen on Germann
For Sale Condominiums or Townhomes	231 units	Mayberry on Rittenhouse and Casitas at Encanterra
Zoned/Approved	~2,724 units (estimate)	Box Canyon, ASLD, PRI, Jorde South, Legado
<b>Total</b>	<b>~6,393 units</b>	

# Housing Stock Comparison

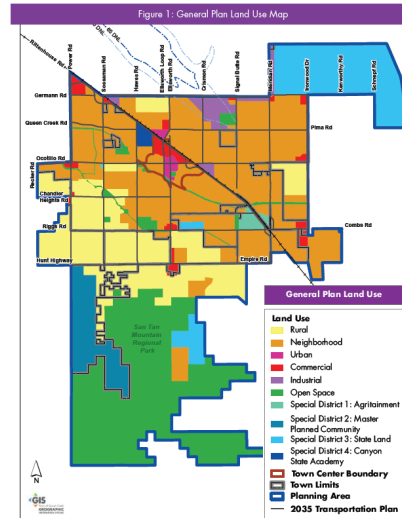
Percentage of MF as a percentage of total completed housing units (as of Jan. 2022)



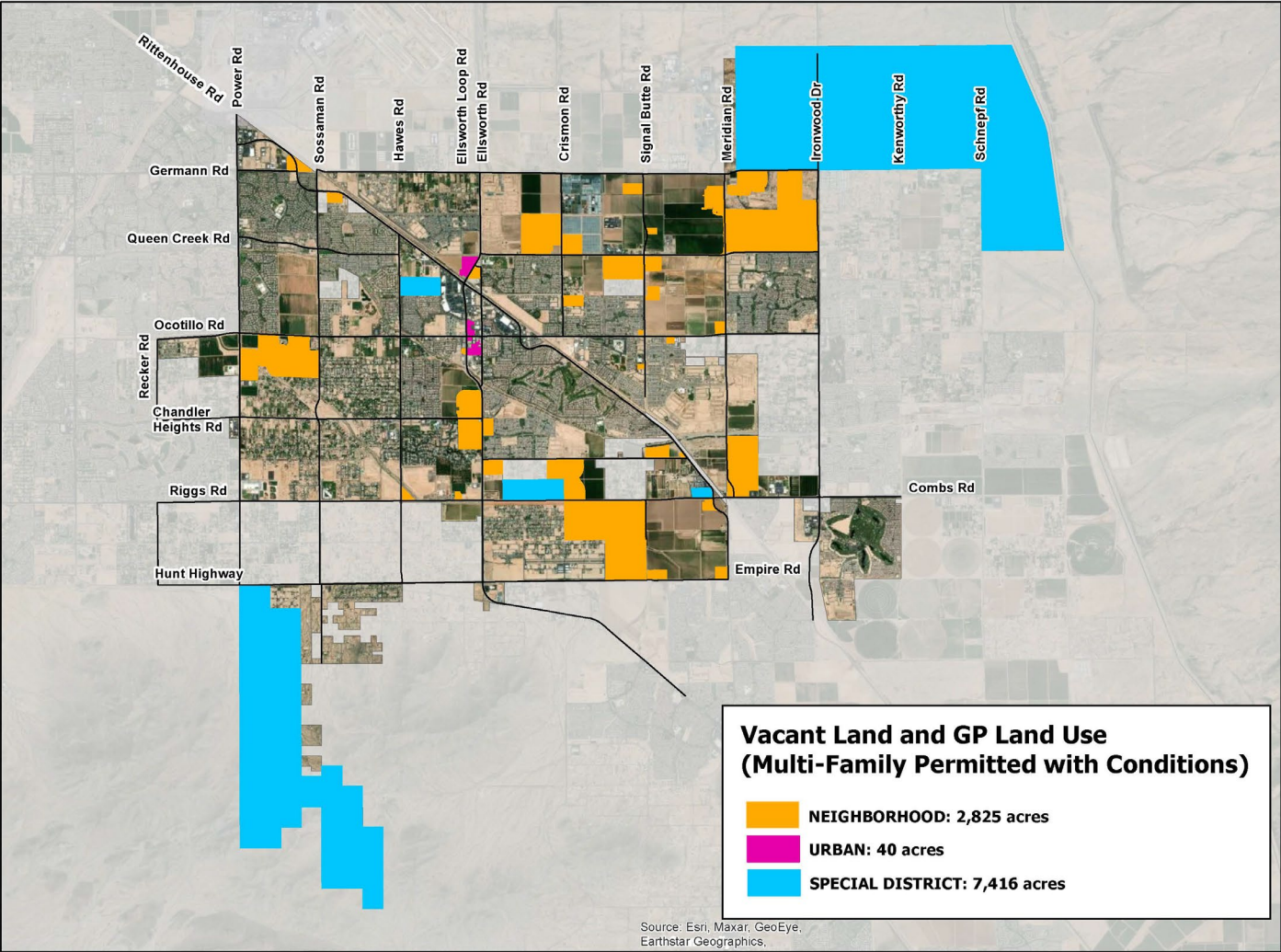
*\*Includes all MF units approved and under construction*

# Multi-Family & the General Plan

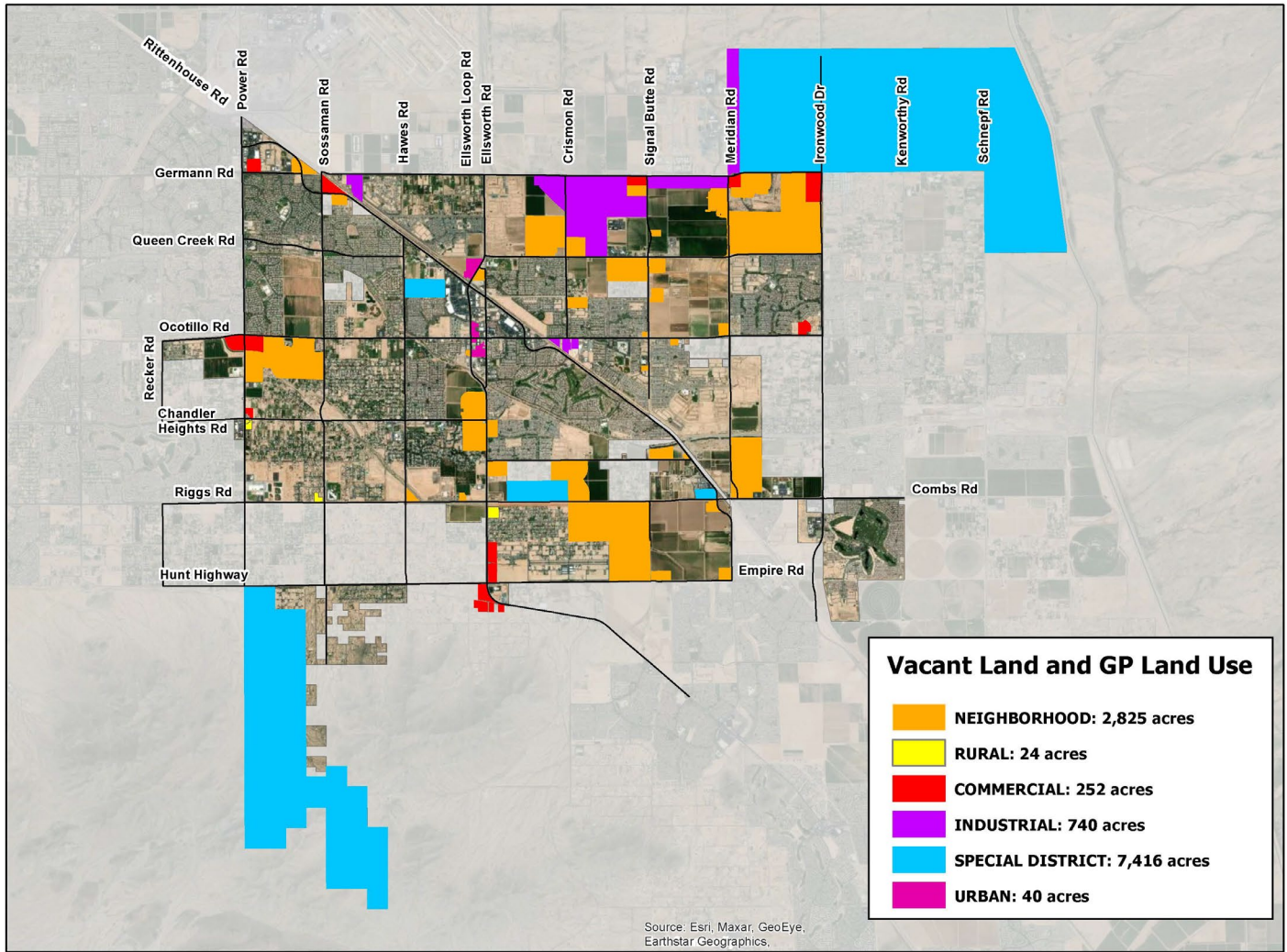
1. Map 1 - Vacant land designated as Neighborhood, Urban, and Special Districts, which are the only designations where multi-family may be permitted with conditions
2. Map 2 - Vacant land in Town and its associated General Plan land use designation
3. Map 3 - Overlays existing and proposed MF projects over the vacant properties.

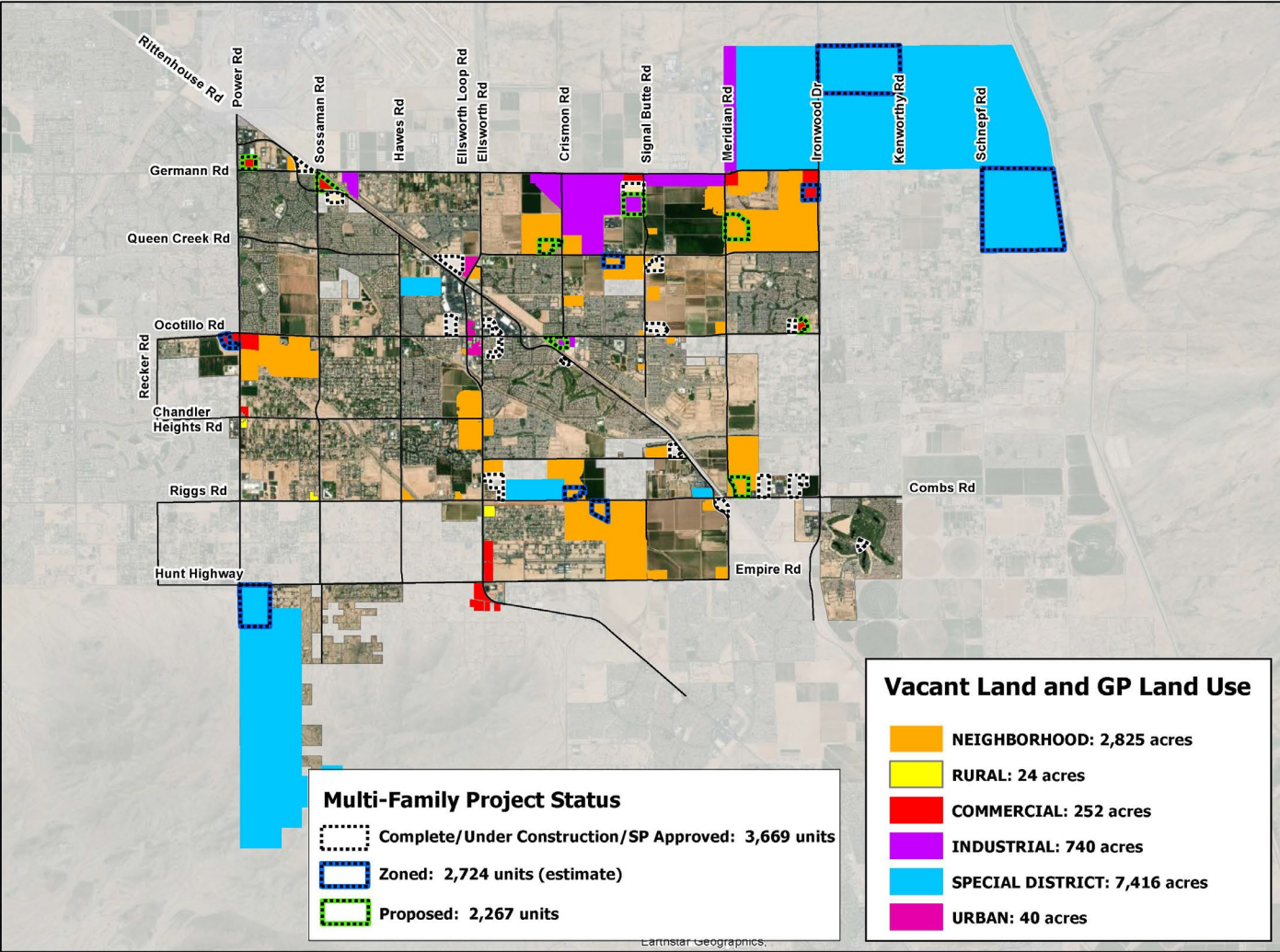














# Reviewing Multi-Family Development Proposals

- Conformance with Zoning Ordinance requirements and Design Standards
- Compliance with General Plan Land Use and conditions
- Adequate transitions (& buffers)
- Compliance with all Town traffic requirements and infrastructure standards
- Neighborhood input
- If the request eliminates land dedicated to commercial, industrial, or open space development
- Development design and the transition to adjacent single-family developments in both building design and site design
- Location

Direction as new multi-family development applications are proposed



Thank you.

