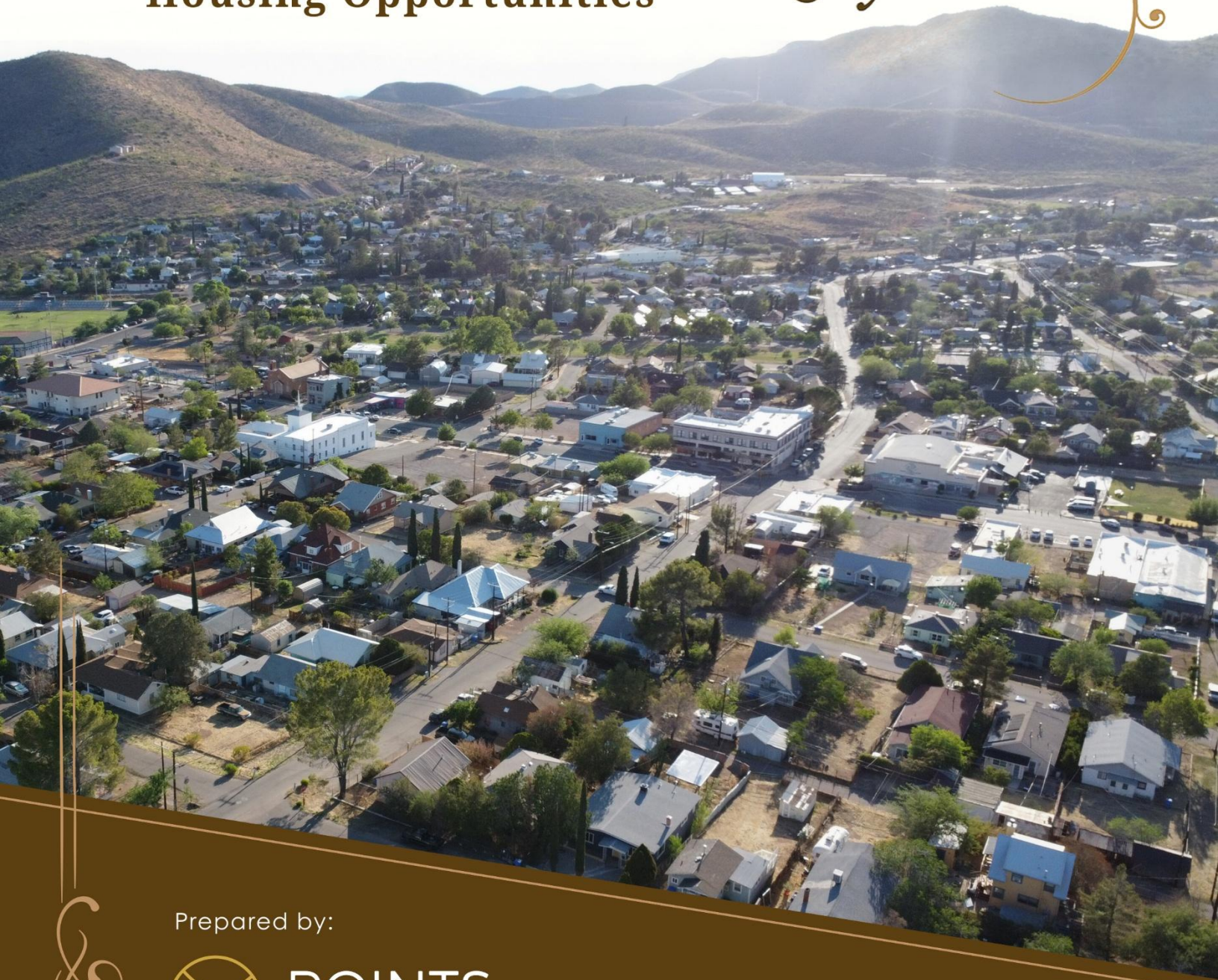
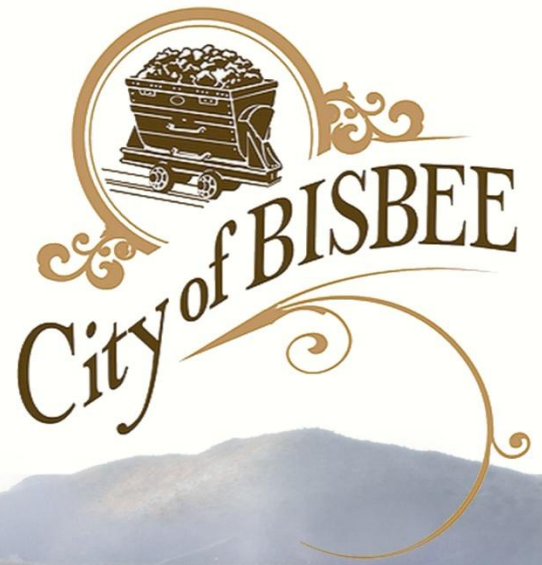


# BURNISHING BISBEE

## An Action Plan for Preserving & Enhancing Housing Opportunities



Prepared by:



**POINTS**  
CONSULTING

June 2025



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# 1. Executive Summary & Introduction

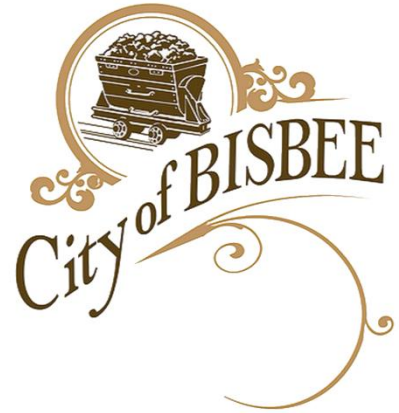
## Executive Summary

### Housing Situation

As the City of Bisbee is unique, so too are its housing market and past development patterns. Unlike in the past, Bisbee no longer depends on the price of copper. Despite the challenges posed by the Lavender Pit and Freeport McMoRan's land ownership, which have shaped Bisbee into three distinct neighborhood clusters, the City has taken proactive steps to address housing concerns. Today, Bisbee boasts one of the most innovative affordable housing programs in the country. The Step Up program rehabilitates dilapidated housing units and sells them to local workers at targeted income levels for 20% below market rate prices.

More opportunities lie ahead. With EPA funding, Bisbee is cleaning up the old Hillcrest hospital, preparing it for auction to a private owner. Originally converted into a multi-unit apartment building in the mid-1900s, this property will significantly boost Bisbee's housing stock. Additionally, the City owns a 17-acre property in its growth area, where it has established a zoning overlay to allow for middle-density housing. Though not a residential project, a new commercial port of entry is set for construction in Douglas, Cochise County. This project is expected to generate hundreds of jobs, providing an opportunity for Bisbee's community to grow through population spillover.

However, housing affordability remains a major concern. At the time of Points Consulting's (PC's) assessment, 66% of Bisbee's households could not afford to purchase an average-priced home (this figure drops to 52% for Cochise County as a whole). Rental burdens are also severe: 31% of renters spend more than 30% of their income on housing, and about 60% of low-income renters spend the same. Despite these pressures, only 4% of Bisbee's housing stock is subsidized for low-income households.



Housing supply challenges are tied to the age and condition of housing stock. Bisbee has approximately 3,200 housing units, 56% of which were built before 1940. This places the City in in the 99<sup>th</sup> percentile for areas with at least 3,000 housing units (both nationally and within Arizona). Aging homes require substantial upkeep, and without it, units become dilapidated and uninhabitable. Many housing units in Bisbee remain unoccupied. The City's vacancy rate is about 19%, though it has declined over the past five years. PC identified about 150 vacant properties in R1-zoned areas. Nearly half (46%) are blighted, while 48% are used for seasonal, recreational, or occasional use.



*Homes in Bisbee, PC on-site, 2024*

Short-term rentals (STRs) have become a hot topic in Bisbee, as the tourism industry plays a major role in the local economy. PC identified approximately 230 active STRs in Bisbee, accounting for 9% of the City's housing stock. In Old Bisbee, where many of these STRs are concentrated, they represent nearly 20% of housing stock. Warren has about 40 active short-term rentals. Unfortunately, a high concentration of STRs can reduce housing availability for local workers, shrink the overall housing supply, and likely contribute to the decline in renter-occupied units. Many residents favor limiting short-term rentals, but state law effectively inhibits local regulation. This limit on local oversight is significantly different from neighboring states, such as Colorado, who have really intensified the effort on this front.



*Airbnbs in Bisbee, AZ, [www.airbnb.com](http://www.airbnb.com)*

Bisbee's housing stock is predominately low density and lacking in diversity. About 85% of occupied units are single-family detached homes. This is far above the state and national averages, which are 65% and 62%, respectively. Two-unit buildings are the next most

common type after single-family detached, but only account for 5% of the total housing stock. Manufactured homes are more prevalent elsewhere in Cochise County (18%), and virtually no multifamily housing has been built in Bisbee since 2000. Owner-occupancy rates in Bisbee stand at 73%. This is significantly higher than the national average of 65%.

Adding to the problem, new housing production has been minimal. Since 2000, the City has contributed less than 1% of Cochise County's new housing units, and no year has seen more than eight new units built. While housing rehabilitation helps, most rehabbed units are still single-family homes, and often unaffordable to many households. Meanwhile, construction costs in Arizona remain relatively low; in Tucson, an average-quality 1,800-square-foot home costs about \$129 per square foot to build, compared to the national average of \$149.

In the wake of COVID-19 and rising inflation, housing prices and rents have climbed steadily in recent years. Home values in Bisbee have increased more than 8% annual for the past five years according to Zillow, doubling the rate of local income growth. As of December 2024, the median home in Bisbee sold for \$246K, while Zillow's valuation for a typical home is \$217K. Current listings on the market suggest even steeper price hikes.

Rental data is limited, but Housing and Urban Development (HUD) data show a 37% increase in Fair Market Rents for two-bedroom units over five years. Estimates indicate the average rental price for a two-bedroom apartment in Cochise County is about \$950 per month. PC analyzed rental listings from major online platforms, finding just 11 available rental units. Two of these were mobile home park lots. This aligns with Census Bureau data showing that both the number and share of renter-occupied units in Bisbee have declined over the last decade. Some of these units have likely deteriorated beyond repair, while others have been converted into short-term rentals.

## Demographics

Bisbee's population has declined by about 8% since 2010, and state forecasts predict continued decline over the next 20 years. In contrast, Cochise County's overall population has decreased 3% since 2010 and is expected to grow steadily before leveling out in the next two decades. Population estimates for small geographic areas like Bisbee fluctuate year by year, but long-term trends become clearer when viewed in the context of overall demographics.

Age plays a key role in housing needs, as older populations typically require more space per person than younger ones. Younger households often compromise on unit size, lot size, or even homeownership due to budget constraints. In Bisbee, only 19% of the population is 24 or younger, while 36% is 65 or older. This leaves just 29% in the prime working-age category. A shrinking workforce supporting a growing elderly population can create economic challenges. Although the U.S. population is aging overall, Bisbee's population skews significantly older.

Income levels in Bisbee are relatively low. The median household earns just \$44,000 per year, which is \$35,000 less than the state and national medians. Even within Cochise

County, Bisbee's median household income falls short by \$15,000 annually. These income disparities strongly correlate with poverty rates, as 21% of Bisbee's population lives below the poverty threshold.

### **Economy**

The Cochise County regional economy has grown slowly over the past decade, with employment remaining 3% below its 2013 level. Job growth, business establishments, and wages in the County have lagged significantly behind state and national trends. Bisbee has a relatively small workforce of approximately 1,600 people, likely due in part to its older population, which includes many retirees and seasonal residents.

As of 2023, Cochise County's annual unemployment rate stood at 4.5%, aligning closely with state and national averages. The area's slow employment growth may stem from Bisbee's industry mix. The City's four main employment sectors are public administration (local government), construction, healthcare, and accommodation/food services (tourism). While public administration and healthcare offer stable jobs, workers in accommodation and food services typically earn lower wages, and construction jobs fluctuate with seasonal demand.



### **Buildable Lands Inventory**

Despite challenges related to affordable housing and a slow-growing regional economy, Bisbee has an abundance of land that the City can leverage for future development. Our analysis of buildable lands indicates that approximately 805 acres of vacant land within appropriate zoning districts could support new residential development. In total, this land has the potential to accommodate nearly 3,085 new housing units, an amount significantly greater than what is expected for actual community growth.

While the majority (88%) of available land (and 90% of potential housing units) is concentrated in the San Jose cluster, opportunities for infill development also exist in Old Bisbee. Expanding infrastructure will be necessary for new housing in San Jose, but the City has ample room within its existing boundaries to address its housing needs.

## Forecast

Our population and housing needs forecasts for Bisbee show two growth scenarios (**Status Quo** and **Equitable**). This reflects potential shifts in community growth and current demographic trends. To complete the housing needs forecast, PC first projected population growth. According to our estimates, Bisbee could see 5% population growth over the next 20 years (+650 residents), or a 13% population decline (-250 residents). The development of the new commercial port of entry in Douglas and the construction of a new Cochise County jail are bringing more workers to the region, presenting an opportunity for Bisbee to capitalize on this growth.

Regarding housing needs, the Status Quo scenario projects a demand for 290 fewer housing units by the end of the 20-year forecast period. In contrast, if Bisbee follows the Optimistic/Equitable growth scenario, the City will likely require at least 190 new housing units. Given the current condition of the housing stock, a combination of rehabilitation and new residential development will be necessary to meet future housing needs.

It is also important for housing to be affordable to all households across the income distribution. Following our housing unit forecasts, we have also estimated the number of housing units needed by AMI level.

The gross number of new housing units by AMI level for the **Status Quo** AMI forecast are:

- 0-30% AMI: 19 units
- 30-50% AMI: 57 units
- 50-80% AMI: 47 units
- 80-100% AMI: 0 units
- 100-120% AMI: 0 units
- 120%+ AMI: 0 units

The gross new housing units by AMI level according to the **Equitable** AMI forecast are:

- 0-30% AMI: 94 units
- 30-50% AMI: 121 units
- 50-80% AMI: 153 units
- 80-100% AMI: 4 units
- 100-120% AMI: 0 units
- 120%+ AMI: 0 units

## Recommendations

The PC team compiled a list of practical steps and strategies City of Bisbee leadership and staff could pursue to improve production of housing units and/or drive down the cost of housing. The proposed solutions are not restricted just to planning activities and hopes for grant funding, nor are they exclusively reliant on the private sector to fill the gap. Planning, ambitious action, and a welcoming attitude are all critical features to stimulating the market and improving affordability.

These recommendations contain options for each of the following categories:

1. Rehabilitation & Redevelopment
2. Housing Supply & Incentives
3. Strategies for Community Enhancement

Whenever possible, recommendations are accompanied by examples of other communities who have successfully implemented them, and resources to assist in implementation.

## Introduction

Upon receiving grant funding from the State of Arizona Housing Trust Fund specifically for rural areas, the City of Bisbee contracted with Points Consulting (PC) in October of 2024 to conduct a Comprehensive Housing Study (CHS) and construct an Affordable Housing Plan. PC's CHS examines the housing market within the City of Bisbee, Arizona. A healthy housing ecosystem is characterized by a market in equilibrium, where housing supply meets the community's demand. Key factors in measuring housing supply and demand include the number of housing units, vacant and developable parcels, employment levels, and income levels.

To ensure a balanced market in the future, we created population and housing forecasts to assess future demand. This section outlines the scope of work, provides a regional contextual overview, and defines data collection methods and geographic areas of the study. In the following sections, we analyze both quantitative and qualitative data to effectively evaluate Bisbee's housing market.

The report is organized as follows:

**Chapter 1 – Executive Summary & Introduction:** Key highlights from the assessment

**Chapter 2 – Gaps & Barriers Analysis:** Affordability gaps for renting and homeownership residents

**Chapter 3 – Forecast & Recommendations:** Population and housing needs projection, along with policy recommendations

**Chapter 4 – Affordable Housing Action Plan:** A plan to implement recommended policies, including an educational campaign surrounding affordable housing strategies

**Chapter 5 – Buildable Lands Inventory:** An inventory of vacant, potentially re-developable, and underutilized land in Bisbee that may be leveraged for housing production

**Chapter 6 – Demographic & Socioeconomic Trends:** Overview of underlying socioeconomics affecting housing demand and affordability characteristics

**Chapter 7 – Housing Trends:** Overview of housing for both owners and renters, including affordability dynamics

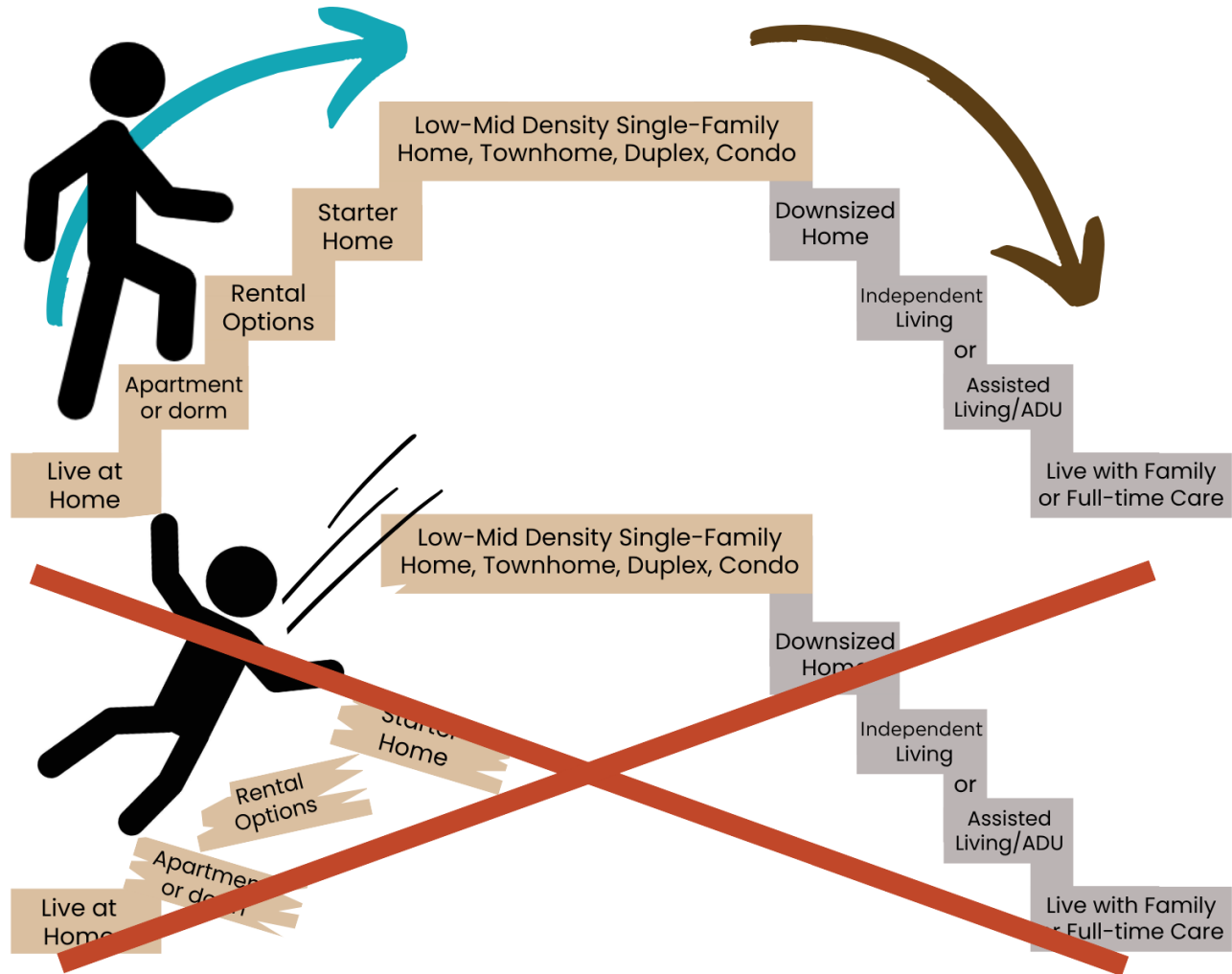
**Chapter 8 – Community Engagement Summary:** Summary of overarching themes from PC's discussions with community leaders and developers and a summary of findings from the community townhalls

**Chapter 9 – Literature Review:** Overview of relevant planning documents in the geographic area and how they may impact housing

## Housing Steps

Housing Steps (Figure 1.1) are a useful tool for describing a healthy housing ecosystem. In a functional stairwell, a person progresses through the steps as they move through life. As life stages change, so do housing needs. If any steps are missing or broken, the entire system collapses. One goal of this study is to assess where housing steps are missing or broken in the City of Bisbee.

Figure 1.1: Housing Steps



Source: Points Consulting

## Regional Contextual Overview

The City of Bisbee is a unique destination that has adapted to industry change over time. The City is located in Cochise County, the southeasternmost county in Arizona, and sits in the Mule Mountains and the surrounding plains to the south.

One of Bisbee's most unique characteristics is its three distinct neighborhood clusters: Historic Old Bisbee, Historic Warren, and San Jose (Figure 1.2). Bisbee's development over time is reflected in these clusters.

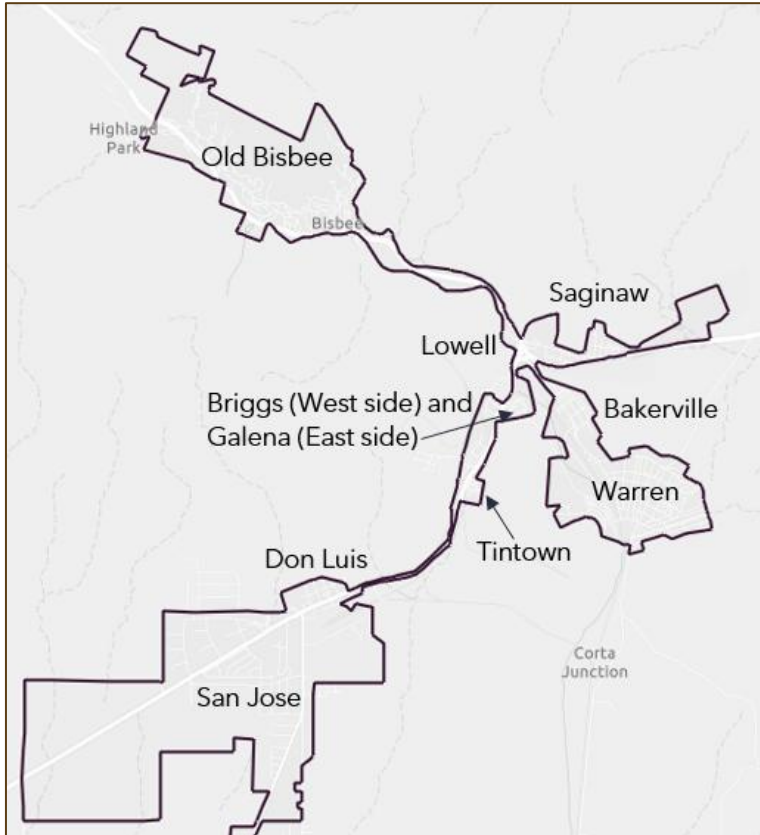
## Old Bisbee

The Mule Mountains in Old Bisbee have been molded over time by mining activity, as they are honeycombed with tunnels and host the Lavender Pit. Old Bisbee was the site of the original mining camp during its time as a booming copper mining town in the 1910s and 1920s.

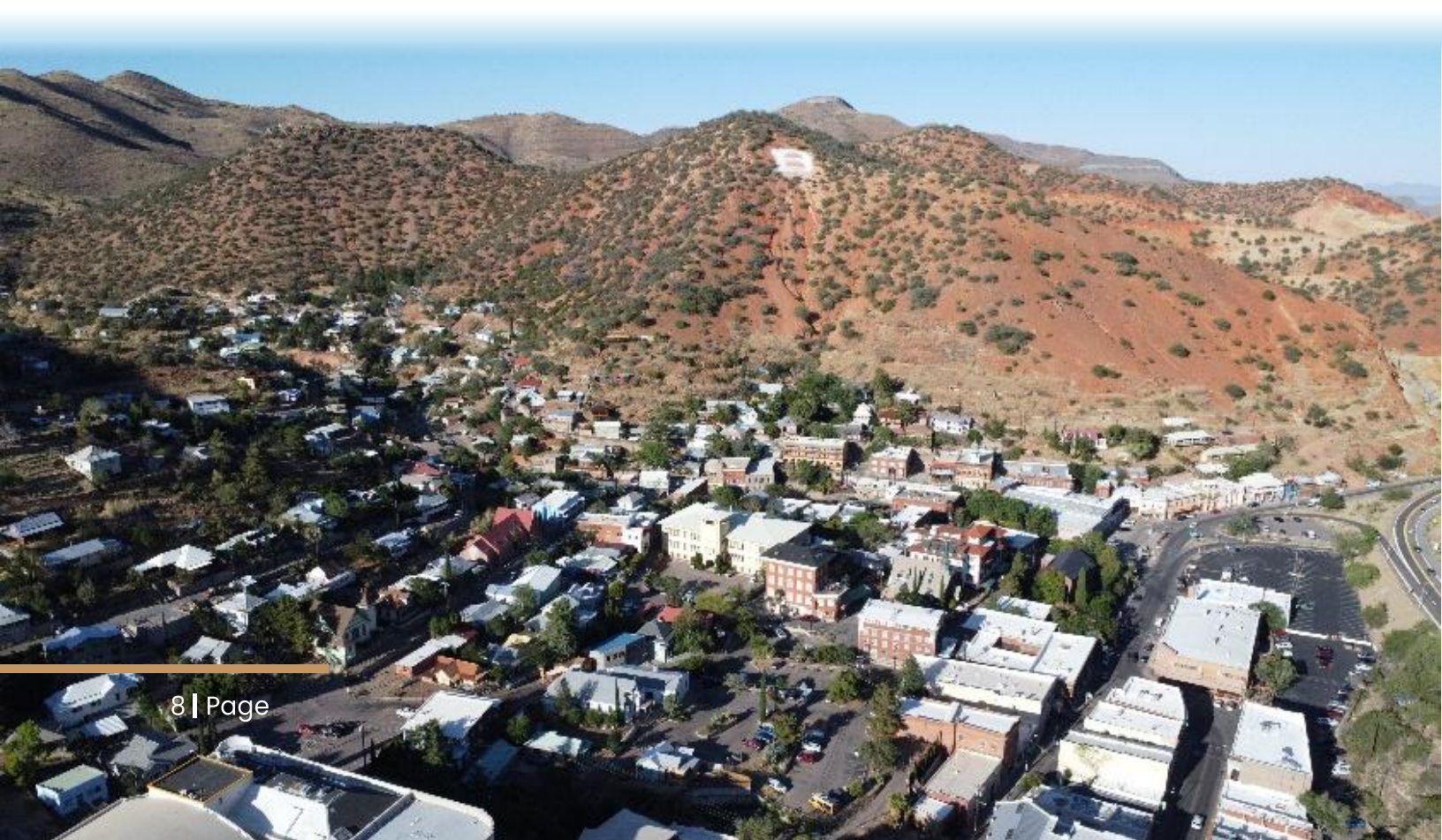
In fact, Bisbee was larger than both Tucson and Phoenix in 1910, and larger than Tucson and on par with Phoenix in 1920.

The terrain in Old Bisbee is rocky and sewer and gas lines are above ground in many spots. Drainage flows from the mountains down the Mule Gulch, which is adjacent to Tombstone Canyon and Old Bisbee's Main Street. Development has followed the form of the land and given the area its distinctive character.

**Figure 1.2: Map of Bisbee and Its Neighborhood Clusters**



Source: Esri BA, 2025



## Warren

The Warren planning area includes Bakerville, Saginaw, Lowell, Galena, Briggs, and Tintown. While Saginaw has its own Neighborhood Plan aimed at revitalizing its dilapidated housing, Warren was originally developed in the early 1900s as part of the “City Beautiful” movement and continued to expand as growth extended beyond Old Bisbee. These neighborhoods — Bakerville, Saginaw, Lowell, Galena, Briggs, and Tintown — also present opportunities for infill development.

Originally, developers tore down or relocated Lowell to make way for the Lavender Pit copper mine. Saginaw followed a similar path, as the homes currently there were transported from the Lavender Pit area. In recent years, the Saginaw cluster has seen significant home rehabilitation and redevelopment activity.

The mining company, Freeport McMoRan Inc. (“Freeport” or FMI), has acquired properties in Lowell to manage mining impacts and periodically complete environmental restoration projects. However, FMI owns large portions of land in Bisbee and the surrounding areas. Presently, FMI has no plans to sell or develop this land. This situation leaves Bisbee landlocked in several areas.



## San Jose

The third distinct cluster of Bisbee is San Jose, which is also the City's designated growth area. Compared to Old Bisbee and Warren, San Jose is relatively flat and offers ample space for growth. Since it is not a historic district, development in San Jose is not subject to design review boards but only to city zoning standards. San Jose also includes a smaller cluster, Don Luis, which is an older plat similar to other cluster developments. Significant retail and commercial areas are located in San Jose as well.

Aside from Don Luis, San Jose developed after World War II in response to increased housing demand from mine workers due to the growing copper market. Larger lots and wider streets follow a more mid-century, traditional development pattern found in other Arizona cities. San Jose offers the most opportunity for growth, as it has larger areas of undeveloped land that are not platted and is not constrained by steep slopes. Most significantly, San Jose has more recently updated infrastructure with the capacity to support new development.



## 2. Gaps & Barriers Analysis

There is often an imbalance of supply and demand in the housing market. This imbalance can manifest as either an undersupply of housing or housing that is unaffordable. For this section, Points Consulting (PC) measured the affordability gaps in the housing market experienced by both renters and homeowners.

### Renter Challenges

Bisbee renters are more likely to be *severely* cost burdened than other renters in Cochise County, despite overall housing cost burden rates being lower. This may reflect relatively low rents in Bisbee, combined with a high proportion of low-income renters (resulting in fewer moderately burdened households but a higher rate of severe cost burden). In Bisbee, 22.0% of renting households are severely cost burdened (meaning they spend 50% or more of their household income on housing) compared to 18.2% across Cochise County (Table 2.1). However, only 9.2% of Bisbee renters are moderately cost burdened (spending 30–50% of income on housing), compared to 23.0% in the County.<sup>1</sup>

Altogether, 31.1% of Bisbee renters experience a housing cost burden to some degree. This percentage is actually lower than it is for the County, state and nation.

To create our affordability analysis, PC referenced multiple sources, including the American Community Survey (ACS) five-year dataset (which averages data from 2018–2022) and the U.S. Housing and Urban Development (HUD) 2017–2021 dataset. Given the drastic changes in both home costs and wages between 2020 and 2022, we would prefer to use more recent statistics. Unfortunately, these are the best available data for small geographic regions. Wherever appropriate, we adjusted the statistics to reflect the current estimates of households in cost-burdened housing situations.

**Table 2.1: Renters' Housing Cost Burden by Region**

Region	Renting Households	Severely Cost-Burdened	Cost-Burdened	Severely or Cost-Burdened	Not Cost-Burdened
Bisbee	710	22.0%	9.2%	31.1%	50.6%
Cochise County	14,890	18.2%	23.0%	41.2%	48.4%
Arizona	923,559	22.4%	24.5%	47.0%	46.4%
United States	44.59 M	23.6%	23.3%	46.9%	46.2%

Source: U.S. Census Bureau, 2023 5-Year Estimates, Table B25070

PC also measured affordability issues by various Area Median Income (AMI) levels. (Note these data use 2021 AMI levels.)

<sup>1</sup> By HUD definitions, “housing costs” include just rent or mortgage but not utilities such as water, sewer, refuse removal, and internet, which are generally excluded from rental costs in most leases. In short, if the amounts households pay to other housing-related costs were included the cost-burdened statistics would be driven even higher than what is published here.

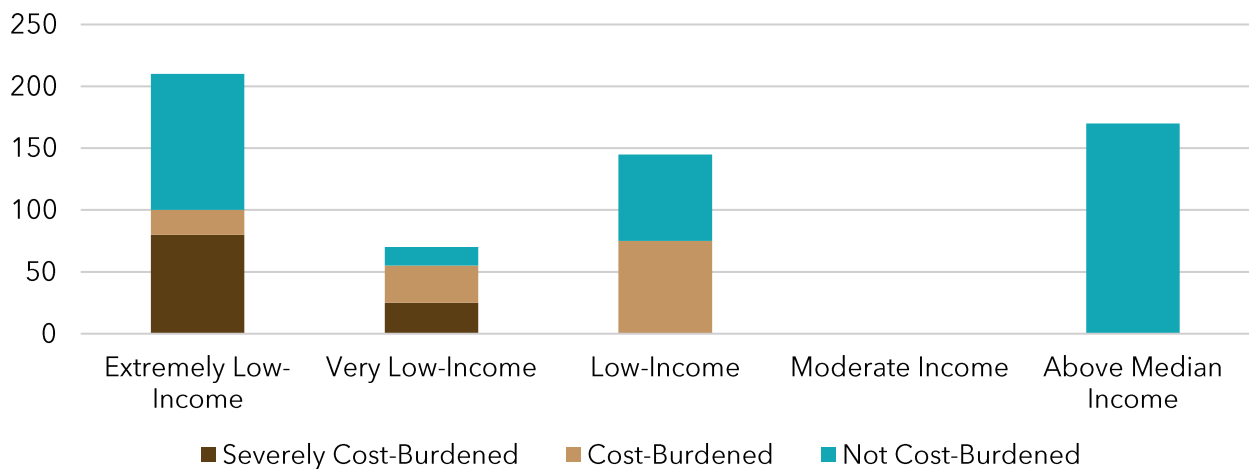
Five AMI levels below include:

- Extremely low-income: Less than 30% of AMI
- Very low-income: 30 to 50% of AMI
- Low-income: 50 to 80% of AMI
- Moderate income: 80 to 100% of AMI
- Above median income: 100%+ of AMI

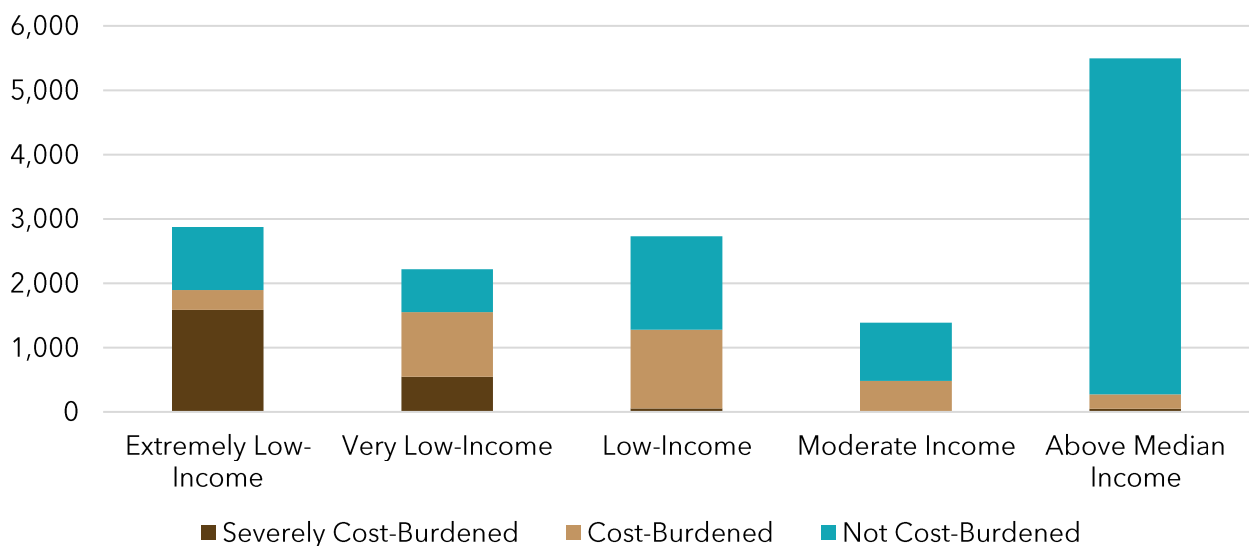
Figure 2.1 shows that the lowest-income renters in Bisbee are just as likely to be cost burdened as those in other parts of Cochise County. In Bisbee, 59.3% of renters who are low-income, very low-income, or extremely

low-income are cost burdened to some degree. In comparison, 60.9% of renters in the same income brackets are cost burdened to some degree in Cochise County (Figure 2.2). Interestingly, extremely low-income renters in Bisbee seem to be cost burdened to a lesser degree than very low-income and low-income renters. This trend may indicate that the subsidized units in the City help reduce the housing burden for these renters.

**Figure 2.1: Bisbee Renters' Housing Cost Burden by Income Level**



**Figure 2.2: Cochise County Renters' Housing Cost Burden by Income Level**



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

## Home Ownership Challenges

Many homeowners are also cost burdened and may be at risk of foreclosure.

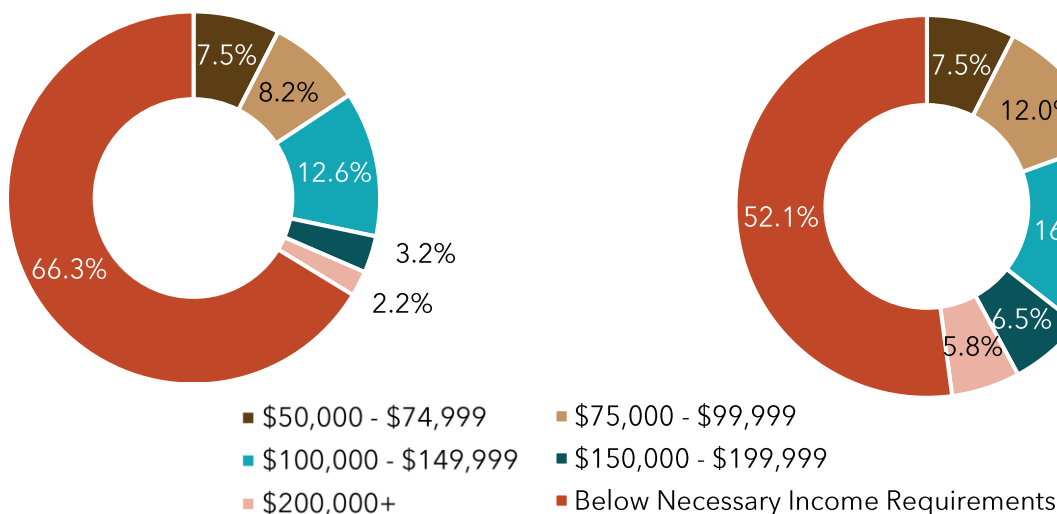
Approximately 7.2% of homeowners in Bisbee are severely cost burdened, and another 14.2% are cost burdened. In Cochise County, the rates are slightly lower, at 6.6% and 9.6%, respectively.

Some of the homeowners in these statistics may not have been able to purchase their homes years ago when prices were lower, meaning new homeowners are even more cost burdened now. Considering current income levels, home prices in the region (as of 2024), and average mortgage rates, PC estimated the percentage of households that can afford to buy a home as of December 2024. Our estimate shows that most households in Bisbee, with an average credit rating and on a conventional 30-year mortgage, cannot afford to purchase a home. This leaves them sidelined in the home-buying market.

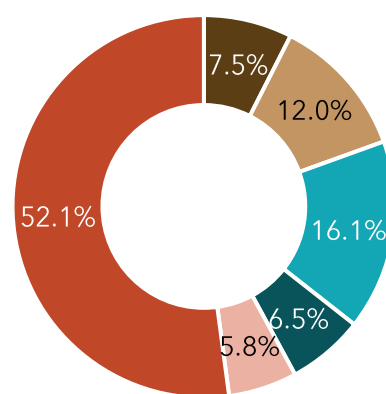
A Bisbee household would need an income of about \$62.5K just to afford the mortgage on an average-priced home. In contrast, Bisbee's median household earns only about \$44.0K. Therefore, an average household would need to earn nearly \$20.0K more per year to afford an average-priced home. As a result, approximately 66.3% of Bisbee households cannot afford an average-priced home today (Figure 2.3). In comparison, Cochise County fares slightly better, with 52.1% of households unable to afford an average-priced home (Figure 2.4).

Many of these households own homes currently. So, what about those that do not? When we examine potential first-time homebuyers, the percentage of households that cannot afford an average-priced home increases. In fact, 72.3% of potentially first-time homebuyers could not afford a home of median value in Bisbee. In other words, nearly three of every four would be first-time homebuyers are priced out of the market.

**Figure 2.3: Households that Can Afford to Purchase an Average-Priced Home in Bisbee**



**Figure 2.4: Households that Can Afford to Purchase an Average-Priced Home in Cochise County**

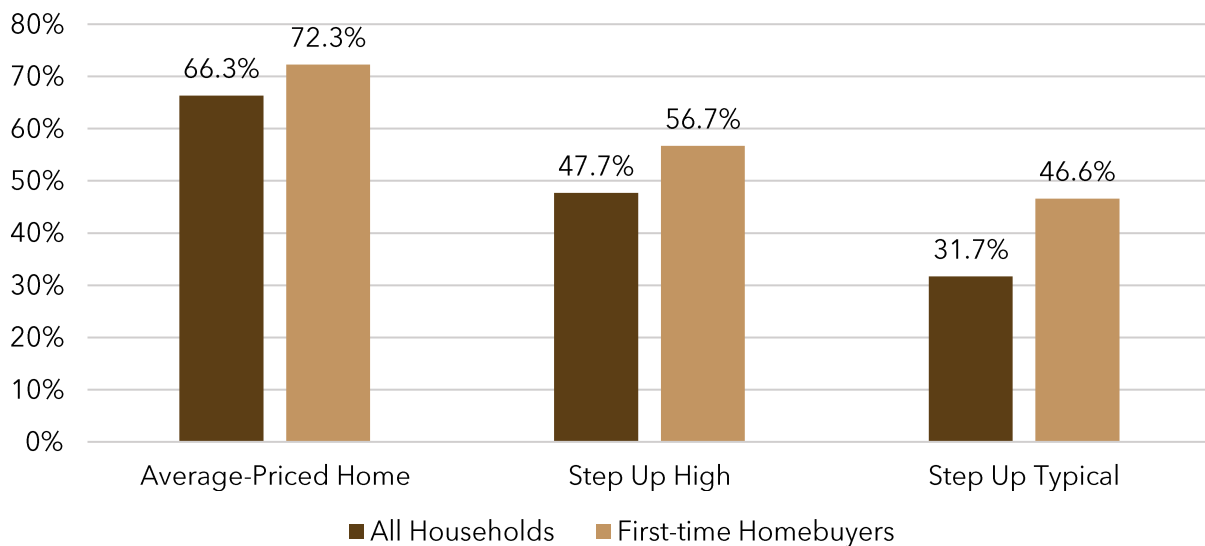


Source: PC using Esri Business Analyst, MLS Data, Zillow ZHVI, and Realtor.com

While the majority of households in Bisbee are priced out of the market when considering the average-priced home, the Step Up program is a viable option to achieve homeownership for local workers. As of the time of PC's analysis, the most recent Step Up home sold for \$192.0K, which happens to be the most expensive Step Up home to date. However, the program aims to provide homes for \$165.0K and below.

Figure 2.5 illustrates the comparison between what percentage of households cannot afford to purchase a home between all Bisbee households and first-time homebuyers. For this analysis, we included the average-priced home (\$246.0K), the high value for a Step Up home (\$192.0K), and the typical value for a Step Up home (\$165.0K). As shown below, the Step Up program has a significant impact on what share of households can afford to purchase a home in Bisbee. At the high value for a Step Up home, the majority of all Bisbee households can afford a home, and at the typical value of a Step Up home most first-time homebuyers can afford a home.

**Figure 2.5: Households That Cannot Afford to Purchase an Average-Priced Home in Bisbee, All Households vs First-Time Homebuyer Comparison**



Source: PC using Esri Business Analyst, MLS Data, Realtor.com, and Bisbee City Staff Data

### 3. Forecast & Recommendations

While forecasts are estimates of what might happen in the future, we need a baseline to project short-run and long-run housing demand. In this section, Points Consulting (PC) presents population and housing needs forecasts based on two scenarios: the **Status Quo** growth scenario (which reflects growth and demographic trends from the last five years) and the **Optimistic** growth scenario (an upper estimate that uses these same growth trends while accounting for additional qualitative factors).

#### Population Forecast

PC based the population and housing forecasts for the City of Bisbee on an extrapolation of historical population growth trends and existing projections from the State of Arizona Office of Economic Opportunity (OEO).<sup>2</sup> PC believes Bisbee's growth may result more from in-migration than natural growth (more births than deaths), largely due to the current demographics. For instance, many local workers struggle to find suitable or affordable housing in Bisbee and rely on the City's partnership with Step Up Bisbee/Naco and the workforce housing program. These individuals are likely migrating into Bisbee. Additionally, Bisbee's aging population hampers natural population growth.

The date range of our 20-year forecast is 2023 through 2043. Though the OEO has population estimates for 2024, we are starting at 2023 to match up population and average household size data from the Census Bureau.

The **Status Quo** scenario is characterized by a cumulative decline in population by 5.0%, which inherently reflects the aging population in Bisbee. However, the **Optimistic** scenario is characterized by a 12.9% population increase (Table 3.1). Over the next 20 years, PC expects Bisbee could experience a population decline of approximately 253 residents, or a population increase of approximately 655 residents.

**Table 3.1: Projected Population Growth for Bisbee, 2023-2043**

Population Growth Scenario	2023	2028	2033	2038	2043	Pop. Growth	20-Yr CAGR	Total Growth Rate
Status Quo	5,091	5,054	4,987	4,912	4,838	(253)	(0.3%)	(5.0%)
Optimistic	5,091	5,280	5,438	5,592	5,746	655	0.6%	12.9%

Source: Points Consulting using Arizona Office of Economic Opportunity Population Projection Data

While Bisbee has a generally aging population (including retirees and seasonal "snowbirds"), several development projects are slated to occur over the next five years. The most notable is the new Douglas Commercial Port of Entry, set to begin development in the fall of 2025.<sup>3</sup> This project aims to expand the region's trade capacity, and the federal

<sup>2</sup> Arizona Office of Economic Opportunity, "Population Projections," accessed April 25, 2025, <https://oeo.az.gov/population/projections>.

<sup>3</sup> Cochise County, "Douglas Commercial Port of Entry," accessed April 25, 2025, <https://cochise.az.gov/841/Douglas-Commercial-Port-of-Entry>.

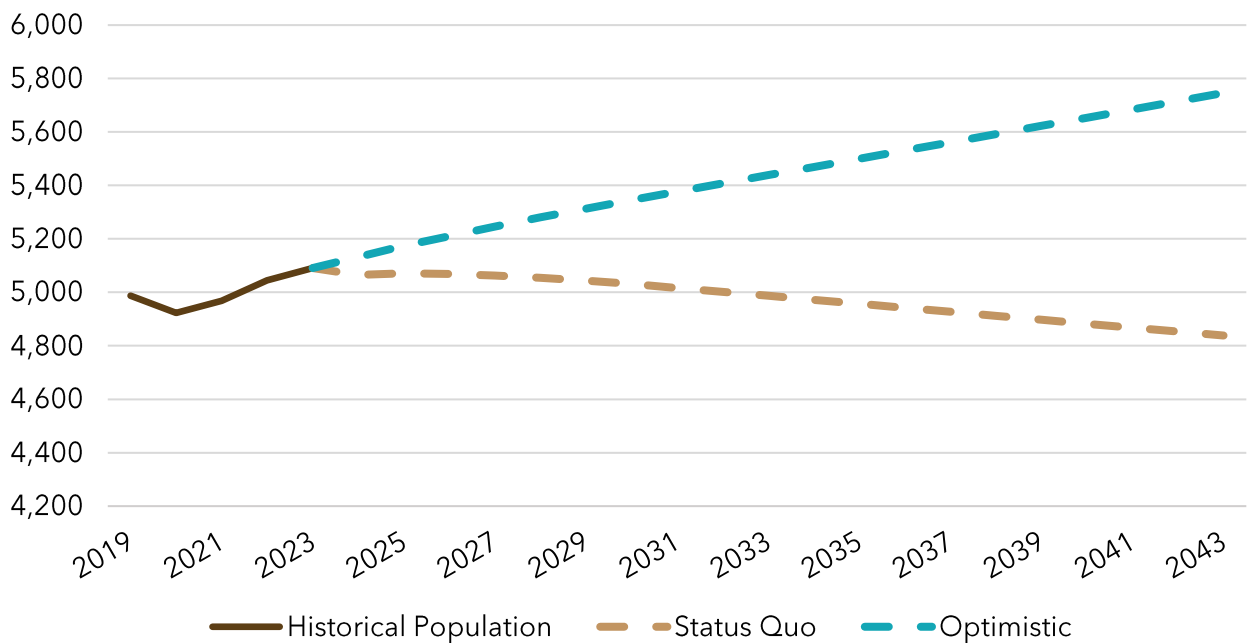
government plans to double the number of border patrol agents at the current port of entry in Douglas.

The construction of the new port will also bring more workers to the area, as additional workers are needed to expand infrastructure, utilities, and roads. Port development could drive economic growth similar to what the Mariposa Port of Entry in Nogales, AZ has stimulated. In summary, the increase in border patrol agents and construction workers will generally raise demand for housing in the region. While not all workers will choose to live in Bisbee, it remains the next closest incorporated community in the County.

The Cochise County Jail District also plans to build a new jail. According to the planning and construction timeline, work on the new jail is set to begin in January 2026, with the facility expected to house staff and inmates by 2029. This project will bring additional construction workers to the area and likely generate more employment opportunities. Alongside the City auctioning the old Hillcrest hospital for repurposing into housing, the potential for middle-to-high-density development in the San Jose neighborhood, and the proposed Bisbee Together tiny home development, a substantial number of housing units could become available in Bisbee during the forecast period.

If all these projects proceed on schedule and align with the right timing, Bisbee could experience significant housing demand, as projected in the Optimistic forecast scenario. However, delays, cancellations, or misaligned execution could lead to an aging population and declining numbers, as reflected in the forecast trends in Figure 3.1.

**Figure 3.1: Population Forecast for Bisbee, 2023-2043**



Source: Points Consulting using Arizona Office of Economic Opportunity Population Projection Data

## Housing Needs Forecast

The project team created a housing forecast built upon our population forecast, which reflects the housing unit need for the projected population. By dividing the population by the average household size, we estimated the housing need per year. Since we built the housing needs forecast on the population forecast, it follows the same general trend. As of 2023, Bisbee's average household size is 1.79, according to the U.S. Census Bureau. The average household size in Bisbee is quite low relative to other communities in Arizona, Cochise County in general, and the state. Out of some selected communities, only Tombstone has a comparable average household size:

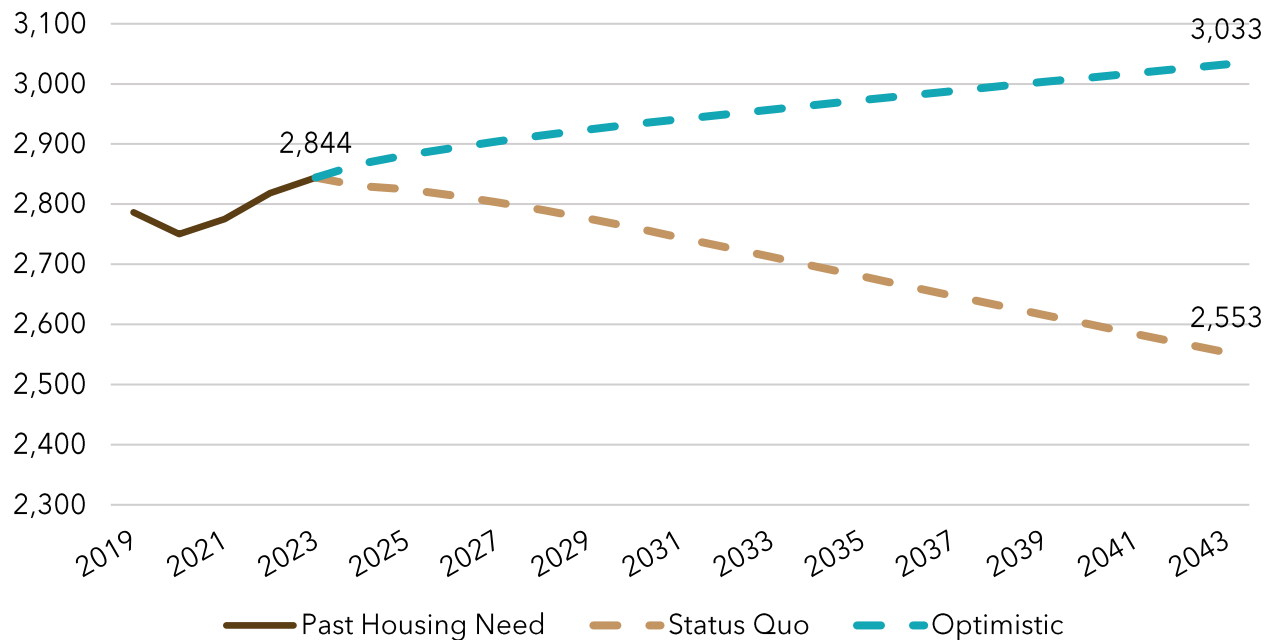
- Douglas: 2.84
- Phoenix: 2.66
- Arizona: 2.54
- Cochise County: 2.37
- Tucson: 2.30
- Sierra Vista: 2.32
- Benson: 2.22
- Tombstone: 1.85

To align the housing needs forecast with the population forecast, we increased the average household size by 0.3% per year. The broader national trend shows a decline in average household size due to decreasing fertility rates and an aging population. However, we expect that the households moving to Bisbee will consist of working-age families, which may lead to a higher average household size.

Based on the 1.79 average household size in 2023, the housing unit need for the current population estimate (5,091) is approximately 2,844 units. This estimate does not match the current estimate of occupied housing units in Bisbee, which the Census Bureau reports as 2,597. This discrepancy could be due to the fact that average household size is skewed toward smaller households, resulting in a higher housing need than currently reported. Alternatively, it may reflect the presence of many part-time households that are not full-time residents of Bisbee, which could lead to an undercount of occupied housing units. Regardless, we will assume that the current housing need is approximately 2,844 units and that Bisbee is currently under-supplied.

Based on our population forecast and the trend of average household size, Bisbee will need between 3,033 and 2,553 total housing units by 2043. This translates to a need for between 188 new housing units or 291 fewer housing units. As the population declines under the Status Quo forecast, the housing units needed follow that trend (Figure 3.2).

**Figure 3.2: Housing Needs Forecast for Bisbee, 2023-2043**



Source: Points Consulting using Arizona Office of Economic Opportunity Population Projection Data; U.S. Census Bureau, 2023 5-Year Estimates, Table B25010

Bisbee has two factors that directly impact its housing supply: vacant/dilapidated units and short-term rentals. According to the Census Bureau, Bisbee has 3,195 total housing units. Only 2,597 are occupied. This results in a vacancy rate of about 18.7%. Of the vacant units, approximately 45.8% are potentially dilapidated, and 48.0% are for seasonal, recreational, or occasional use. Therefore, Bisbee already has housing units available to accommodate the potential population increase.

If we assume that no short-term rental owners or part-time households convert their properties to long-term housing units, roughly 274 more housing units could be rehabilitated to long-term units. If owners rehabilitated every single one of these units to house full-time residents, then Bisbee would have 2,871 housing units. This would be enough to handle a few years of potential population growth, but not enough to supply all the units needed. Some additional development of new units will likely be required.

The type of units, in addition to the quantity of units, is important to consider. Currently, 85.2% of Bisbee's housing units are one-unit detached. It's reasonable to assume that most of the dilapidated housing units are also this type. The Step Up program currently rehabilitates these homes and sells them to local workers at 20% below market rate. While this model works for some, it won't meet everyone's needs. New border patrol agents will likely prefer larger, new housing units because they can afford those units. Service workers in the tourism industry, on the other hand, may not be able to afford the workforce housing units produced through the Step Up program. Additionally, while some short-term rentals might be converted to long-term units, many of them won't. Because of this, Bisbee will need a more diverse range of housing options to support potential growth.

## Housing Needs by Income Level

A crucial factor to community sustainability is the availability of affordable housing across the income distribution. To estimate housing needs in Bisbee by income level, we expanded upon our housing needs forecast to determine how many housing units are required at different Area Median Income (AMI) levels. Utilizing Census Bureau income cohorts, median incomes, and housing unit counts from our own forecast, the results are presented in the following figures.

When discussing "needs by income level," we refer to the number of housing units required to be affordable at each income bracket. Affordability is defined by the percentage of monthly income a household spends on housing. As noted in Chapter 2, households are considered cost-burdened if they spend 30% or more of their income on housing costs.

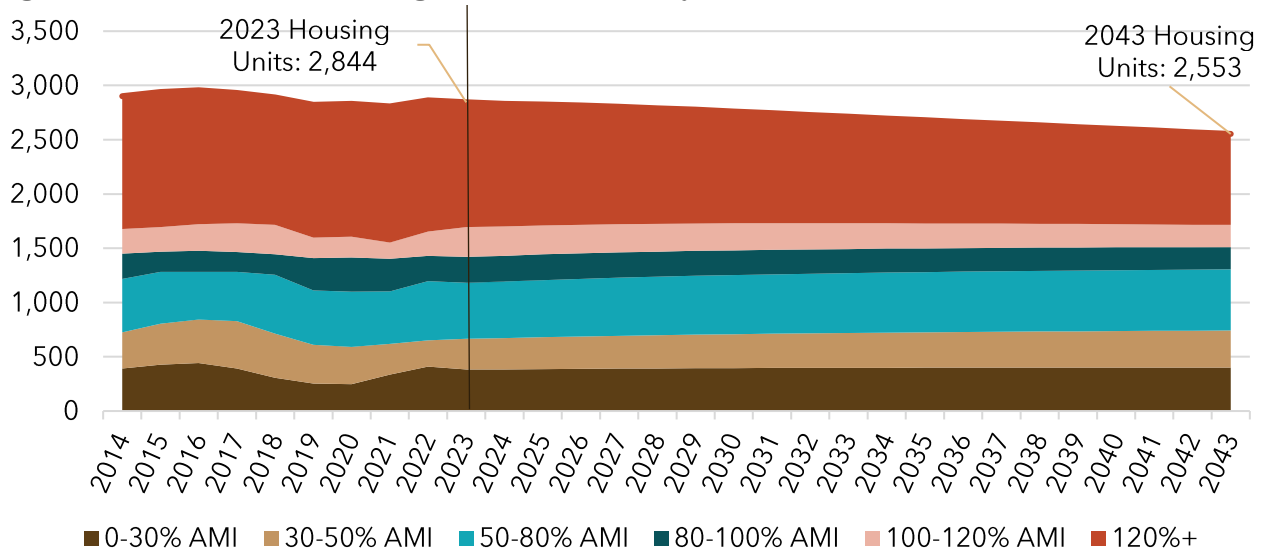
For example, the current AMI in Bisbee is \$46,700. A household earning 50–80% of AMI could make up to \$37,300 annually or approximately \$3,100 per month. At this income level, a household could afford up to \$932 per month in housing costs. If a household earning \$37,300 is paying \$1,000 per month on housing, then there is a need for additional housing units affordable at the 50–80% AMI level.

To align with our two forecast scenarios, we also present two AMI-based housing needs forecasts: Status Quo and Equitable.

- The **Status Quo AMI** forecast adopts the total housing unit need from the Status Quo housing needs forecast and assumes that the current state of the Bisbee economy will remain largely unchanged over the next 20 years. That is to say, the current drivers of the economy (tourism, local government, and Copper Queen Community Hospital) will still be the main drivers in the future. While the Status Quo forecast projects a net reduction in total housing demand over time, certain AMI groups (particularly lower-income households) will still experience unmet housing needs.
- The **Equitable AMI** forecast aims to address current affordability challenges in Bisbee by ensuring housing availability aligns with household income levels.

Status Quo housing needs in 2043 by current AMI levels are shown in Figure 3.3. More detailed data can be found in [Appendix B](#). In contrast to the Status Quo forecast, the Equitable AMI forecast aligns with the housing unit needs projected in the Optimistic Housing Needs forecast. In this scenario, we project greater economic opportunities for Bisbee residents. Regional developments, such as the potential Douglas Commercial Port of Entry and the new Cochise County Jail, will attract more households in the middle of the income distribution (50–80% AMI and 100–120% AMI) to migrate to the area.

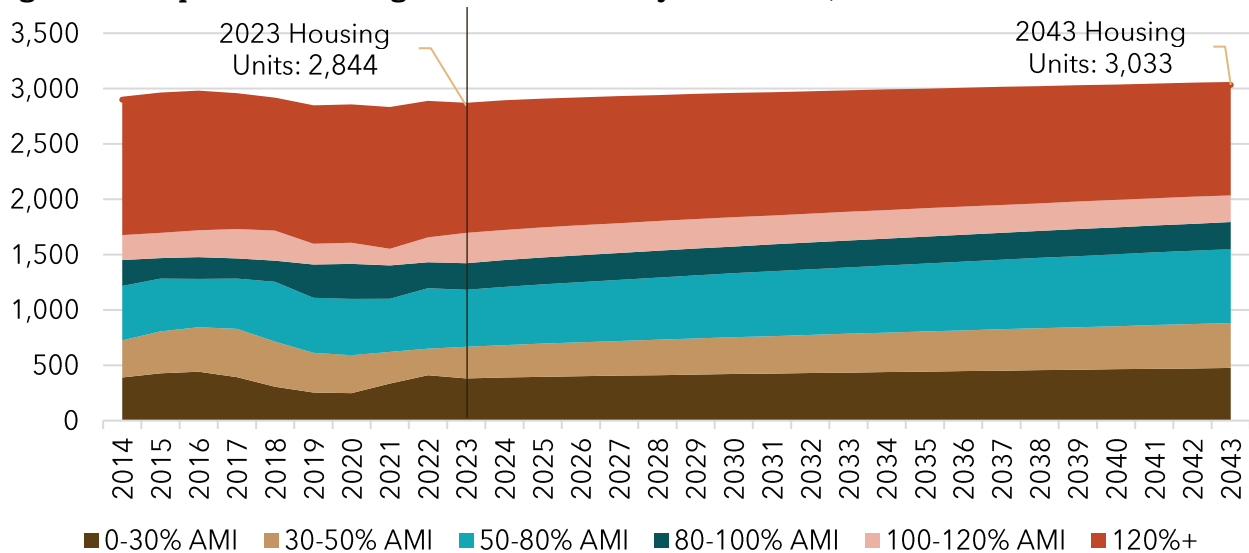
**Figure 3.3: Status Quo Housing Needs Forecast by AMI Level, 2023-2043**



Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

To address affordability challenges more equitably, we set a target distribution that prioritizes the need for more affordable housing at the lower end of the income spectrum. Additionally, we project that high-income households (120%+ AMI) will comprise a smaller share of the income distribution as economic opportunities for middle-income households expand. Figure 3.4 illustrates the projected changes in AMI housing needs over the next 20 years according to the Equitable Forecast. More, in-depth data can be found in [Appendix B](#).

**Figure 3.4: Equitable Housing Needs Forecast by AMI Level, 2023-2043**



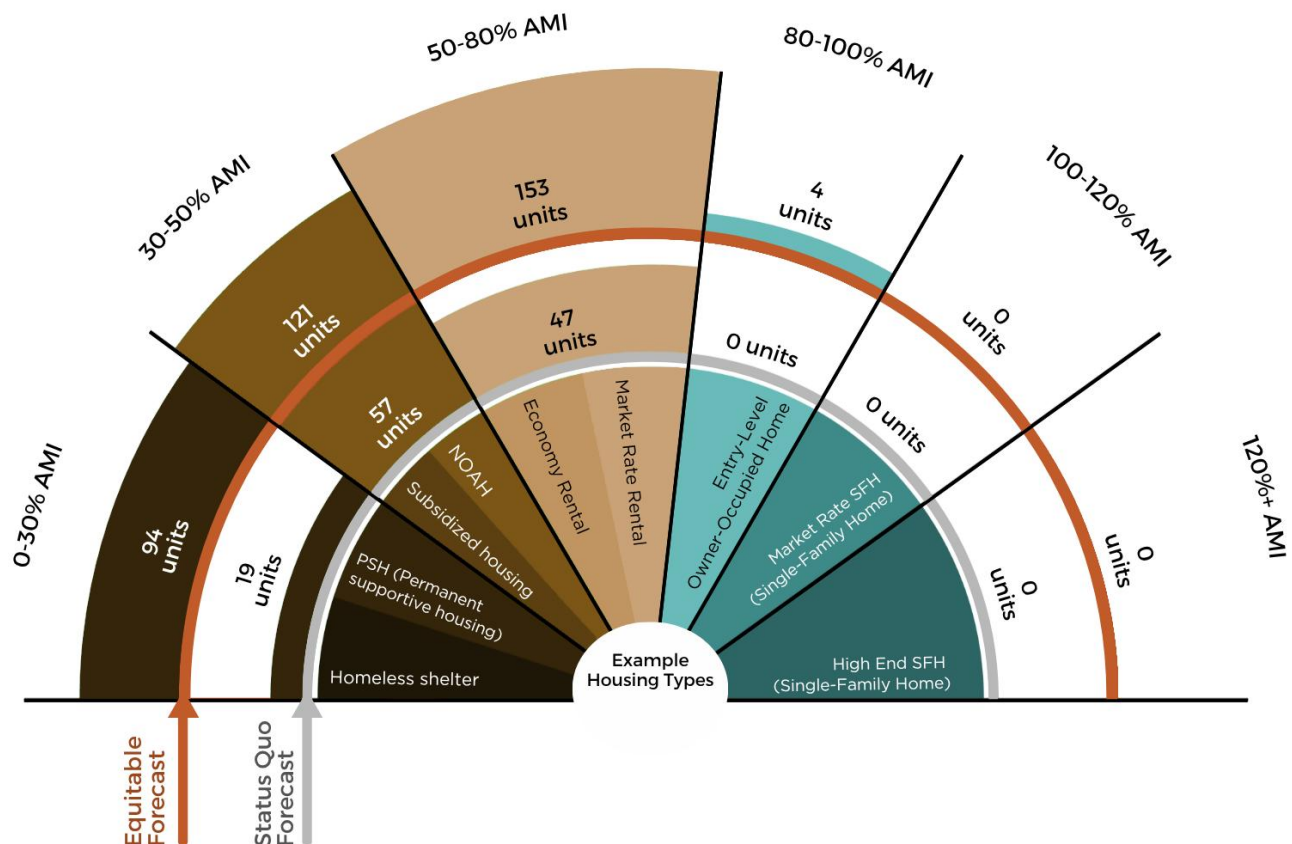
Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

New housing units by AMI level, according to population growth projections and cost-burden status, are shown in Figure 3.5. In the Status Quo AMI forecast, three AMI levels showed a net reduction in housing unit need: 80-100% AMI, 100-120% AMI, and 120%+ AMI.

While a net reduction was needed to fit the affordability needs to our projection of growth potential, PC does not recommend actually removing any housing units at these affordability levels. Rather, housing units that are currently at the higher AMI levels should be redistributed to be affordable at the lower AMI levels. An example process of this redistribution could be Step Up Bisbee/Naco redeveloping a single-family home to be sold at the 50-80% AMI level.

Effectively, the needs of the AMI groups with net negative values are zero, as shown below. For the Equitable AMI forecast, zero new housing units are needed at the 100-120% AMI and 120%+ AMI groups. Net housing needs by AMI by owner vs. renter occupancy can be reviewed in [Appendix B](#).

**Figure 3.5: Gross Housing Needs by Current AMI, 2043**



Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

## Recommendations

The City of Bisbee is already recognized by state legislators for its proactive and innovative strategies to implement affordable housing for residents and local workers. City staff bring years of experience, knowledge, and connections to support these efforts. With a supportive mayor and City Council, Bisbee is leading the way in addressing housing affordability and is well-positioned to take further action.

The following recommendations are those PC deemed most worthy of consideration for increasing both the supply and affordability of housing in Bisbee. While tailored to the City of Bisbee itself, some recommendations may require partnership and collaboration. The Affordable Housing Action Plan ([Chapter 5](#)) provides a timeline and identifies potential partnership opportunities to address the identified needs. The concepts are divided into three groups:

**1: Rehabilitation & Redevelopment –**  
Opportunities to amplify and complement existing programs centered around reusing vacant and blighted buildings.

**2: Housing Supply & Incentives –**  
Strategies to increase the housing supply through the use of development incentives, targeting all typologies and affordability levels.

**3: Community Enhancement –**  
Actions to address issues facing the community and plans for efficient future development.

### 1. Rehabilitation & Redevelopment

*Opportunities to amplify and complement existing programs centered around reusing vacant and blighted buildings.*

- 1.1:** Encourage Reuse of Large Centrally Located Buildings for Rooming/Boarding Houses or Live/Work Studio and Living Spaces
- 1.2:** Facilitate Development of a Land Bank
- 1.3:** Maximize Owner-Occupied Home Rehabilitation Programs
- 1.4:** Institute a Program to Acquire and Clear Vacant/Dilapidated

### 2. Housing Supply & Incentives

*Strategies to increase the housing supply through the use of development incentives, targeting all typologies and affordability levels.*

- 2.1:** Middle Density Bonuses, Fee Waivers, and other Incentives
- 2.2:** Allow a Smaller Share of Hillcrest Units to be Specified for Workforce Housing
- 2.3:** Pursue State Funding for Infrastructure Expansion/Upgrades
- 2.4:** Collaborate with Other Regional Nonprofits
- 2.5:** Incorporate Pre-Approved Building Plans
- 2.6:** Position to Compete for 4% and 9% LIHTC Funds
- 2.7:** Solidify the Use of Development Incentives by Incorporating them into the Zoning Codes
- 2.8:** Decrease Minimum Lot Sizes and Increase Maximum Allowed Lot Coverage

### 3. Community Enhancement

*Actions to address issues facing the community and plans for efficient future development.*

- 3.1:** Improve Understanding of the Impact of Short-Term Rentals on the Community
- 3.2:** Improve Compliance with STR Regulations
- 3.3:** Utilize State Housing Assistance Funds and MakeMyMove Recruitment Site to Recruit and Retain Young Homeowners
- 3.4:** Identify Priority Development Areas
- 3.5:** Coordinate a Community and/or Private Market Workshop on the New Overlay Zone

## 1. Rehabilitation & Redevelopment

### 1.1: Encourage Reuse of Large Centrally Located Buildings for Rooming/Boarding Houses or Live/Work Studio & Living Spaces

Boarding houses feature small, personal living quarters with shared common areas, kitchens, and bathrooms. While not suitable for everyone, they could provide extremely low-cost housing for service workers. Given Bisbee's unique population, this affordable housing model may be ideal for a significant portion of the workforce. However, zoning code changes and proactive municipal efforts may be necessary to facilitate this form of adaptive reuse.

Specific zoning code considerations include the allowance of residential uses in commercial districts, and the parking requirements for residential units. For boarding houses specifically, Section 8.1.3 requires one parking space per room or dwelling unit, plus an additional space for each 200 square feet (SF) of useable service area, including basements and attics.<sup>4</sup> However, city staff have indicated that as long as rehabilitation projects meet the City's housing and affordability goals, variances waiving parking requirements would likely be granted.

Residential uses are permitted in C1 and C2 zones. According to Section 5.2.3 of the zoning code, "any residential" use is allowed in these zones.<sup>5</sup> While the current

use matrix indicates that only single-family housing or duplexes are allowed, efforts are underway to amend the use matrix to accurately reflect "any residential" as indicated in Section 5.2.3. Allowance of residential uses in C1 and C2 opens the door for boarding house development in large, centrally located buildings.

One current project already reflects this opportunity: the rehabilitation of the old high school into loft apartments with maker space for artists in Old Bisbee. As far as we know, this project is not financed through income tax credits. According to staff from the City, its completion depends on selling some units initially to finance the remainder of the project.

Restoring and reusing historic buildings aligns with Old Bisbee's goal of preserving historic design character and is unlikely to face significant opposition from the Design Review Board (DRB). Additionally, federal income tax credits are available for such projects.<sup>6</sup> Specifically, 20% of qualified private investment in historic rehabilitation is eligible for federal credits.

Future projects could include additional loft apartments with maker spaces or traditional apartment buildings of varying sizes. Repurposing historic buildings in this way can reduce infrastructure costs by using existing utility connections and expand the supply of long-term rentals for local service workers. Projects that create

<sup>4</sup> Bisbee Zoning Code, § 8.1.3, "Hotels, Motels, and Boarding Houses," City of Bisbee, Gridics, accessed May 1, 2025, <https://codehub.gridics.com/us/az/bisbee#/c77249d7-d9cc-408f-aafl-fa3ae3f6ec19/0311fc66-2082-4651-8074-34f537e1e277/0333e66f-f6e4-4263-b316-c4a52999c988>.

<sup>5</sup> Ibid, § 5.2.3, "C Zone (Residential/Commercial)," Gridics, accessed May 1, 2025, <https://codehub.gridics.com/us/az/bisbee#/d91db9a3-ec0d-43b4-9675-78becba91774/32d3ef17-d876-49d4-81d3-e37cd9cfc797/0799424f-1f26-4754-8b6d-555705e3cae1>.

<sup>6</sup> Arizona State Parks, "Federal Historic Rehabilitation Tax Credit Program," Arizona State Parks & Trails, accessed January 31, 2025, <https://azstateparks.com/federal-historic-rehabilitation-tax-credit-program>.

boarding houses specifically may also produce naturally occurring affordable housing (NOAH), given that small units typically command lower rents. With Historic District approval, similar redevelopment opportunities may also emerge in Warren.

## 1.2: Facilitate Development of a Land Bank

A land bank is typically a public entity with unique capabilities to return vacant, abandoned, and deteriorated properties to productive use.<sup>7</sup> Bisbee's Step Up and CDBG home rehabilitation programs have been instrumental in restoring housing units, and a land bank-style organization could be the next step in reducing blighted housing stock.

Land banks traditionally hold a property until it can be repurposed or sold. They have the authority to enter into contracts for a property's management, improvement, or other uses. They can also form partnerships with developers and non-profits.

Often, land banks establish future use requirements to ensure that properties serve community goals such as affordable housing or other beneficial uses. Ideally, land banks attract investment, remove blighted homes, provide affordable housing, and generate tax revenue.

Funding for a land bank or agency can come from several sources, including but not limited to:

- Grants or gifts from political subdivisions, state or federal government, or other public or private sources

- Proceeds from property sales
- Income from investments or other lawful assets and activities

Bisbee has already acquired properties and facilitated private development without a formal land bank. Two examples include the Hillcrest project and the 17-acre property in San Jose. Establishing a land bank would formalize and expand Bisbee's efforts to address vacant, abandoned, and blighted properties. In some parts of the country, land banks have strategically targeted specific neighborhoods with tax delinquency rates, acquired multiple parcels, and bundled them for sale to developers.

Once rehabilitated or cleared, properties could be sold with or without affordable housing targets or Area Median Income (AMI) restrictions. One key advantage of a land bank is the ability to set conditions for property use upon sale. However, some communities we've worked with have opted to sell properties without restrictions to maximize developer interest, boost tax revenue, and rapidly increase housing supply for local workers and families.



*Vacant/dilapidated home in Bisbee, 2025*

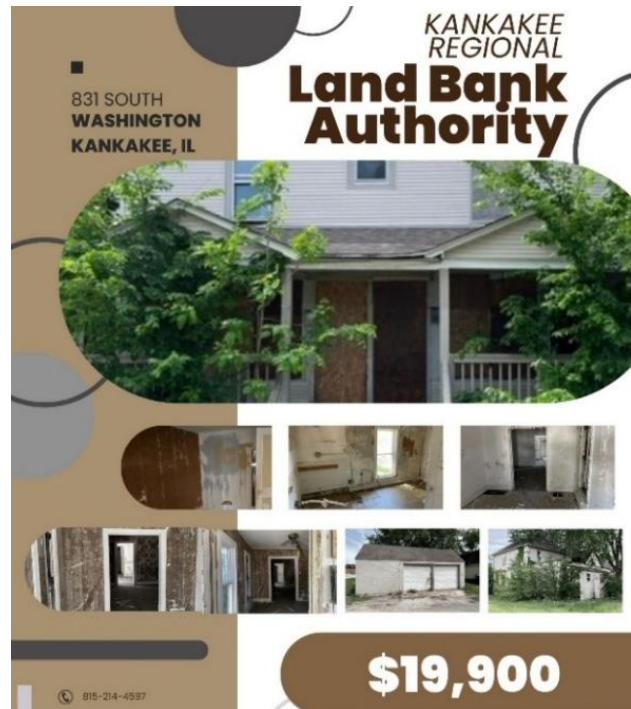
<sup>7</sup> "Land Banks," Center for Community Progress, accessed January 31, 2025, <https://communityprogress.org/resources/land-banks/>.

Unlike the Step Up program, a land bank could directly manage property donations and ownership, reducing reliance on the City and private entities. That said, Arizona lacks “enabling” legislation to formally establish a public land bank. This means such an initiative would lack some traditional powers, but legal precedent exists, and several land banks operate successfully without enabling legislation.

The land bank model is common in the Midwest and the East Coast, with 29 states supporting active land banks. While Arizona does not have enabling legislation, 13 of those 29 states (including Washington, Oregon and Texas) also lack such laws, showing that land banks can still be viable without them.<sup>8</sup>

One such example is the Kankakee Regional Land Bank Authority (KRLBA), established in 2021 by Kankakee County, Illinois (another state without enabling legislation). KRLBA acquired and sold a severely dilapidated duplex through a deed in lieu of foreclosure, abated years of unpaid taxes, and marketed the property via RFP for \$19,900.<sup>9</sup> The proposal terms required demonstrated capacity for rehabilitation and a 12-month completion timeline to meet current codes. As of this report, this property is fully refurbished, listed for rent on Zillow,<sup>10</sup> and marks the first

of many such projects the KRLBA hopes to complete.<sup>11</sup>



KRLBA Property Flyer, 2023<sup>9</sup>



KRLBA Property post rehabilitation for rent on Zillow<sup>10</sup>

<sup>8</sup>“National Land Bank Map,” Center for Community Progress , accessed January 24, 2025, <https://communityprogress.org/resources/land-banks/national-land-bank-map/>.

<sup>9</sup>“Bid Postings,” Kankakee County, IL, accessed January 24, 2025, <https://k3county.net/bids.aspx?bidID=6>.

<sup>10</sup> “831 S Washington Ave, Kankakee, IL,” Zillow, accessed January 25, 2025, [https://www.zillow.com/homedetails/831-S-Washington-Ave-APT-2-Kankakee-IL-60901/439896112\\_zpid/?msockid=1196ff657d48625625b8ea857cf263cd](https://www.zillow.com/homedetails/831-S-Washington-Ave-APT-2-Kankakee-IL-60901/439896112_zpid/?msockid=1196ff657d48625625b8ea857cf263cd).

<sup>11</sup> “Land Bank Completes First Acquisition and Sale,” Economic Alliance of Kankakee County, accessed January 25, 2025, <https://kankakeecountyed.org/about-us/news-and-updates/land-bank-completes-first-acquisition-and-sale/>.

There is a specific legal framework that could help the City of Bisbee to establish a similar public land bank. Under Home Rule Authority (Article XIII, Section 2 of the Arizona State Constitution), charter cities have the right to govern themselves in municipal affairs, even if there is a conflicting state law. As long as the land bank does not interfere with matters “of statewide concern,” it is unlikely to face legal challenges.

Under this particular land bank model, there are some specific areas PC recommends avoiding to minimize legal risk. Unlike the KRLBA example, PC generally advises against involvement with tax delinquency, foreclosure, or title clearing, as these are typically considered matters “of statewide concern”. Property tax and lien enforcement fall under state and county jurisdiction in Arizona, and title law is government by state statutes.

The most significant benefit the City would forego under this model is the cost-effective acquisition of tax-foreclosed properties.<sup>12</sup> However, there are still many advantages to this type of land bank. Specific purposes that could be included a City Council resolution include:

- Holding, managing, and disposing of surplus or acquired city-owned properties
- Facilitating the redevelopment of vacant land for public benefit

- Supporting goals related to affordable housing, community revitalization, urban agriculture, and economic development

Property acquisition under this model could take several forms. Acquisition strategies that may be incorporated into the resolution include:

- Acquisition of surplus properties owned by the City
- Acceptance of donated properties with clear titles
- Purchase of properties, subject to City Council approval

Enacting a land bank resolution with these purposes and acquisition strategies would be legally sound and would support Bisbee’s efforts to address housing challenges. This model is not intended to create an organization that passively holds large tracts of land for years. In fact, the resolution could even include time limits for how long the land bank may retain properties before selling or auctioning them. PC strongly recommends this course of action to support future success.

### 1.3: Maximize Owner-Occupied Home Rehabilitation Programs

Bisbee currently utilizes its rotating CDBG owner-occupied housing rehabilitation funds through SEAGO and Cochise County when funding becomes available. This recommendation suggests further investigation into the CDBG program to

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<sup>12</sup> It should be mentioned here that in theory, the land bank could choose to go through the “normal” tax lien process, meaning they could purchase the tax lien certificate and go through the standard three-year long process to foreclose on the property. Or the land bank could enter into an intergovernmental agreement (IGA) with the County to gain “first-refusal” rights on tax-foreclosed properties. It could then collaborate with the County to identify blighted or abandoned parcels and coordinate disposition strategies with the county treasurer or assessor. However, if the City attempts these routes, PC recommends proceeding with caution to avoid any legal implications.

determine whether the City can apply independently for greater funding. If Bisbee is already maximizing this funding source, the City could explore alternative options.

Another potential source of owner-occupied rehabilitation funding is the Home Investment Partnerships Program (HOME), specifically for Owner-Occupied Housing Rehabilitation (OOHR).<sup>13</sup> The 2024 Notice of Funds Available (NOFA) announced \$6 million for the HOME OOHR program. This could complement or serve as a substitute for CDBG funding. The Community Development and Revitalization Division grants funding to towns, counties, and non-profit entities alike.

Adding another source of owner-occupied rehabilitation funding would give the City and its partners the opportunity to expand existing activities and support new initiatives. It would also allow Bisbee to become more independent by pursuing funding directly, rather than relying solely on the rotating funds available through SEAGO or Cochise County. However, partnering with those organizations on a HOME application could also increase the chance of securing a larger award to benefit the broader region.

#### 1.4: Institute a Program to Acquire & Clear Vacant/Dilapidated Structures

This approach builds on the Step Up program and land banking by focusing on property acquisition. Ideally, properties would be donated to Bisbee or a land bank. Once obtained, the City or land bank would clear blighted or dilapidated structures,

preparing the site for private-sector purchase and development. This recommendation is directly complementary to Recommendation 1.2 but is still actionable without a land bank.

Demolishing structures is a cost-effective way to incentivize development, as it removes a financial and logistical burden from private developers. According to HomeGuide, a residential demolition can cost as little as \$6,000.<sup>14</sup> Additionally, a partnership with Freeport McMoRan (FMI) could further reduce costs if the company assists with demolition efforts. FMI occasionally participates in remediation projects in the community, and a partnership with the City or a land bank could be mutually beneficial. Many vacant housing units may also have existing utility connections and infrastructure. This eliminates another expense for developers.

This recommendation does fall in line with general City goals as well. For example, a piece of their priorities in addressing housing includes being more stringent on building code enforcement, especially to address substandard housing problems. One initiative the City is considering is “forgiveness” of fees that may accrue as a result of not cooperating with the programmatic Vacant and Abandoned Unit ordinance. For this option to be a possibility, the property owner could look to donate their substandard property to the City, rather than face the accrual of fees.

As with all of the City’s properties and housing projects, Bisbee can use development agreements to determine

<sup>13</sup> “Community Development and Revitalization,” Arizona Department of Housing, accessed January 25, 2025, <https://housing.az.gov/programs/community-development-and-revitalization>.

<sup>14</sup> Sarah Noel, “Cost to demolish a house” HomeGuide, accessed January 31, 2025, <https://homeguide.com/costs/cost-to-demolish-a-house#sf>.

how properties could be used. For example, the City could require the property be developed for workforce housing. However, we recommend using this strategy to simply turn the property over for a private owner to use it as they please. This will be the most efficient way to ensure the property is used in a way that benefits the community.

## 2. Housing Supply & Incentives

### 2.1: Middle Density Bonuses, Fee Waivers, and other Incentives

Housing developers are often interested in addressing creative housing solutions but self-interest (combined with cost considerations and community pressures) tends to keep them in their “lane” of tried-and-true housing typologies. Density bonuses and fee waivers are tools that can incentivize developers to build more housing, and both can be tailored to encourage specific housing types that align with community needs.

A density bonus allows developers to exceed standard density limits in exchanges for meeting public policy goals, such as providing affordable housing at specific Area Median Income (AMI) levels or developing targeted housing types.<sup>15</sup> Encouraging the use of density bonuses can increase housing supply while lowering per-unit costs, ultimately making units more affordable. This approach benefits all parties. Developers reduce costs, Bisbee gains more housing, and tenants enjoy

lower rents. Density bonuses can also support “missing middle” housing, which would help diversify Bisbee’s housing stock.

Examples of density bonuses can be found throughout the West. For instance, Bonner County, Idaho incorporates conservation subdivisions into its regular subdivision process, offering density bonuses to developers who provide common amenities for residents such as open space and public trails.<sup>16</sup> Ellensburg, Washington demonstrates how to measure density bonuses for ease of implementation. These measurements could be based on the percentage of varied housing types within a development, linear feet of trails, or square footage of parks and open space.

The City of Bisbee already uses fee waivers, such as waiving building permit fees for affordable housing developments. Expanding this practice to include high-density housing or priority housing types could further incentivize development and direct growth where it is most needed. The City could also adopt impact fees for developments that are not affordable or infill projects. General impact fees could then be waived or deferred for developments that meet priority housing criteria.

If the City expands its toolbox of development incentives, it can adopt various models that balance flexibility and accountability. Below are several commonly used tools, listed in order from

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<sup>15</sup>“Plan Implementation Tools – Voluntary, Incentive-Based,” *University of Wisconsin, Stevens Point*, accessed January 31, 2025, <https://www.uwsp.edu/clue/planning-and-zoning-resources/plan-implementation-tools/>.

<sup>16</sup> Bob Bengford, “Planned Unit Developments – Real World Experiences,” MRSC, accessed January 31, 2025, <https://mrsc.org/stay-informed/mrsc-insight/november-2012/planned-unit-developments-real-world-experiences>.

least to most impactful on City administration:

- Allow middle and high-density residential for more lands within city limits<sup>17</sup>
- Defer payment of impact fees until certificate of occupancy is issued
- Offer an interest free (or reduced cost) Local Improvement District payback program
- Waive or reduce tap fees for “in-fill” developments, which cost the City less to support than greenfield development)<sup>18</sup>
- Award grant funding to developers who meet density and/or affordability thresholds<sup>19</sup>

Some zoning code inconsistencies should be addressed. While the C1 and C2 zoning sections state that “any residential” use is allowed, the permitted use matrix (Figure 1 in the zoning code appendix) only lists single-family units as permitted. To promote higher-density housing and integration with commercial areas, we recommend the City explicitly allow all residential uses in C1 and C2 zones. Clarifying these discrepancies will give developers greater confidence and encourage private-sector investment.

## **2.2: Allow a Smaller Share of Hillcrest Units to be Specified for Workforce Housing**

While potentially unpopular, the PC team views this as a viable strategy to expand Bisbee’s housing stock and diverse it.

Hillcrest contains between 36 and 42 housing units. When these units become available, they will significantly increase the community’s housing supply.

However, imposing too many workforce housing restrictions could deter developers. Designating even ten units for workforce housing would still make a meaningful contribution. Meanwhile, allowing developers to allocate the remaining units to market-rate or short-term rentals would help preserve their profit incentive, making the project more feasible. Hillcrest is a major asset to the City, and maximizing its long-term housing potential should be a top priority.

The benefits of adopting this recommendation go beyond simply increasing the number of housing units in Bisbee. This scenario realistically envisions the units being occupied, bringing more residents to Bisbee. Even if the total number of units is reduced, a total of 30 units of various sizes could still house 30–60 residents or more. These new residents represent new workers, fresh earnings to circulated through the economy, and additional sales tax revenue for the City. In other words, they would boost market demand in Bisbee, creating multiplier effects beyond the housing market.

Additionally, key institutions in the City (such as Copper Queen Community Hospital) have expressed interest in using Hillcrest units to house their workers. Fully restricting Hillcrest units to Section 8

<sup>17</sup> Christina Plerhoples Stacy, et al, “Land-Use Reforms and Housing Costs,” Urban Institute, accessed April 5, 2025, <https://www.urban.org/research/publication/land-use-reforms-and-housing-costs>.

<sup>18</sup> “Common revisions to Impact Fees,” National Housing Conference, accessed April 5, 2025, <https://nhc.org/policy-guide/impact-fees-the-basics/common-revisions-to-impact-fees/>.

<sup>19</sup> Community Development, “Community Development Block Grant (CDBG),” City of Lewiston, accessed April 5, 2025, <https://www.cityoflewiston.org/296/Community-Development-Block-Grant-CDBG>.

tenants or workforce housing could exclude higher-income workers, potentially weakening one of Bisbee's economic drivers. While Hillcrest represents an opportunity for workforce and low-income housing, it also has the potential to positively impact the community in broader ways. That shouldn't be overlooked.

### **2.3: Pursue State Funding for Infrastructure Expansion/Upgrades**

Infrastructure development and expansion often create significant barriers to private-sector investment. While Bisbee has implemented proactive planning and rehabilitation programs, reducing infrastructure costs remains an untapped opportunity. Securing funding from state sources to cover these hidden costs could incentivize further development.

Arizona offers several funding sources that could help Bisbee lower infrastructure costs for developers. In August 2024, Governor Katie Hobbs reactivated the Greater Arizona Development Authority (GADA), a state infrastructure bank that supports rural and tribal communities.<sup>20</sup> GADA provides collateral for cities and towns, improving their access to bonding and traditional capital markets. According to a recent news release, the board aims to finance between \$50 million and \$100 million in 2025.

Additionally, the Arizona Department of Water Resources offers funding

opportunities that Bisbee could explore to further reduce infrastructure-related costs.<sup>21</sup> More water supply development funds are available from the Water Infrastructure Finance Authority of Arizona as well.<sup>22</sup> This funding specifically supports projects outside of Arizona's major urban centers, making Bisbee an ideal candidate.

If the City secures this funding, it could apply it to a variety of projects. One opportunity involves updating infrastructure for infill properties, making them more attractive to individuals or developers. This would promote more efficient land use and strengthen community connectivity. The City could also partner with developers on larger projects. For example, future interest may arise in developing the substantial amount of vacant land in the southeast corner of San Jose, which would require utility and infrastructure expansion. The City might also use the funding to support development of its 17-acre property.

### **2.4: Collaborate with Other Regional Nonprofits**

The Step Up program has played a key role in rehabilitating housing units and helping local workers find homes in Bisbee. This has reduced the need for many workers to commute or live in substandard conditions. The program's tax credit incentive serves as its "secret sauce," effectively mobilizing wealthier community members to support

<sup>20</sup> "Arizona Reactivates Greater Arizona Development Authority, Unlocking Millions in Infrastructure Financing for Rural and Tribal Communities," Office of the Arizona Governor, accessed January 31, 2025, <https://azgovernor.gov/office-arizona-governor/news/2024/08/arizona-reactivates-greater-arizona-development-authority>.

<sup>21</sup> "Statewide Funding Opportunities," Arizona Department of Water Resources, accessed January 31, 2025, <https://www.azwater.gov/funding-opportunities-related-water-infrastructure>.

<sup>22</sup> "Water Supply Development," Water Infrastructure Finance Authority of Arizona, accessed February 5, 2025, <https://www.azwifa.gov/programs/funding-type/w sdf>.

the public good. Overall, the community accepts Step Up Bisbee/Naco, which opens the door to potential collaborations with other regional nonprofits. Organizations like Habitat for Humanity and Chicanos Por La Causa (CPLC) present promising opportunities.

Collaborating with a local Habitat for Humanity chapter offers several benefits, particularly the addition of new housing units designated for low- to moderate-income households. This initiative would complement the Step Up program by introducing an alternative model for affordable homeownership.<sup>23</sup>

Habitat's approach, offering 0% interest financing and leveraging volunteer labor, lowers construction costs and reduces financial burdens for buyers. As one stakeholder noted during an in-depth interview, this model makes Habitat a strong partner in addressing local housing needs.

Notably, Habitat for Humanity Tucson has demonstrated a commitment to rural communities. Its 2023–2024 annual report highlights a partnership with three other chapters to build homes for the Havasupai Tribe in remote Supai, Arizona.<sup>24</sup> A partnership with Habitat Tucson could also provide access to their CHUCK Center, a construction training facility that could

bolster Bisbee's broader affordable housing efforts by developing local workforce skills.<sup>25</sup>

PC is aware that a previous local Habitat chapter had a falling out with the community. However, we aren't recommending a revival of that specific chapter. Instead, partnering with proven chapters like Habitat Tucson presents more benefits than drawbacks. Their successful model of affordable homeownership, combined with workforce development through the CHUCK Center, could prove invaluable to Bisbee.

Chicanos Por La Causa (CPLC) also presents a valuable partnership opportunity. They are able to access funding from several sources and run various affordable housing programs. Its real estate division specializes in working with local governments and securing funding from mechanisms such as LIHTC, New Market Tax Credits, HUD, and others.<sup>26</sup> Beyond traditional multifamily properties, CPLC also provides supportive services for the elderly (a potentially underserved community in Bisbee).

CPLC's neighborhood stabilization program offers another viable housing model. Through this initiative, CPLC builds single-family homes for low- to moderate-income families in economically distressed neighborhoods, providing another pathway for the City to address workforce housing.

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<sup>23</sup> "Habitat for Humanity Housing Help," Habitat for Humanity, accessed January 31, 2025, <https://www.habitat.org/housing-help>.

<sup>24</sup> "Reports," Habitat for Humanity – Tucson, accessed January 31, 2025, <https://habittucson.org/about/reports/>.

<sup>25</sup> "CHUCK Center," Habitat for Humanity – Tucson, accessed January 31, <https://habittucson.org/chuck-center/>.

<sup>26</sup> "Affordable Housing," Chicanos Por La Causa, accessed April 5, 2025, <https://cplc.org/programs/affordable-housing>.

Continuing the Step Up program should remain a priority for the City. Originally established to refurbish and rehabilitate homes, Step Up Bisbee/Naco has served as the innovative core of the local workforce housing initiative. The City should maintain its partnership with Step Up while exploring ways to enhance the program.

While the details are still under discussion, one promising modification involves launching an apprenticeship program. Apprentices could train under experienced Step Up board members, ensuring the program's longevity while developing skilled workers to support workforce housing efforts. The Arizona Department of Economic Security offers an apprenticeship program that allows employers to register for apprentices and provides a portal for interested workers.<sup>27</sup> While the program includes limited financial support for apprentices, it currently lacks direct funding for placements.

A partnership with Habitat Tucson and its CHUCK Center could further strengthen this initiative. The collaboration could help recruit a second Step Up crew and even support broader workforce development. Expanding the local pool of skilled workers would enable Step Up to take on more rehabilitation and construction projects.

Lastly, the Step Up workforce housing program could integrate well with a future land bank organization. A land bank could

streamline efforts by managing donated properties, utilizing tax credits, and targeting workforce housing more effectively. In the future, the land bank could extend Step Up-like programs beyond Step Up Bisbee/Naco through partnerships with the apprenticeship program and the CHUCK Center to recruit and train local workers for housing development.

## 2.5: Incorporate Pre-Approved Building Plans

Municipalities commonly use pre-approved building plans to incentivize developers to build housing in their communities. No one likes paperwork, and incorporating pre-approved plans helps reduce it. These plans streamline bureaucratic approval and review times, saving both developers and Bisbee staff time and money.

Counties across the country are adopting this approach. In Siskiyou County, California, officials offer seven building plans in three architectural styles, ranging from 396-square-foot studios to 1,650-square-foot, three-bedroom homes with two-car garages. Property owners can choose from Craftsman, Farmhouse, and Modern designs for each size.<sup>28</sup>

Arizona has also embraced this strategy. Yavapai County runs a program called "A Home of My Own," which provides three single-family home plans (one-, two-, and three-bedroom designs) at no cost.<sup>29</sup>

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<sup>27</sup> "Apprenticeship Program," Arizona Department of Economic Security, accessed January 31, 2025, <https://des.az.gov/services/employment/apprenticeship-program>.

<sup>28</sup> "Siskiyou County Pre-Approved House Plans Now Live," Siskiyou County, accessed January 16, 2025, <https://www.co.siskiyou.ca.us/community-development/page/siskiyou-county-pre-approved-house-plans-now-live>.

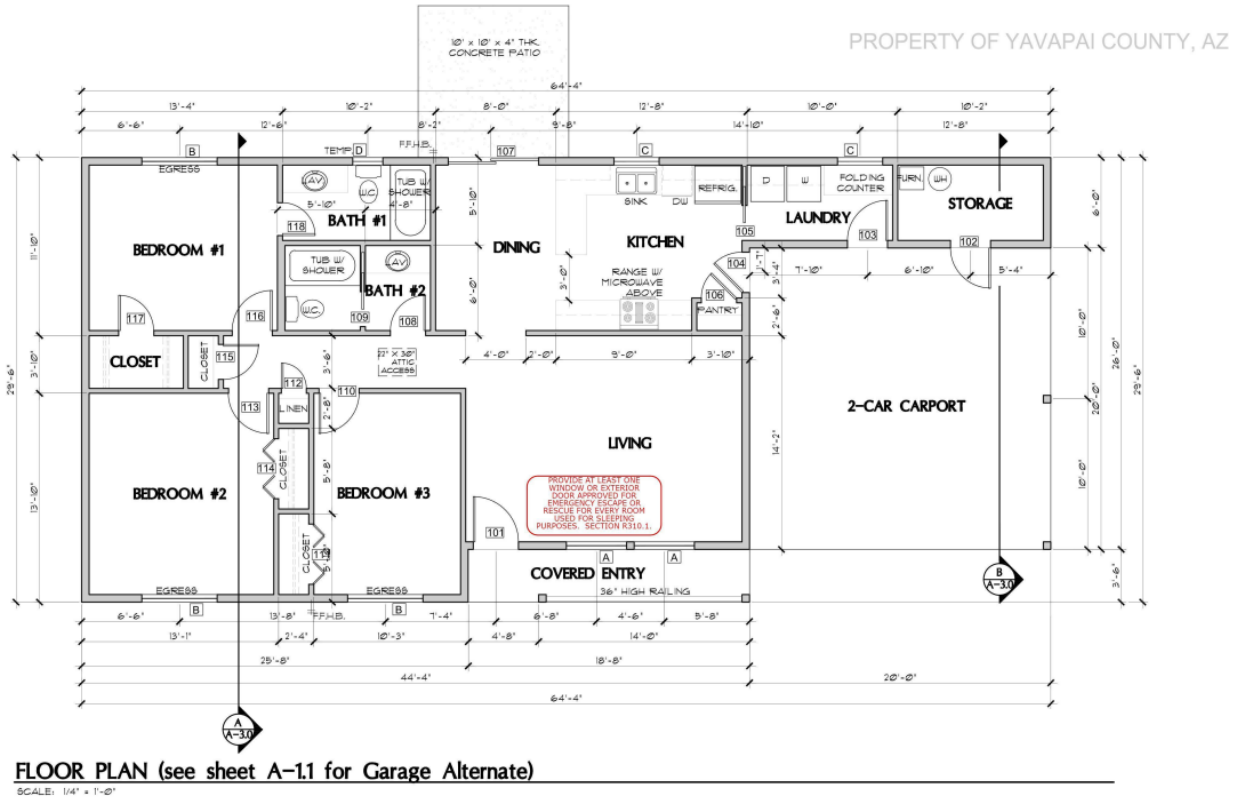
<sup>29</sup> Yavapai County, Development Services, "A Home of My Own! Program," Yavapai County, accessed January 20, 2025, <https://www.yavapiaz.gov/Development-and-Permits/Development-Services/Residential-Homes/A-Home-of-My-Own-Program>.

**Figure 3.6: Example of Siskiyou County Pre-Approved Plan**



Source: Siskiyou County website, "3 Bed/2 Bath: Craftsman, Farmhouse, Modern," accessed May 16, 2024, <https://www.co.siskiyou.ca.us/community-development/page/siskiyou-county-pre-approved-house-plans-now-live>

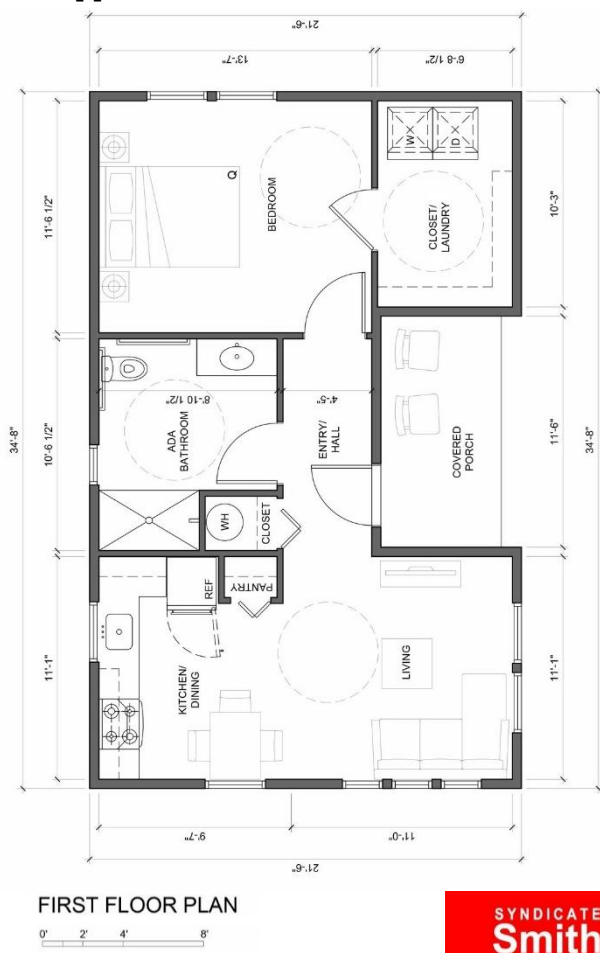
**Figure 3.7: Example of Yavapai County Pre-Approved Plan**



Source: Yavapai County website, accessed May 16, 2024, <https://www.yavapaiaz.gov/Development-and-Permits/Development-Services/Residential-Homes/A-Home-of-My-Own-Program>

In Washington, King County keeps an applicant's plan on file if they are intending to build multiple houses with the same basic plan. This shortens review time. The County also does not charge a plan review fee.<sup>30</sup> This may be a more cost-effective alternative to the City making its own plans.

**Figure 3.8: Example of City of Leavenworth Pre-Approved Plan<sup>31</sup>**



In Leavenworth, Washington (Chelan County), one of the four pre-approved plans on the City's website is ADA accessible. All plans are for dwelling units less than 1,000 square feet.

Bisbee could also tailor pre-approved plans to specific neighborhood clusters, minimizing potential pushback from the DRB. Involving the DRB in selecting plans for Old Bisbee (and possibly Warren in the future) would likely be well received.

Strong Towns, a community advocacy group, provides three recommendations to make pre-approved building plans effective in a community. For pre-approved plans to be successful, there must be inter-departmental communication during plan development. Everyone who "touches new development" must work together so that the plan aligns procedures with vision. Furthermore, the City must take responsibility to educate the public on available resources. Otherwise, the plans will not be useful. Lastly, the plans themselves should be high quality, and reflect feedback from local builders and developers. This will spur community engagement and will also help ensure that the plans are consistent with the character of a community.<sup>32</sup>

<sup>30</sup> Sue Enger, "What's Not to Like? – Pre-Approved Plans Offer Faster Permitting, Cheaper Housing, Quality Design," Municipal Research and Services Center of Washington, accessed July 3, 2024, <https://mrsc.org/stay-informed/mrsc-insight/july-2014/what%E2%80%99s-not-to-like-%E2%80%93-pre-approved-plans-offer-fast>.

<sup>31</sup> City of Leavenworth website, accessed July 1, 2024, <https://cityofleavenworth.com/your-city-hall/departments/community-development/planning/housing/pre-approved-housing-plans/>

<sup>32</sup> Edward Erfurt and Lindsey Beckworth, "Say Yes to New Housing – Before Anyone Even Asks to Build It," Strong Towns, accessed June 1, 2024, <https://www.strongtowns.org/journal/2023/10/27/pre-approved-building-plans>.

## 2.6: Position to Compete for 4% and 9% LIHTC Funds

The City has made it clear that low-income housing tax credit (LIHTC) projects haven't always been successful in addressing Bisbee's issues. PC understands this, but LIHTCs are still a viable mechanism for development, especially addressing needs at the low-income level. According to our Area Median Income (AMI) forecast, there are housing needs at all income levels in Bisbee.

Whether past developers lacked the human capital to compete for these funds or projects were rejected due to Bisbee's rural nature, some successful projects have been completed. Notable examples include the Esperanza Senior and Family Apartments off Collins Road, the San Jose Triangle Apartments, and the Copper City Villas on Melody Lane.

Although all the federal income tax credits for these developments have been paid off, they still represent a significant portion of Bisbee's housing stock, especially its rental units. Competing for these funds (and potentially securing some) could increase the availability of low-income units for households in need. Based on the Section 8 waiting list published by the Cochise County Housing Authority, there are nearly

800 applicants awaiting low-income housing assistance.<sup>33</sup>

A LIHTC project could also be executed more efficiently than traditional developments, offering higher-density development that accommodates more units in a smaller area. To assist with this process and ensure all housing tools are available, PC completed a rental market inventory of all local LIHTC properties. The data collected in [Appendix C](#) resembles what is needed for a LIHTC market study if a project were proposed in Bisbee. According to our analysis, there are relative gaps to be filled at the 0-30% AMI level and the 50-80% AMI level. We recommend that Bisbee continue to consider all options to address housing challenges and assist in the facilitation of a 4% or 9% LIHTC project in the future.

These funds are competitive, with only \$4 million being awarded per year from the Arizona State LIHTC program, but half of all funding goes to rural communities.<sup>34</sup> Since the first round of funding of the State LIHTC program in 2022, there have also been projects of varying types serving various segments of the community.<sup>35</sup>

In April of 2022, Gorman & Company was awarded \$1 million of the rural 9% state tax credit funding to reuse and redevelop the

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<sup>33</sup> Housing Authority, "Section 8 Waiting List," Cochise County Arizona, accessed April 5, 2025, <https://www.cochise.az.gov/DocumentCenter/View/793/Section-8-Housing-Choice-Voucher-Wait-List---Cochise--Graham-Counties-PDF>.

<sup>34</sup> Affordable Housing Resource Center, "State LIHTC Program Descriptions," Novogradac, accessed May 1, 2025, <https://www.novoco.com/resource-centers/affordable-housing-tax-credits/state-lihtc-program-descriptions>.

<sup>35</sup> Arizona Department of Housing, "Outputs, Outcomes and Impact: State Low Income Housing Tax Credit Report," accessed May 1, 2025, [https://housing.az.gov/sites/default/files/2025-02/STC-To-Date-Report\\_2-2025.pdf](https://housing.az.gov/sites/default/files/2025-02/STC-To-Date-Report_2-2025.pdf).

Hill Street School in Globe, AZ.<sup>36</sup> The project in Globe is a perfect example of the potential application in Bisbee. Of similar size to Bisbee with just over 7,000 residents, Globe was also founded in the late 1800s as a mining camp. The Hill Street School Apartments project is funded to serve individuals earning between 30% and 60% of AMI, with some market-rate apartments available as well.<sup>37</sup> The development is ultimately expected to accommodate 64 units of varying sizes.



*Gorman & Company Hill Street School Project, AZ*<sup>36</sup>

Another example of what can be done with this funding in a rural area is a new construction project in Camp Verde, AZ. The Sycamore Vista project was awarded rural-specific funding in 2023 and 2024 and is a much larger scale project. The whole development is expected to feature 160 LIHTC townhomes and another 178 units for standard rent.<sup>38</sup> Both models of rural LIHTC development illustrate how the funding can be used for units beyond just low-income or workforce housing AMI-targeting and offer a glimpse of what is possible for Bisbee.

## **2.7: Solidify the Use of Development Incentives by Incorporating them into the Zoning Code**

As mentioned in Recommendation 2.1, the City already routinely incorporates the practice of fee waivers as an incentive to development. To be specific, building permit fees are waived for affordable housing projects and redevelopments. Waiving these intermediate fees is a great way to stimulate some development and remove barriers for local developers and nonprofits. However, the practice is not explicitly incorporated into the zoning code.

Current city staff members, council members, and mayor are all supportive of the affordable housing strategies being used. However, staff and city leadership will not be in their positions forever. It is not unheard of, nor even uncommon for new leadership or council members to be elected that are less supportive of waiving parking requirements or building permit fees. Under this scenario, these positive development incentives could go away.

To enshrine current and potential future development incentives, PC recommends incorporating them explicitly into the zoning code. For example, the City has relayed to us that they would “of course” grant a variance via the Board of Adjustment for a project redeveloping large historic buildings into boarding houses. A review of

<sup>36</sup> Melissa Badini of Gorman & Company, EIN Presswire by Newsmatics, “Former Schoolhouse Now Adaptive Reuse Project,” Valley Central, accessed April 15, 2025, <https://www.valleycentral.com/business/press-releases/ein-presswire/658445681/former-schoolhouse-now-adaptive-reuse-project/>.

<sup>37</sup> “Hill Street School Apartments,” Gorman & Company, accessed May 1, 2025, <https://www.gormanusa.com/arizona-market/>.

<sup>38</sup> Mason Carroll, “Work begins on 160 affordable housing units in Camp Verde,” Arizona’s Family, accessed May 1, 2025, <https://www.azfamily.com/2024/10/17/work-begins-160-affordable-housing-units-camp-verde/>.

Section 2.4 of the zoning code reveals that this practice is not mentioned.<sup>39</sup>

Even now, these practices could potentially be challenged because they are not currently written into the code.

Development incentives are not uncommon, and we believe they should be encouraged everywhere for priority projects and housing typologies. Solidifying their use and protecting their future use is a logical next step to continue addressing affordability and accessibility issues currently faced by the community.

### **2.8: Decrease Minimum Lot Sizes and Increase Maximum Allowed Lot Coverage**

Minimum lot areas require a property to have a certain number of square feet per lot to be permitted to build a dwelling unit. Maximum lot coverages restrict the percentage of a property that building improvements can make up. If minimum lot areas are too large or maximum lot coverages are too small, they have the potential to restrict the future housing supply.

While Bisbee's minimum lot size is not excessive, it is generally a best practice to reduce them. Additionally, the largest maximum lot coverage allowed is only 50% in R3, and parcels in R1 are only allowed to have buildings covering 40% of the property. To align these two regulations, PC recommends reducing minimum lot areas and increasing maximum lot coverages.

According to a study completed by the Visual Capitalist in 2022, the median lot size in Arizona is just over 8,700 square feet (sf).<sup>40</sup> Bisbee's minimum lot size is smaller than this at 6,000 sf. In general, this shows that Bisbee allows a bit more density than on average in the state. However, inching this down to even one tenth of an acre (4,360 sf) allows for a little more density, contributing to allowing housing units at a more affordable level for Bisbee residents. Larger minimum lot areas can also mean the development of larger, and therefore more expensive housing. While the right of citizens to build large homes should be preserved, PC believes that builders should also be free to construct smaller units.

Maximum lot coverages may have been intended to preserve small town, rural character by maintaining space between dwelling units. But at levels as low as 40% in R1, maximum lot coverages will contribute to inefficient use of land. At a broad level, this can result in more properties being classified as "potentially re-developable" under our Buildable Lands Inventory methodology. In other words, it will contribute to low improvement values on properties compared to land values. This will effectively result in inefficient land use. Increasing or abolishing maximum lot coverages will ensure infill developments and newer housing developments will use all of the land available to them.

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<sup>39</sup>Bisbee Zoning Code, § 2.4 "Board of Adjustment," City of Bisbee, Gridics, accessed May 1, 2025, <https://codehub.gridics.com/us/az/bisbee#/482ebfd7-e5d2-4e71-a234-a364750b8d3d/8cb2233a-8383-4f5d-991d-31c4b458c439>.

<sup>40</sup> Carmen Ang, "The Median Lot Size in Every U.S. State in 2022," Visual Capitalist, accessed May 1, 2025, <https://www.visualcapitalist.com/cp/the-median-lot-size-in-every-american-state-2022/>.

### 3. Community Enhancement

#### 3.1: Improve Understanding of the Impact of Short-Term Rentals on the Community

Short-term rentals (STRs) have been a hot topic in Bisbee for several years, with strong opinions about how they should be regulated and where they should be allowed. Unfortunately for Bisbee, the State of Arizona imposes limited regulation on STRs.<sup>41</sup> In summary, the legislation states that communities cannot limit the number of STRs or restrict the areas where they can operate. However, the legislation does allow cities to implement registration rules, including requiring a license and charging a fee. Bisbee currently does this.

STRs undoubtedly reduce the housing supply in Bisbee, especially given the City's household size. Our analysis shows that STRs account for nearly 10% of occupied housing units, a measure which jumps to 20% when examining Old Bisbee. Many of our in-depth interviews revealed that property owners who previously operated long-term rentals switched to STRs for higher income.

There has also been some movement from the League of Cities to challenge the state legislation, which may affect smaller communities more than larger ones. Additionally, PC believes an empirical study on the impact of STRs would be beneficial to policy makers and the community. In particular, Bisbee should investigate the following issues:

- What is the impact of STRs on water usage (compared to a similar unit used as a long-term rental, a full-time

owner's residence, or a part-time owner's residence)?

- To what degree are STR operators complying with existing STR regulations?
- What are the seasonal dynamics of STR lodging?
- How much money have STR operators invested into their units before renting them out?
- What is the tourism spending impact of STRs (compared to visitors staying in traditional lodging)?
- To what degree do STRs attract "net-new" visitors to Bisbee who would not otherwise stay overnight in the community?
- What are the potential economic and fiscal impacts of decreased lodging tax revenue due to STR regulations?
- What is the impact of STRs on the availability and affordability of long-term rental housing?

This empirical study could potentially be expanded to encompass other small, rural communities in Arizona. A proposition to partner with the League of Cities to quantify the impact of STRs on smaller communities compared to larger ones would align with the organization's current legislative priorities. Current city leadership often states that they are more than willing to share knowledge with other communities to ensure greater well-being among their peers. Improving the understanding of STRs impacts is an opportunity to further this goal.

Several studies have been conducted on the impact of STRs, both at a broad level and at the community level. Pre-COVID, the

<sup>41</sup> Arizona Legislation, § 9-500.39, "Limits on Regulation of Vacation Rentals and Short-Term Rentals," *Arizona State Legislature*, accessed January 10, 2025, <https://www.azleg.gov/ars/9/00500-39.htm>.

Economic Policy Institute (EPI) conducted a study on the economic costs and benefits of STRs. The findings may support Bisbee's efforts. One specific finding was that long-term renters face rising housing costs due to STRs.<sup>42</sup>

The Residents Coalition of Chelan County (RC3) has also been conducting their own research on the STR industry.<sup>43</sup> A study completed by Skinnarland and Patterson (2021) on STRs in Chelan County, WA presents community level findings that Bisbee should consider.<sup>44</sup> One key finding is that an increase in STRs undeniably reduces the housing stock available to local workers of their findings includes the fact that more STRs undeniably reduce the housing stock for local workers.

Another resource for analyzing the impact of STRs on communities is the book *Homesick* by Brendan O'Brien (2023). In the book, O'Brien recalls the effects of STRs in Flagstaff, AZ, Bozeman, MT, and St. George, UT.<sup>45</sup> While each of these communities is significantly larger than Bisbee, the findings are especially relevant due to economic and legislative similarities. Flagstaff, in

particular, is impacted by Arizona state legislation that limits local STR restrictions.

Each of the three models we referenced could be used to deepen the understanding of STR impacts on the community. All of them should be reviewed and considered to determine the most efficient and effective way to serve Bisbee. A combination of these models, along with our recommended questions, is likely to provide the City with ample quantitative support for future legislative actions.

### 3.2: Improve Compliance with STR Regulations

Once potential pushback on STR regulations is addressed, PC recommends that the City research and adopt a tool to monitor compliance with short-term rental regulations. Specifically, the City should track code compliance and revenue collection. With limited regulations currently available to Bisbee, enforcing them is essential. While the City has registered around 80 STRs, our data suggest that there may be more than 200 in Bisbee operating in Bisbee.

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<sup>42</sup> Josh Bivens, "The economic costs and benefits of Airbnb; No reason for local policymakers to let Airbnb bypass tax or regulatory obligations," Economic Policy Institute, accessed January 20, 2025, <https://www.epi.org/publication/the-economic-costs-and-benefits-of-airbnb-no-reason-for-local-policymakers-to-let-airbnb-bypass-tax-or-regulatory-obligations/>.

<sup>43</sup> "Short Term Rentals," Residents Coalition of Chelan County, accessed January 20, 2025, <https://coalitionofchelancounty.org/short-term-rentals/>.

<sup>44</sup> Kirvil Skinnarland, MS, MBA and Brian Patterson, Ph.D., "How Short-Term Rentals in Residential Areas Harm Communities," Residents Coalition of Chelan County, accessed January 20, 2025, <https://coalitionofchelancounty.org/wp-content/uploads/2022/09/How-Short-Term-Rentals-In-Residential-Areas-Harm-Communities-May-20-2021.pdf>.

<sup>45</sup> Roshan Abraham, "Running Rampant: How Short-Term Rentals Affect Communities with Loose Restrictions," Shelterforce, accessed January 20, 2025, <https://shelterforce.org/2024/02/22/how-short-term-rentals-affect-communities-with-loose-restrictions/>.

Tracking tools like Avenu<sup>46</sup> and Granicus<sup>47</sup>, among others, can assist with enforcement. Although these tools may seem costly, they are more affordable compared to hiring an additional city employee to oversee compliance. For the City's legislation to achieve its intended impact, proper enforcement is critical. In the case of STRs, tracking software can significantly improve compliance rates.

### **3.3: Utilize State Housing Assistance Funds and a Recruitment/Relocation Site to Recruit and Retain Young Homeowners**

Given Bisbee's aging population, the City could benefit from attracting younger workers and families. Housing costs have been a barrier to this migration in many communities, including Bisbee. PC recommends incorporating down payment assistance from the state and implementing a recruitment strategy through MakeMyMove to attract and retain young homeowners.

Down payment assistance will help ease the financial burden faced by first-time homebuyers and encourage them to purchase homes in Bisbee. The State of Arizona offers both statewide and rural-specific programs.<sup>48</sup> The statewide program provides funds for down payments, interest rate buydowns, and closing costs. Eligible homebuyers with an income at or below 80% of AMI may receive up to \$30,000 in assistance. Those with incomes between

81% and 120% of AMI may receive up to \$20,000.

MakeMyMove is a recruitment platform that allows municipalities to post incentives aimed at attracting workers to relocate to their communities. Incentives might include a few thousand dollars as a signing bonus or memberships to local community centers and coworking spaces.<sup>49</sup> Many communities using the platform aim to attract remote (WFH) workers. Since the percentage of WFH workers in Bisbee has tripled since 2019, this presents a strong opportunity to recruit remote professionals interested in small-town living.

Cochise County has also seen a broader trend of younger residents leaving the area after graduating from high school or college. The MakeMyMove platform could also be used to bring back individuals who have a personal or familial connection to the region. This approach could help reduce the risk of recruiting people who may not align well with the community's values and culture. Recruitment efforts could also be tailored to attract high-skill workers needed to support Bisbee's future workforce needs.

### **3.4: Identify Priority Development Areas**

As mentioned earlier, Bisbee is divided into three distinct neighborhood clusters. Among these, the San Jose cluster stands out as having the greatest potential for development. While it is already designated

<sup>46</sup> Avenu Insights & Analytics, accessed January 20, 2025, <https://www.avenuinsights.com/>.

<sup>47</sup> "Host Compliance SaaS," Granicus, accessed January 20, 2025, <https://granicus.com/solution/govservice/host-compliance/>.

<sup>48</sup> "Governor Hobbs' Arizona is Home," Arizona Department of Housing, accessed January 20, 2025, <https://housing.az.gov/general-public/programs-homebuyers>.

<sup>49</sup> Make My Move, accessed January 20, 2025, <https://www.makemymove.com/>.

as a “growth area” in Bisbee’s General Plan, this designation does not appear to offer many tangible incentives. We recommend designating the San Jose cluster as a priority development area.

Doing so would help ensure that future development in Bisbee is efficient and strategically concentrated. By offering unique density bonuses, fee waivers, and directing new housing development to this area, the City could help transform San Jose into a mixed-use core. San Jose offers the most available space for new development, is not subject to the DRB process, and has the best infrastructure among the three clusters. The priority development designation would also align with the goals of the City’s new zoning overlay.

According to our Buildable Lands Inventory (BLI), 88% of the available vacant land in Bisbee is concentrated in San Jose. In an in-depth interview, we also learned that some commercially zoned areas allow for residential development. This creates opportunities for mixed-use projects. A review of the zoning code confirmed that residential structures are permitted in the C1, C2, CM1, and CM2 zones.

The San Jose neighborhood is especially well-suited for mixed-use development, with its main shopping strip primarily zoned C1 and C2 and more than 100 acres of vacant land similarly zoned. Given this, the City should actively inform developers of the permitted uses in these zones to encourage projects that integrate residential and commercial spaces.

To take an even more proactive approach, the City could also earmark specific geographic areas within San Jose for lower-, middle-, and higher-density development based on projected traffic patterns and adjacent land uses. Establishing designated areas for middle- and higher-density development in advance will guide future single-family developers to build within a framework that already defines intended land use, rather than defaulting to low-density assumptions.

This can be done formally through a Future Land Use map, or informally by tracking possible uses by parcel in spreadsheet form. Either method will help Bisbee staff make informed and holistic decisions on future issues such as annexation, rezoning, planned unit developments (PUDs), and related matters. The BLI completed as part of this project will serve as a useful resource in this process.

### **3.5: Coordinate a Community and/or Private Market Workshop on the New Overlay Zone**

In February of 2025, the City of Bisbee adopted a new residential zoning overlay.<sup>50</sup> PC believes this was a great step for Bisbee, allowing an expanded set of housing typologies and middle-density housing in existing zoning districts without the need to rezone individual properties. As with any new policy, however, community awareness is essential. PC recommends hosting a community and/or private market workshop focused specifically on the overlay.

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<sup>50</sup> “Agenda Center, Feb 18, 2025 Minutes,” City of Bisbee, accessed May 1, 2025, <https://www.bisbeeaz.gov/agendacenter>.

City staff noted that workshops were held with the Planning and Zoning Commission and that community input played a role in shaping the overlay. While these efforts are crucial to building public support, PC believes it is equally important to engage and educate private market actors. Recommendation 3.4 complements the zoning overlay, and so will this outreach effort.

Although new development options are now available, many developers may not be aware of them. Additionally, a common stereotype persists that smaller, rural communities only support low-density, single-family housing. This misconception may deter developers, especially those unfamiliar with Bisbee, from exploring opportunities in the City. Even local developers may be unaware of the updated allowances.

Proactively engaging with the private sector to showcase what is now possible under the new overlay is a powerful way to remove barriers to housing development. While this outreach will require time and marketing effort from the City, it represents another critical step toward encouraging appropriate and diversified growth within Bisbee.

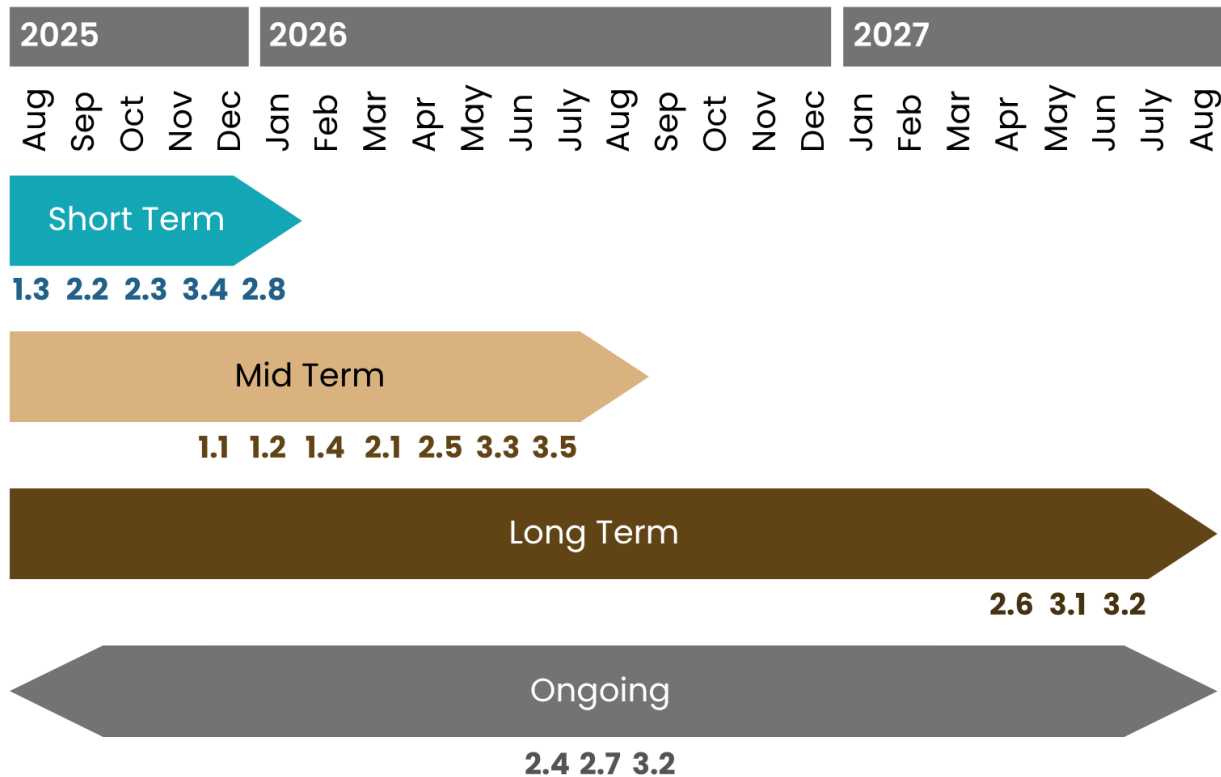
## 4. Affordable Housing Action Plan

Making recommendations for consideration by City leadership is an important phase of the process, but the most crucial activities for creating real change occur after the initial ideation phase. Many good studies have gone underutilized due to skipping this stage of the process. To avoid such shortcomings, we have constructed a timeline and matrix for the Affordable Housing Action Plan to support our final recommendations for the City of Bisbee.

Below, Figure 4.1 displays the recommended timeline for implementation and activation of these recommendations. This timeline can serve as a roadmap for the City in taking next steps to address housing challenges faced by residents. Importantly, it is meant to show, in general, how long each recommendation may take. Some may take longer, others shorter, but this provides a general timeframe.

Table 4.1 reports the full Affordable Housing Action Plan. Each recommendation is organized by theme and includes the estimated timeframe for completion, along with potential actors and partners the City of Bisbee could collaborate with. Collaborating with regional partners can help ensure the burden does not fall entirely on City staff and can strengthen relationships for addressing future housing challenges.

**Figure 4.1: Affordable Housing Action Plan Timeline**



Source: Points Consulting and City of Bisbee, 2025

**Table 4.1: Affordable Housing Action Plan**

Theme	Recommendation	Timeframe	Actors
<b>1. Rehabilitation &amp; Redevelopment</b>	<b>1.1</b> Encourage Reuse of Large Centrally Located Buildings for Rooming/Boarding Houses or Live/Work Studio and Living Spaces	Mid Term	City of Bisbee; Potentially Cochise County
	<b>1.2</b> Facilitate the Development of a Land Bank	Mid Term	City of Bisbee
	<b>1.3</b> Maximize Owner-Occupied Home Rehabilitation Programs	Short Term	City of Bisbee; Cochise County; Step Up Bisbee/Naco
	<b>1.4</b> Institute a Program to Acquire and Clear Vacant/Dilapidated Structures	Mid Term	City of Bisbee; Potential Land Bank
<b>2. Housing Supply &amp; Incentives</b>	<b>2.1</b> Middle Density Bonuses, Fee Waivers, and other Incentives	Mid Term	City of Bisbee
	<b>2.2</b> Allow a Smaller Share of Hillcrest Units to be Specified for Workforce Housing	Short Term	City of Bisbee; Private Developer
	<b>2.3</b> Pursue State Funding for Infrastructure Expansion/Upgrades	Short Term	City of Bisbee; Freeport McMoran; Step Up Bisbee/Naco; Cochise County Board of Supervisors
	<b>2.4</b> Collaborate with Other Regional Nonprofits	Ongoing	City of Bisbee; Habitat for Humanity of Tucson; Chicanos Por La Causa; Step Up Bisbee/Naco
	<b>2.5</b> Incorporate Pre-Approved Building Plans	Mid Term	City of Bisbee
	<b>2.6</b> Position to Compete for 4% and 9% LIHTC Funds	Long Term	City of Bisbee; Private Partners
	<b>2.7</b> Solidify the Use of Development Incentives by Incorporated them into the Zoning Code	Ongoing	City of Bisbee
	<b>2.8</b> Decrease Minimum Lot Sizes and Increase Maximum Allowed Lot Coverage	Short Term	City of Bisbee

<b>3. Community Enhancement</b>	<b>3.1</b> Improve Understanding of the Impact of Short-Term Rentals on the Community	Long Term	City of Bisbee; Arizona League of Cities
	<b>3.2</b> Improve Compliance with STR Regulations	Ongoing and Long Term	City of Bisbee
	<b>3.3</b> Utilize State Housing Assistance Funds and a Recruitment/Relocation Site to Recruit and Retain Young Homeowners	Mid Term	City of Bisbee
	<b>3.4</b> Identify Priority Development Areas	Short Term	City of Bisbee
	<b>3.5</b> Coordinate a Community and/or Private Market Workshop on the New Overlay Zone	Mid Term	City of Bisbee

Source: Points Consulting and City of Bisbee, 2025



## 5. Buildable Lands Inventory

The housing market and its outcomes are determined by two sides: supply and demand. A key factor of housing supply is the amount of land available to develop new housing and meet future housing demand. To measure the true potential supply of future housing, Points Consulting (PC) developed a buildable lands inventory (BLI) for Bisbee. Using Cochise County GIS and Assessor's Office data, along with Regrid and City of Bisbee zoning data, we categorized land as **Vacant**, **Vacant with Personal Property**, **Potentially Re-developable**, and **Underutilized**. Our full assumptions are laid out as follows:

- Parcels in zones that allow some form of residential development were considered for the BLI. Those zones include:
  - R-1: Residential 1
  - R-2: Residential 2
  - R-3: Residential 3
  - RM: Manufactured Home Park Residential
  - C-1: Commercial 1
  - C-2: Commercial 2
  - CM-1: Commercial Mixed-Use 1
  - CM-2: Commercial Mixed-Use 2
- **Vacant:** Parcels with an improvement value of less than \$10,000 were considered to be in the Vacant category. This would include parcels with no improvements on them (truly vacant) and parcels with limited improvements on them (effectively vacant).
- **Vacant with Personal Property:** Some vacant parcels, with no improvement value attached but with an account type of "improvement possessory rights" (IPR) or mobile home, were deemed Vacant with Personal Property. These parcels are occupied by personal property, rather than real property. While these parcels would have been captured as effectively vacant according to our previous methodology, many contain residential structures that are not attached to the ground. It is possible for these properties to have their structures cleared without much issue, but we wanted to capture them separately, as they may have occupied residences on them.
- **Potentially Re-Developable:** Parcels that were not classified in one of the two previous categories and had an improvement-to-land value ratio of less than 1.0, were classified as Potentially Re-developable. These are parcels that could be considered for redevelopment to accommodate more housing on the acreage they cover. The improvement-to-land value ratio we used is equivalent to a 50% improvement-to-assessed value ratio. For example, if the total assessed value of a parcel is \$200,000, and the improvement value is \$75,000, the land value would be \$125,000. This parcel would be classified as Potentially Re-developable because the improvement value exceeds \$10,000 (so it is not vacant), but the improvement value is less than the land value.

- **Underutilized:** We also analyzed parcels that were neither Vacant nor Potentially Re-developable for underutilization. If these parcels are identified to have single-family housing through the Assessor's Office data but are located in a zone that allows housing types that could develop at a higher density (i.e. R-2 as it allows duplexes or C-2 as it allows "any residential"), then they were considered Underutilized. In other words, these parcels are being used for housing at a density that is lower than the highest allowable density.
- Parcels excluded from analysis include:
  - Government-owned parcels
  - School district-owned parcels
  - Fire district-owned parcels
  - All other public/quasi-public entity-owned parcels
  - Public recreation parcels (i.e. parks and golf courses)
  - Common area parcels
  - Cemeteries
  - Churches/religious-use parcels
  - Qualified, tax-exempt parcels
- Net acreage was determined by eliminating acreage from parcels covered by steep slopes (greater than 15%) with USGS digital elevation model (DEM) data and FEMA floodways and hazard zones (Zones A and AE).
- A 25% reduction was taken from net acreage for public uses/right of way. In other words, if the land were developed, then we assume that 25% of it would actually be used for non-residential purposes as space is needed for roads, public/utility easements, etc.
- Another 25% reduction was made to account for other market factors. There are many possibilities on this front, including unwilling sellers, owners putting lands into conservation trusts, or land developing at lower densities than it could as allowed by zoning regulations.
- Assumed densities (dwelling units per acre, or dua) were adapted from current minimum lot rules and best practices we have observed in rural communities. The assumed densities are as follows:
  - R-1: five dua
  - R-2: eight dua
  - R-3: 15 dua
  - RM: eight dua
  - Commercial and mixed-use zones: two dua
- Due to the new zoning overlays being adopted by the City, we used a slightly higher assumed density for San Jose's R-1 land. Specifically, we used eight dua because middle-density units are going to be allowed in R-1 land in the San Jose cluster.

## Vacant Parcels

The vacant lands for Bisbee as a whole, as well as those broken out by the three main clusters (Old Bisbee, Warren, and San Jose), are shown below in Tables 5.1-5.4. The acreage presented here comes from parcels in zones that allow residential development

and have improvement values of less than \$10,000. We estimated the potential number of housing units that could be developed on these acres using a density assumption.

The vast majority of housing unit potential is located in the San Jose cluster (Table 5.4), totaling almost 2,800 housing units. However, there does appear to be land available in Old Bisbee, with approximately 57 adjusted acres that could accommodate about 160 housing units, as reported in Table 5.2. According to our BLI analysis, Warren has the least housing unit potential of the main clusters, with just about 60 units (Table 5.3).

**Table 5.1: Vacant Land and Housing Unit Potential in Bisbee**

Zone	Net Acreage	Adjusted Acreage	Density Assumption	Housing Unit Potential
C-1	12.3	6.9	2	14
C-2	110.9	62.4	2	125
CM-2	0.7	0.4	2	1
R-1	662.7	372.7	5	2,843
R-2	0.3	0.2	8	1
R-3	4.9	2.8	15	42
RM	12.9	7.2	8	58
<b>Total</b>	<b>804.6</b>	<b>452.6</b>	<b>-</b>	<b>3,084</b>

Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

**Table 5.2: Vacant Land and Housing Unit Potential in Old Bisbee**

Zone	Net Acreage	Adjusted Acreage	Density Assumption	Housing Unit Potential
CM-2	0.7	0.4	2	1
R-1	55.8	31.4	5	157
R-2	0.3	0.2	8	1
<b>Total</b>	<b>56.7</b>	<b>31.9</b>	<b>-</b>	<b>159</b>

Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

**Table 5.3: Vacant Land and Housing Unit Potential in Warren**

Zone	Net Acreage	Adjusted Acreage	Density Assumption	Housing Unit Potential
C-1	1.0	0.5	2	1
R-1	21.3	12.0	5	60
R-3	0.1	0.0	15	1
<b>Total</b>	<b>22.4</b>	<b>12.6</b>	<b>-</b>	<b>62</b>

Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

**Table 5.4: Vacant Land and Housing Unit Potential in San Jose**

Zone	Net Acreage	Adjusted Acreage	Density Assumption	Housing Unit Potential
C-1	9.1	5.1	2	10
C-2	110.6	62.2	2	124
R-1	580.3	326.4	8	2,611
R-3	4.8	2.7	15	41
<b>Total</b>	<b>704.9</b>	<b>396.5</b>	<b>-</b>	<b>2,786</b>

Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

## Vacant Parcels with Personal Property

The parcels reported in Table 5.5 are those that would have been classified as vacant according to our BLI methodology. However, Cochise County Assessor's Office records indicate that these properties have personal property on them, rather than real property. The personal property could include occupied manufactured homes or single-family residences that are not 100% attached to the ground, resulting in a legal distinction between real and personal property. Given the nature of these properties, we felt it best to categorize them separately, showing that they could be used for other purposes in the future.

## Potentially Re-Developable Parcels

Parcels that are Potentially Re-developable are shown in Table 5.6. According to our methodology, these parcels have an improvement value lower than the land value, indicating an opportunity to enhance the land and accommodate more housing. However, not all parcels will necessarily be redeveloped, as doing so requires the property to potentially be subdivided to separate the existing structure from the auxiliary land.

## Underutilized Parcels

Table 5.7 presents parcels classified as underutilized based on the methodology outlined above. Our analysis indicates that these parcels are currently developed at a lower density than what is permitted within their zoning designation (e.g., single-family housing in an R-3 zone). While these properties represent an untapped resource, redevelopment would be significantly more challenging, placing them in a distinct category separate from those classified as potentially re-developable.

## Maps

This section provides a visual representation of the BLI, showing where the Vacant, Potentially Re-developable, and Underutilized parcels are throughout the City. These maps reflect the assumptions we used, as we mentioned earlier in this section. Parcels like the City's 17-acre property and Hillcrest are not shown because they are owned by the City. This will be reflected in the case of other publicly owned parcels as well.

**Table 5.5: Vacant Parcels with Personal Property in Bisbee**

Zone	Net Acreage	Parcels
C-1	0.1	2
CM-2	0.1	2
R-1	0.7	16
RM	1.2	12
<b>Total</b>	<b>2.1</b>	<b>32</b>

Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

**Table 5.6: Potentially Re-Developable Parcels in Bisbee**

Zone	Net Acreage	Parcels
C-1	2.9	7
C-2	4.3	1
R-1	180.9	45
RM	2.8	6
<b>Total</b>	<b>191.0</b>	<b>59</b>

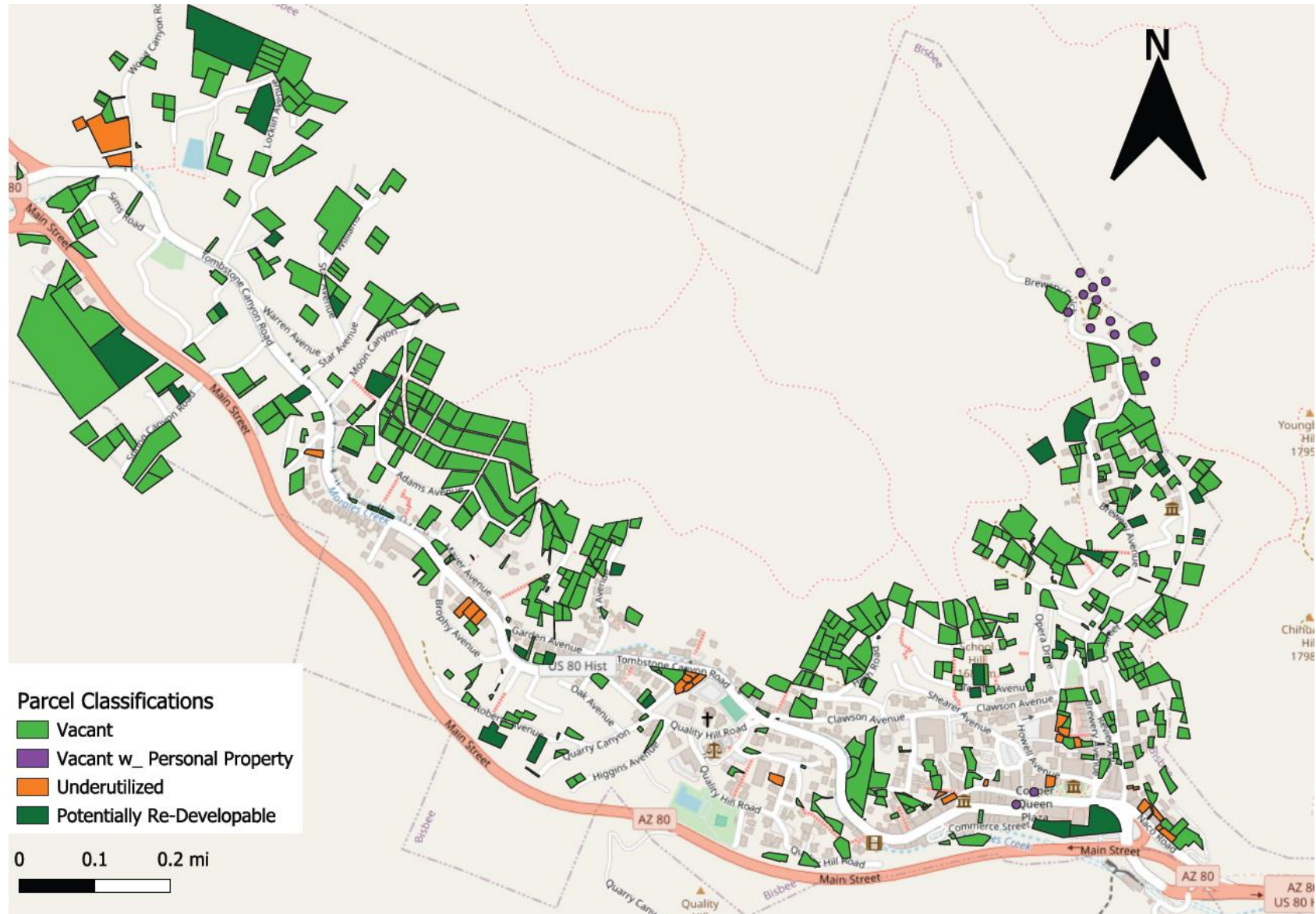
Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

**Table 5.7: Underutilized Parcels in Bisbee**

Zone	Net Acreage	Parcels
C-1	5.5	24
C-2	0.2	6
CM-2	0.5	11
R-2	0.2	3
R-3	2.5	8
<b>Total</b>	<b>9.0</b>	<b>52</b>

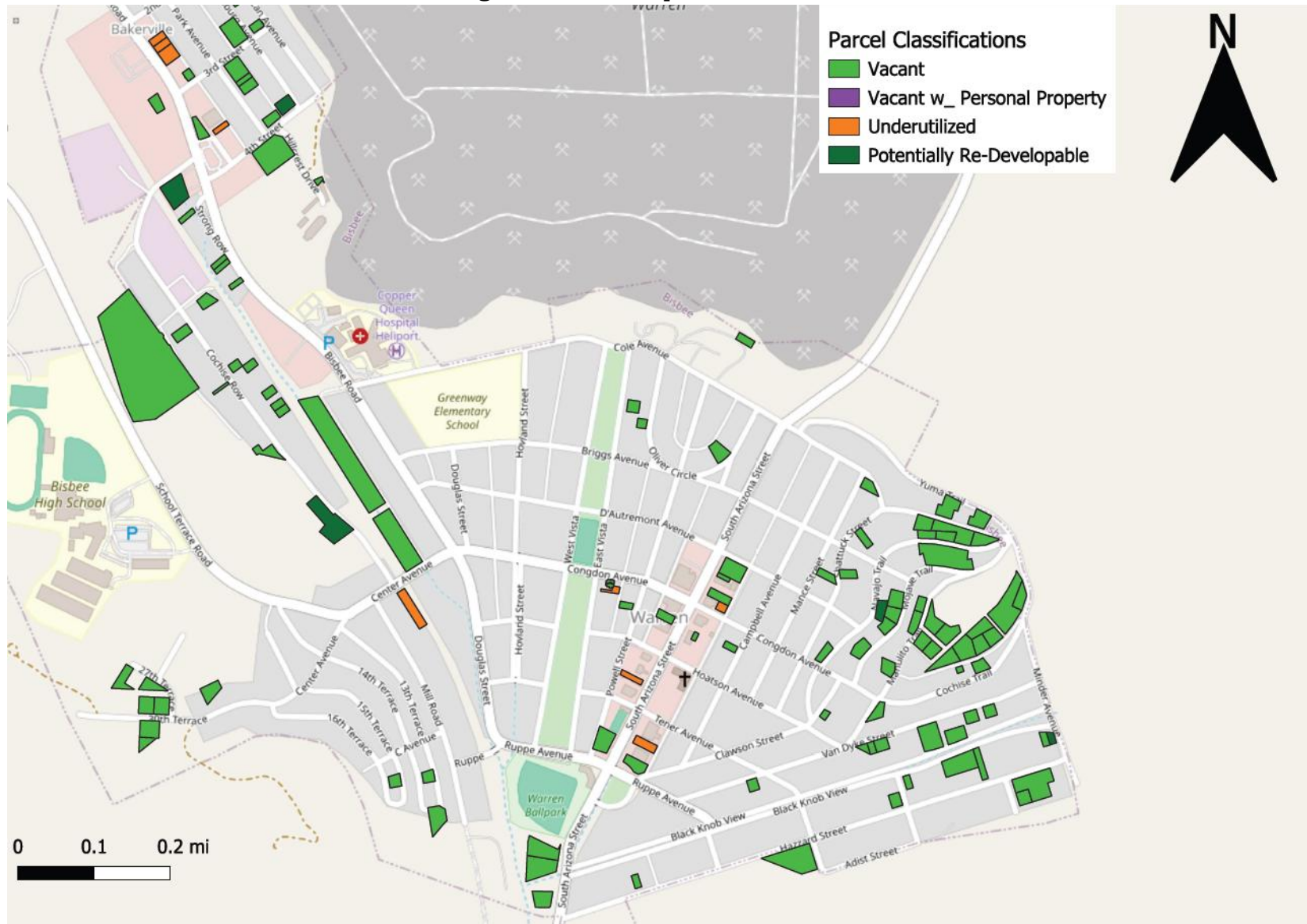
Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

Figure 5.1: BLI Map, Old Bisbee Parcels



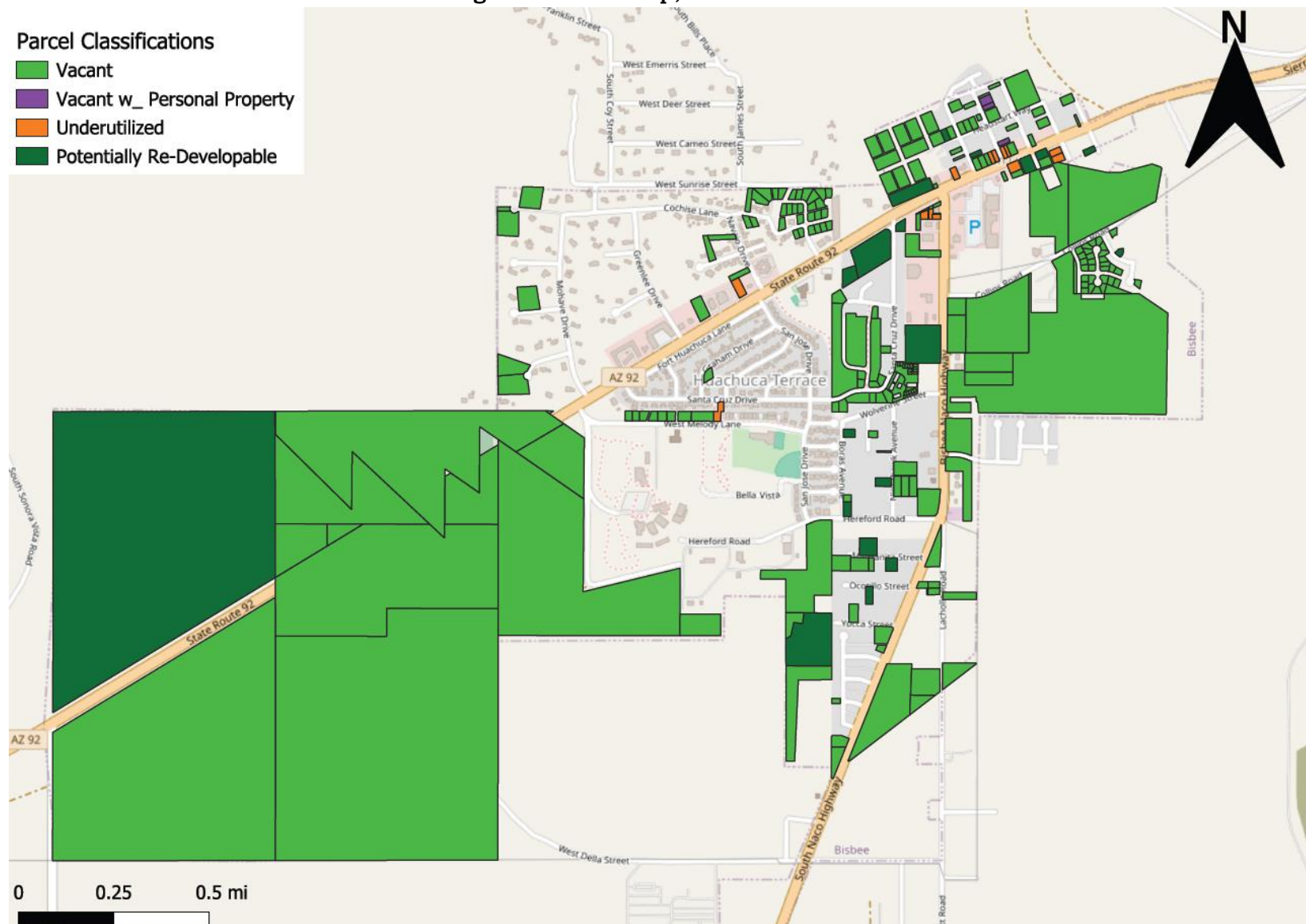
Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

Figure 5.2: BLI Map, Warren Parcels



Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

**Figure 5.3: BLI Map, San Jose Parcels**



Source: Cochise County GIS, Cochise County Assessor's Office, City of Bisbee Zoning, Regrid, FEMA, USGS

## 6. Demographic & Socioeconomic Trends

### Trends in Population Growth

A growing population generally signals increased demand, which directly impacts the housing market. More people require more homes.

Since 2010, Arizona's population has grown significantly by 17.6%, more than double the national growth rate of 8.3% (Table 6.1). However, this growth has not been reflected in Cochise County. The County's population has slightly declined by 3.0% over the same period. Most incorporated communities within Cochise County, including Bisbee, share this trend. Bisbee's population has decreased about 8.3% since 2010, according to the Arizona Office of Economic Opportunity. Even Douglas has experienced population decline, while Sierra Vista has seen only modest growth, increasing by just 0.9%.

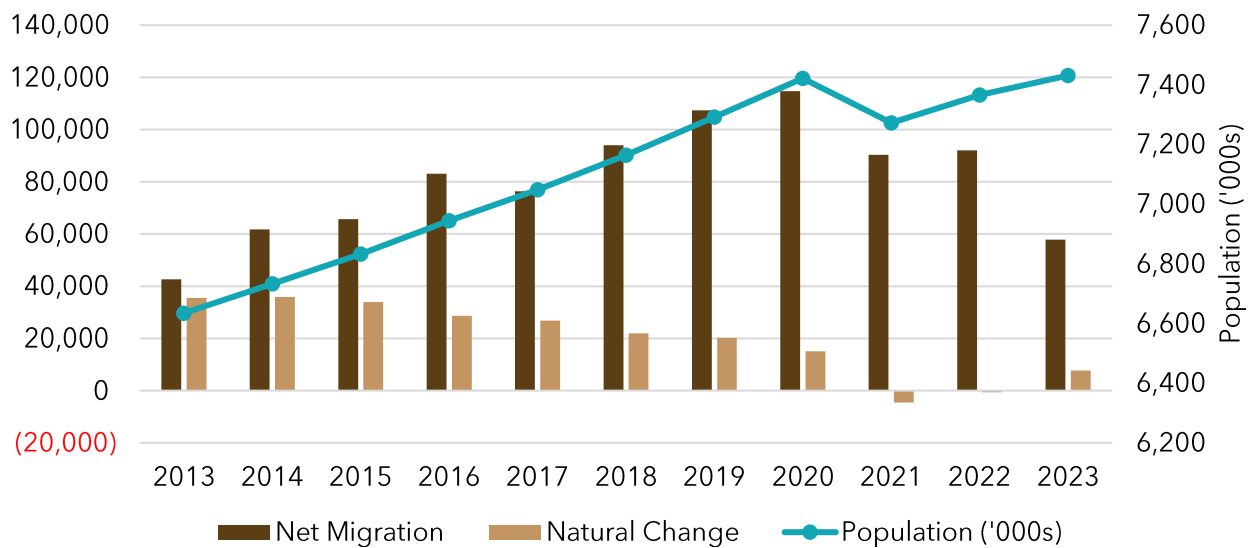
**Table 6.1: Population Change, 2010-2023**

Region	2010 Population	2023 Population	Numerical Change	% Change
Bisbee	5,549	5,091	(458)	(8.3%)
Benson	5,105	5,447	342	6.7%
Douglas	17,401	15,940	(1,461)	(8.4%)
Huachuca City	1,845	1,635	(210)	(11.4%)
Sierra Vista	45,054	45,466	412	0.9%
Tombstone	1,380	1,398	18	1.3%
Willcox	3,749	3,278	(471)	(12.6%)
Cochise County	131,284	127,305	(3,979)	(3.0%)
Arizona	6.40 M	7.53 M	1.13M	17.6%
United States	309.35 M	334.91 M	25.57M	8.3%

Source: Arizona Office of Economic Opportunity, U.S. Census Bureau, 2010 and 2023 1-Year Estimates, Table DP05 Table S1701

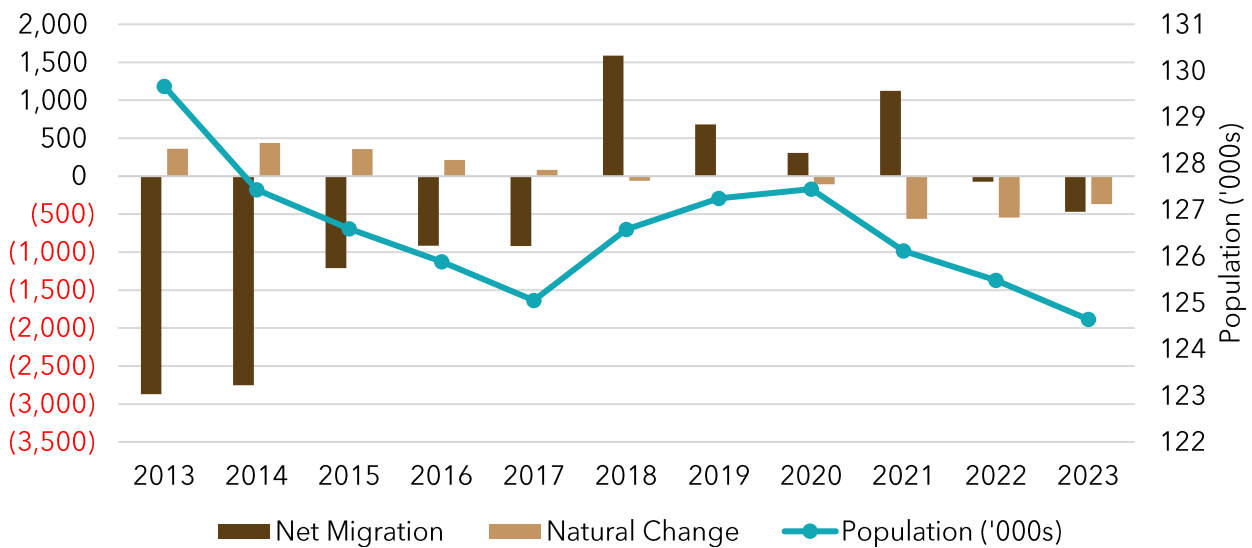
Three primary factors drive population growth: births, deaths, and migration. Figures 6.1 and 6.2 illustrate what has influenced population change in Arizona and Cochise County. In Arizona, both migration and "natural population change" (births minus deaths) have fueled population growth over the last decade. From 2013 to 2017, Cochise County gained population through natural increase but lost residents due to negative net migration (more people moved out than in). In contrast, from 2018 to 2021, the County saw natural population decline but gained residents through positive net migration.

**Figure 6.1: Sources of Population Change, Arizona, 2013-2023<sup>51</sup>**



Source: U.S. Census Bureau, Population Estimates Program, 2010-2020 and 2020-2023

**Figure 6.2: Sources of Population Change, Cochise County, 2013-2023**

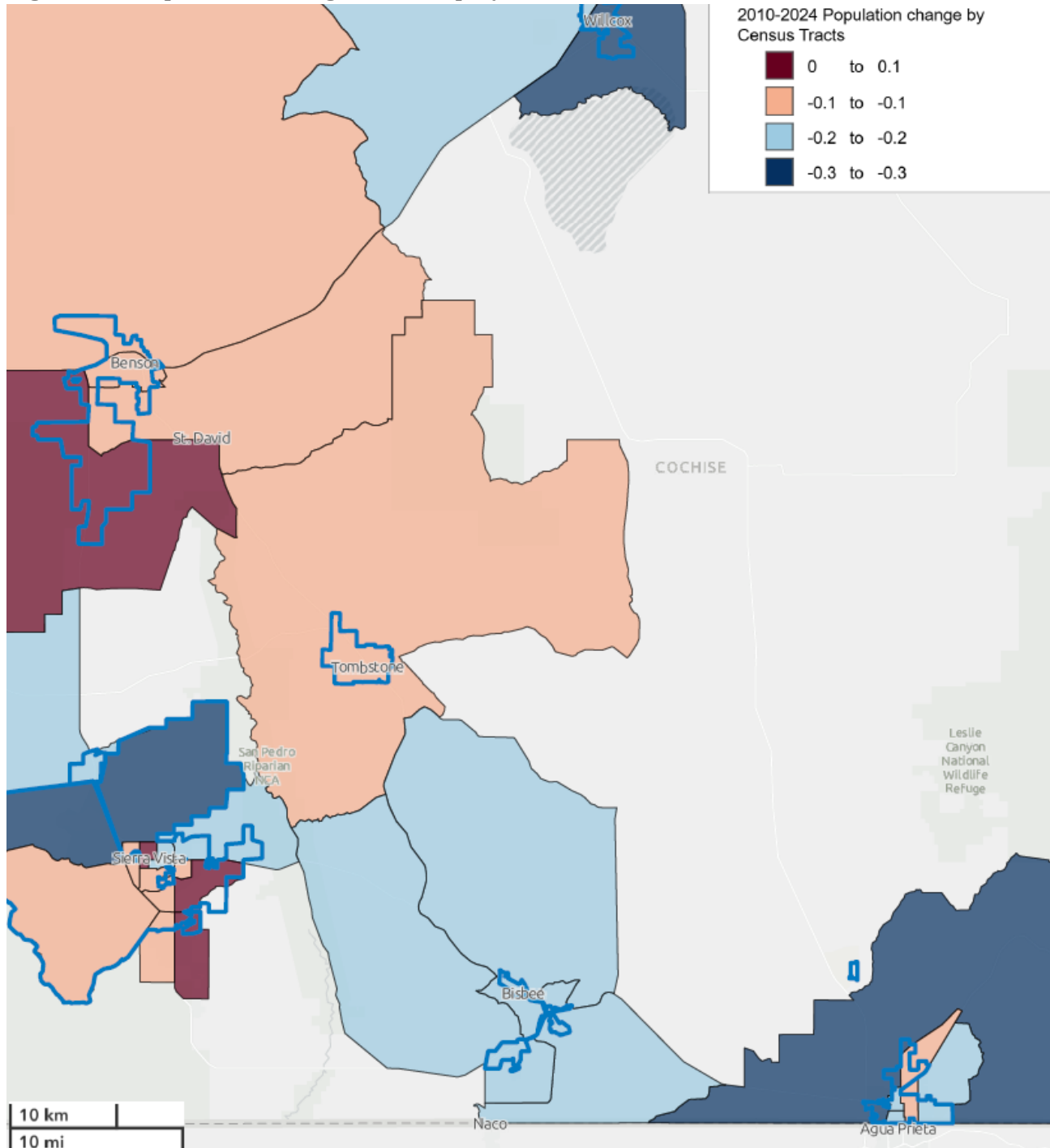


Source: U.S. Census Bureau, Population Estimates Program, 2010-2020 and 2020-2023

Figure 6.3 shows where population change has taken place in Cochise County communities. The data is shown by Census Tract to further break down which areas are driving population growth or decline for each city.

<sup>51</sup> For Figures 6.2 and 6.3, PC used the US Census Bureau's Population Estimates Program. Every ten years when the Census Bureau carries out the decennial Census, the datasets for this program are "re-benchmarked." This results in a visual break in the population estimates from 2020 to 2021.

**Figure 6.3: Population Change Heat Map by Census Tract, 2010-2024**

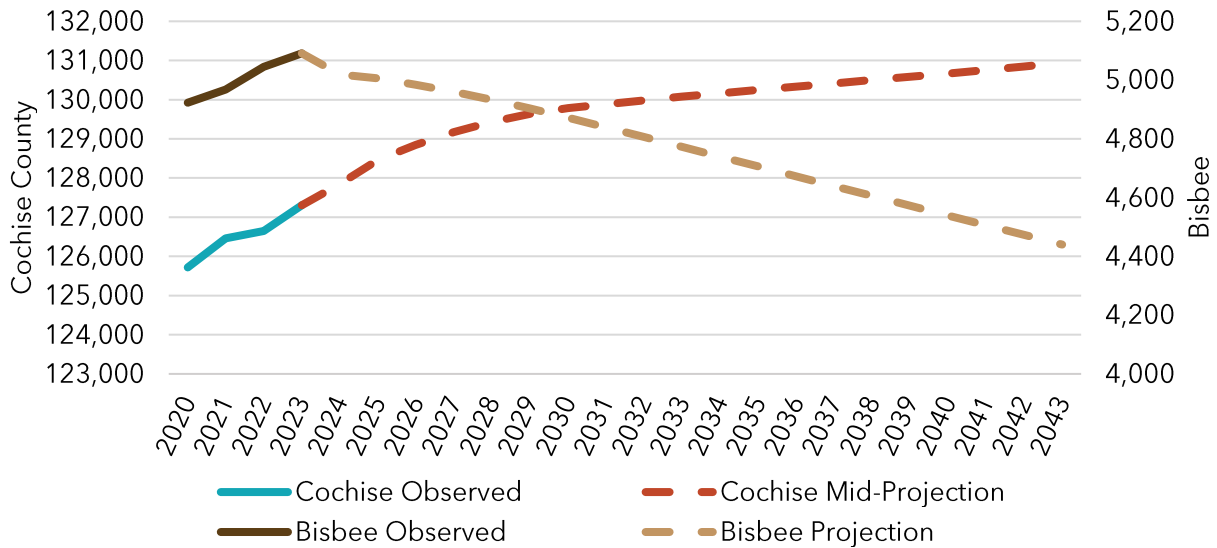


Source: Points Consulting using Esri Business Analyst, 2025

The Arizona Office of Economic Opportunity produces population estimates and projections for the Arizona's jurisdictions. State-level data may be more accurate than national databases, such as the Census Bureau, because states focus more closely on their local regions. Figure 6.4 shows that both Bisbee and Cochise County experienced population growth from 2020 to 2023. However, while the County's population is projected

to grow and then stabilize over the next 20 years, Bisbee’s population is expected to decline. This projection likely reflects the City’s aging demographic trends but does not account for the growth potential of the San Jose Growth Area.

**Figure 6.4: Bisbee and Cochise County Population Projections, 2023-2043**



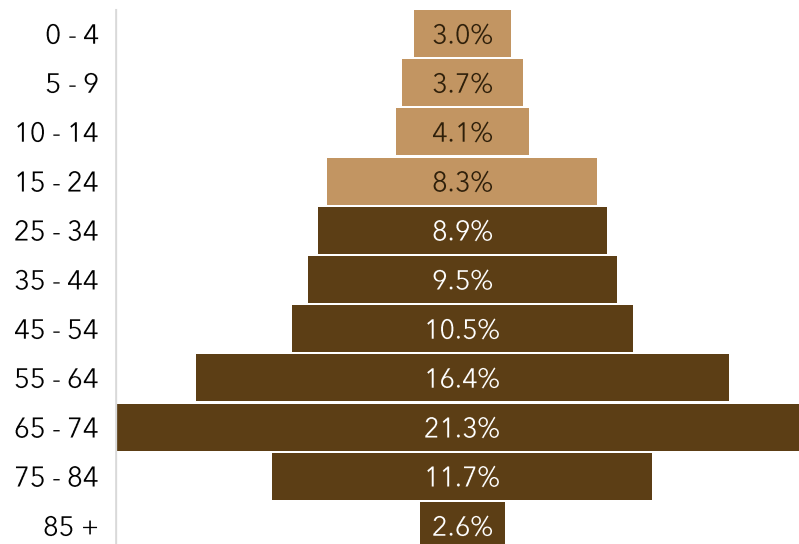
Source: Arizona Office of Economic Opportunity

## Regional Demographic Data

Community age distributions significantly influence local housing needs. Younger residents typically have had less time to accumulate wealth and require affordable or starter housing options. Meanwhile, older residents may seek to downsize, live with younger family members, or access more assistive care.

As shown in Figure 6.5, only 19.1% of Bisbee’s population is 24 or younger. The next largest age group, prime working-age adults (25 to 54), makes up 28.9% of Bisbee’s residents. Another 16.4% are between 55 and 64, while more than a third (35.6%) are 65 or older. These figures indicate that Bisbee’s population skews older. A large share of residents being 65+ could pose challenges for long-term growth. However, these older residents have

**Figure 6.5: Bisbee Age Distribution, 2024**

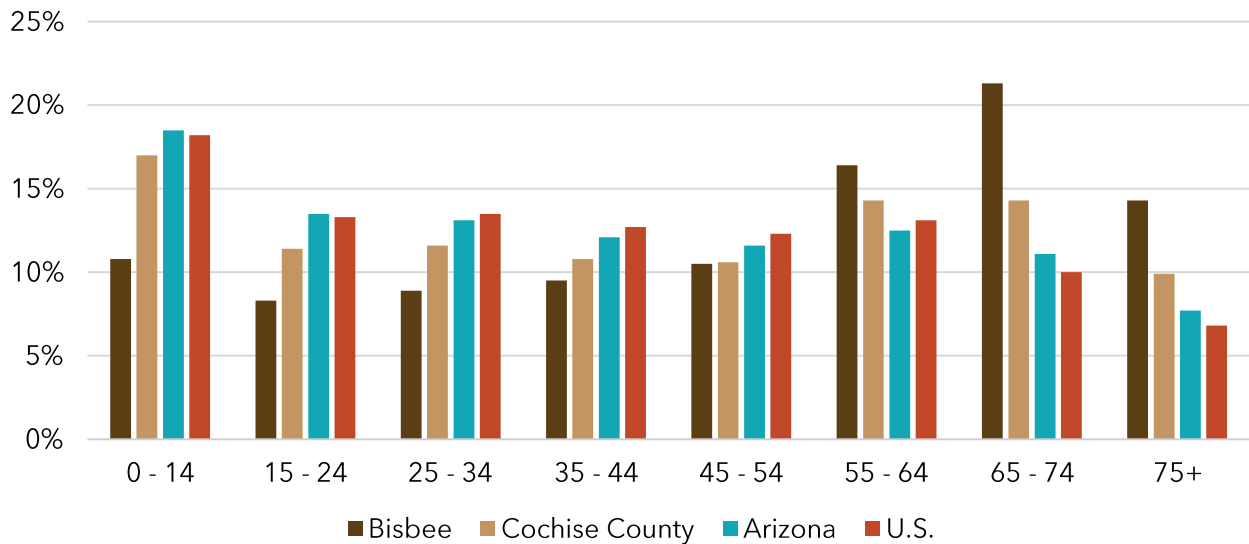


Source: Esri Business Analyst, 2024

also had more time to build wealth and may be more likely to spend within the community, benefiting the local economy.

Figure 6.6 compares Bisbee’s age distribution to that of Cochise County, the state, and the nation. Bisbee’s small share of residents aged 24 or younger is especially noticeable. Not only is this group underrepresented, but Bisbee has a smaller share of young residents than all other regions in the comparison. The opposite is true for older residents. Even as the national population ages, Bisbee has a significantly higher percentage of residents in the 55+ and 65+ age groups compared to Cochise County, Arizona, and the United States.

**Figure 6.6: Population by Age Comparison, 2024**



Source: Esri Business Analyst, 2024

### Ethnicity

The racial and ethnic composition of a region provides valuable insights into its diversity, which can significantly impact housing needs and markets. Factors such as multigenerational living, income levels, and household size are closely linked to these demographics. Table 6.2 details the racial and ethnic composition of Bisbee, Cochise County, Arizona, and the United States.

**Table 6.2: Race and Ethnicity Comparison, 2023**

Race/Ethnicity	Bisbee	Cochise County	Arizona	U.S.
White	65.5%	54.6%	53.4%	58.2%
Black or African American	0.9%	3.2%	4.4%	12.0%
American Indian & Alaska Native	0.5%	0.5%	3.4%	0.5%
Asian	0.0%	1.9%	3.3%	5.7%
Native Hawaiian & Other Pacific Islander	0.0%	0.2%	0.2%	0.2%
Some Other Race	0.0%	0.5%	0.4%	0.5%
Two or More Races	3.6%	4.8%	3.9%	3.9%
Hispanic	29.5%	34.3%	31.0%	19.0%

Source: U.S. Census Bureau, 2023 5-Year Estimates, Table DP05

Compared to the national average, Bisbee has a higher proportion of residents who identify as White and Hispanic. Notably, aside from those identifying as “Two or More Races,” all other racial groups make up less than 1.0% of the City’s population. Compared to the County and Arizona, Bisbee has a larger share of White residents but a smaller share of Hispanic residents.

## Education

Despite relatively lower income levels, Bisbee has a well-educated and skilled population. Nearly a third (32.6%) of residents hold a bachelor’s degree or higher, a rate higher than Cochise County, on par with Arizona, and slightly below the national average of 35.0% (Figure 6.7).

By contrast, Bisbee has the highest percentage of residents with “Some college, no degree” among the comparison regions. At 28.7%, this figure is nearly ten percentage points higher than the U.S. average of 19.4%, presenting an opportunity to increase degree attainment.

Several local institutions offer accessible pathways to higher education. The Cochise County Community College District, ranked the third-best community college in Arizona, has a campus near Douglas.<sup>52</sup> Cochise College provides an affordable alternative to four-year universities, with tuition costs 77% lower than the state university average. It also aligns well with local housing needs by offering a direct-employment program in residential construction technology. Additionally, Cochise College now offers bachelor’s degrees.<sup>53</sup>

The University of Arizona’s College of Applied Science & Technology also operates a campus in Sierra Vista, expanding educational opportunities for Bisbee residents.<sup>54</sup> With multiple higher education options nearby, Bisbee has the potential to benefit from increased degree attainment, leading to higher incomes and greater economic prosperity. The “college wage premium” underscores the role of education in driving income growth and community well-being.<sup>55</sup>

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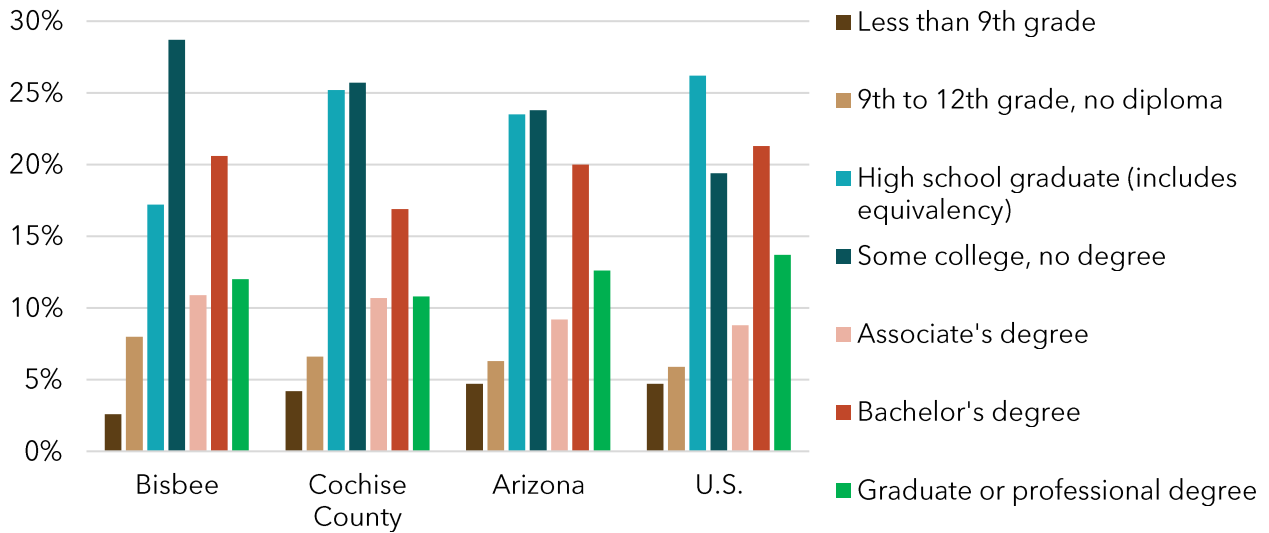
<sup>52</sup> Danika Miller, “Best Community Colleges in Arizona,” Best Colleges, accessed February 27, 2025, <https://www.bestcolleges.com/united-states/arizona/community-colleges/>.

<sup>53</sup> “About,” Cochise College, accessed February 27, 2025, <https://www.cochise.edu/about/index.html>.

<sup>54</sup> “Sierra Vista Campus,” The University of Arizona, accessed February 27, 2025, <https://azcast.arizona.edu/sierra-vista-az>.

<sup>55</sup> Leila Bengali et al., “Falling College Wage Premiums by Race and Ethnicity,” Federal Reserve Bank of San Francisco, accessed February 27, 2025, <https://www.frbsf.org/research-and-insights/publications/economic-letter/2023/08/falling-college-wage-premiums-by-race-and-ethnicity/>.

**Figure 6.7: Educational Attainment, Population 25+, 2023**



Source: U.S. Census Bureau, 2023 5-Year Estimates, Table S1501

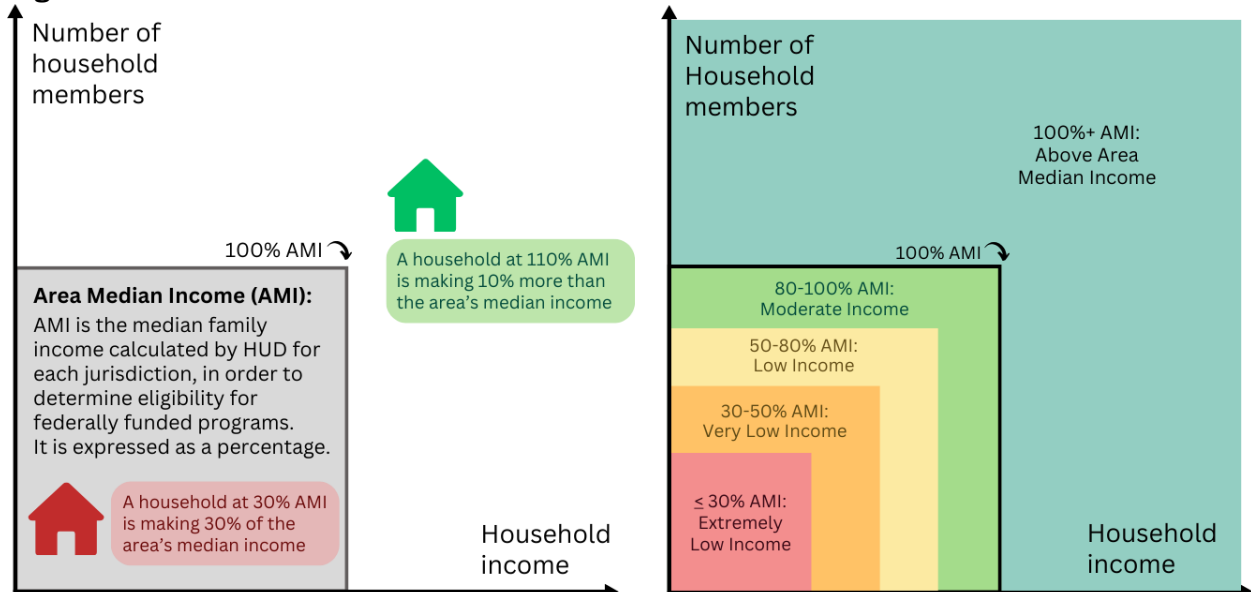
## Underserved Populations

While many population groups can afford their housing needs, more vulnerable populations require special attention, as they often lack the financial or social resources to secure market-rate housing. This section highlights key vulnerable groups in the Bisbee region.

### Low-Income Population Groups

The U.S. Department of Housing and Urban Development (HUD) defines a household's income level based on the Area Median Income (AMI). AMI helps determine Fair Market Rents (FMRs) and income limits for HUD programs (Figure 6.8).

**Figure 6.8: Area Median Income Definitions**



Source: Housing and Urban Development (HUD)

## Subsidized Housing

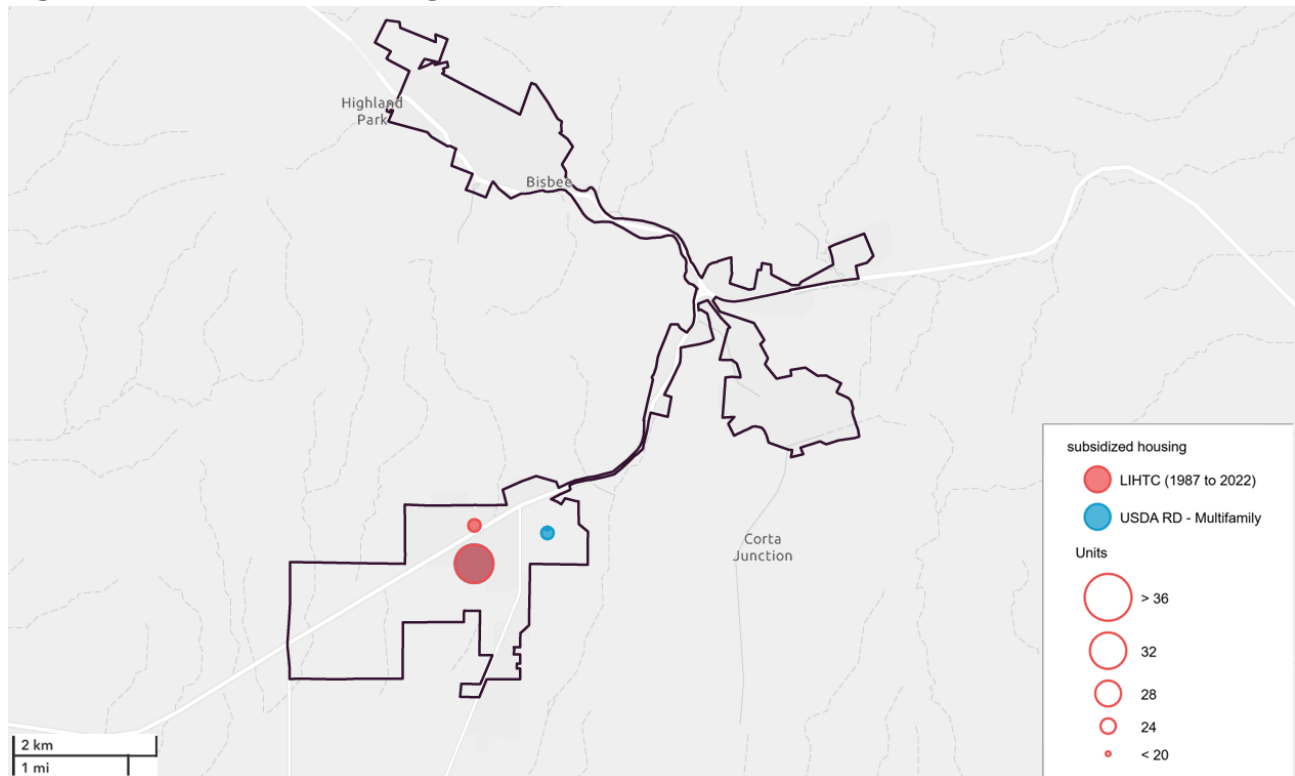
Table 6.3 contains a list of subsidized housing by type and number of units in Bisbee. Figure 6.9 shows the same using a heat map.

**Table 6.3: Subsidized Housing in Bisbee**

Property Name	Address	Type	Units
Esperanza Senior Apartments	100 S Esperanza Ln., Bisbee, AZ 85603	LIHTC (1987 to 2022)/ USDA RD - Multifamily	20
Esperanza Family Apartments	102 S Esperanza Ln., Bisbee, AZ 85603	USDA RD - Multifamily	24
San Jose Triangle	100 Navajo Dr., Bisbee, AZ 85603	LIHTC (1987 to 2022)	24
Copper City Villas	508 W Melody Ln., Bisbee, AZ 85603	LIHTC (1987 to 2022)/ USDA RD - Multifamily	36
<b>Total Units:</b>			<b>104</b>

Source: PolicyMap based on HUD data, verified by Points Consulting through conversations with property managers

**Figure 6.9: Subsidized Housing in Bisbee**

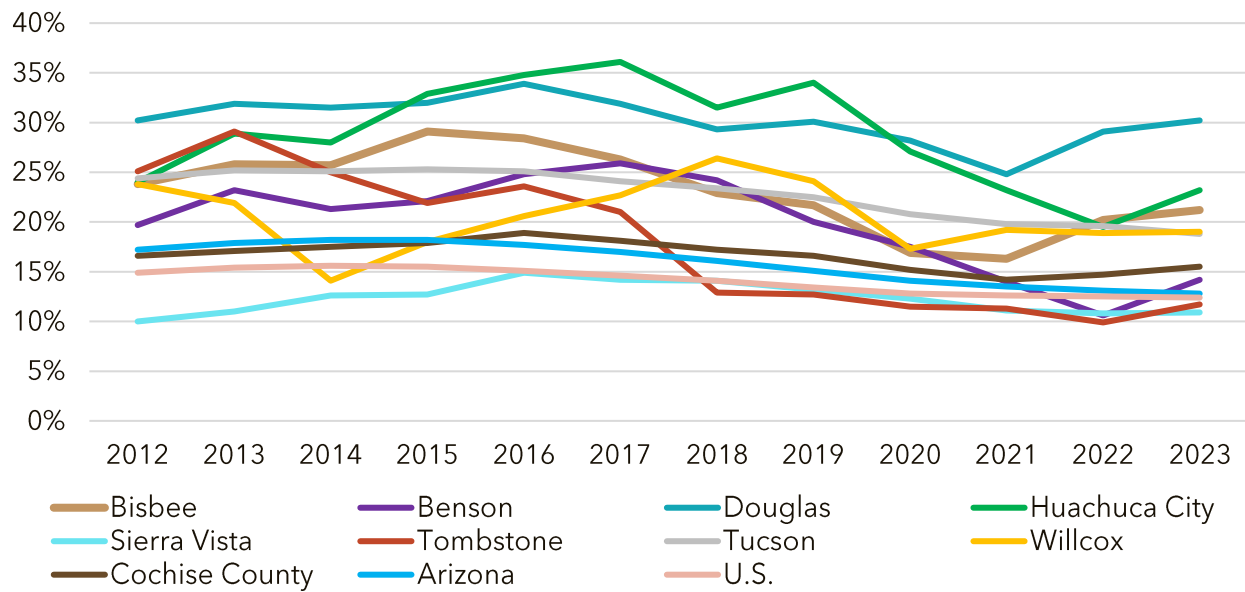


Source: Esri Business Analyst, 2025

## Population in Poverty

Bisbee reports a higher percentage of residents living in poverty than the County, Arizona, or the United States (Table 6.4). Among the comparison regions, only Huachuca City and Douglas have higher poverty rates. As shown in Figure 6.10, Bisbee's poverty rate has fluctuated over the last decade, peaking at 29.1% in 2015, dropping to a low of 16.3% in 2021, and rising again to 21.2% in 2023.

**Figure 6.10: Percentage of the Population in Poverty, 2012-2023**



Source: U.S. Census Bureau, 2022, 5-Year ACS, Table S1701

Poverty levels can vary significantly across demographic groups, as shown in Figure 6.11. Female householders with no spouse present have the highest poverty rates in every region of comparison. However, these disparities are less pronounced in Bisbee than in the other regions.

In Bisbee, poverty rates for each demographic group fall within 2% of one another. In contrast, at the national level, the poverty rate for female householders with no spouse present is more than double that of other demographics. This difference stems from Bisbee's higher overall poverty rates among all families and married-couple families, as well as a comparatively lower poverty rate for female householders with no spouse present.

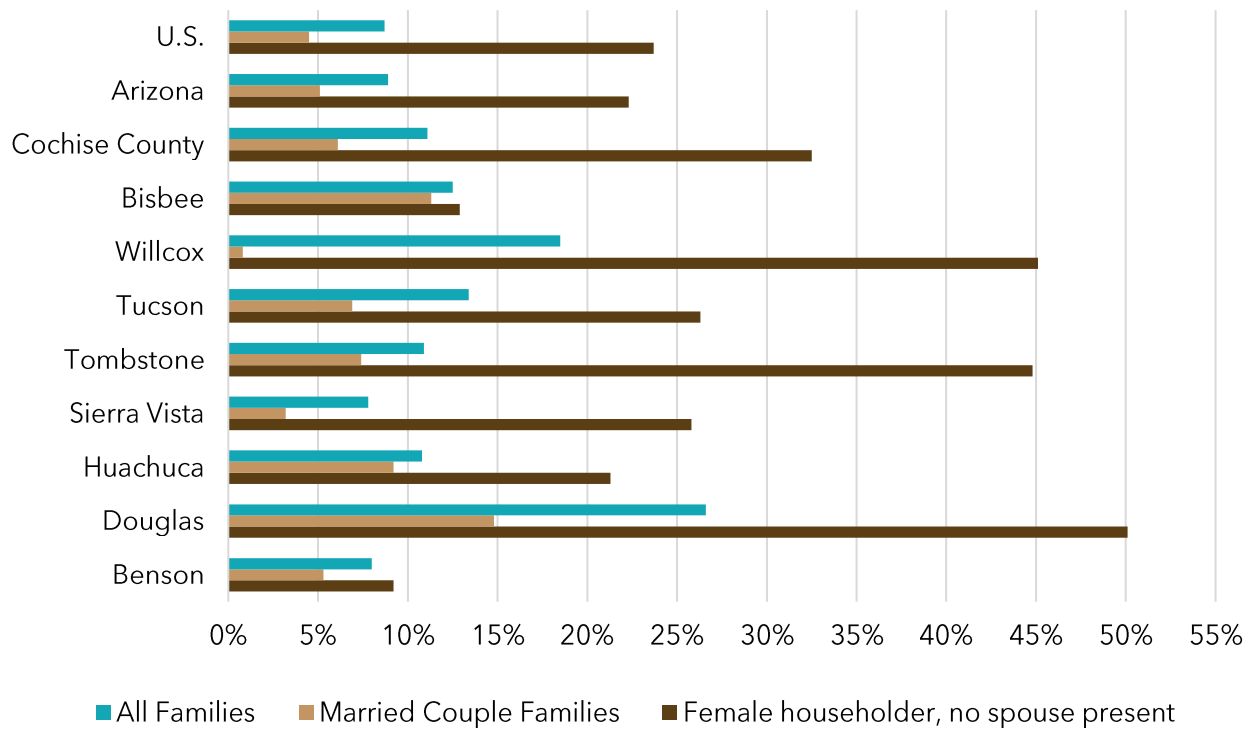
Among the comparison regions, Bisbee has the second-highest poverty rate for married-couple families (11.3%), trailing only Douglas.

**Table 6.4: Population in Poverty, 2023**

Region	Population in Poverty	Percentage in Poverty
Bisbee	991	21.2%
Benson	752	14.2%
Douglas	3,902	30.2%
Huachuca City	420	23.2%
Sierra Vista	4,673	10.9%
Tombstone	120	11.7%
Tucson	97,786	18.8%
Willcox	612	19.0%
United States	40.4M	12.4%
Arizona	907,125	12.8%
Cochise County	18,544	15.5%

Source: U.S. Census Bureau, 2023, 5-Year ACS, Table S1701

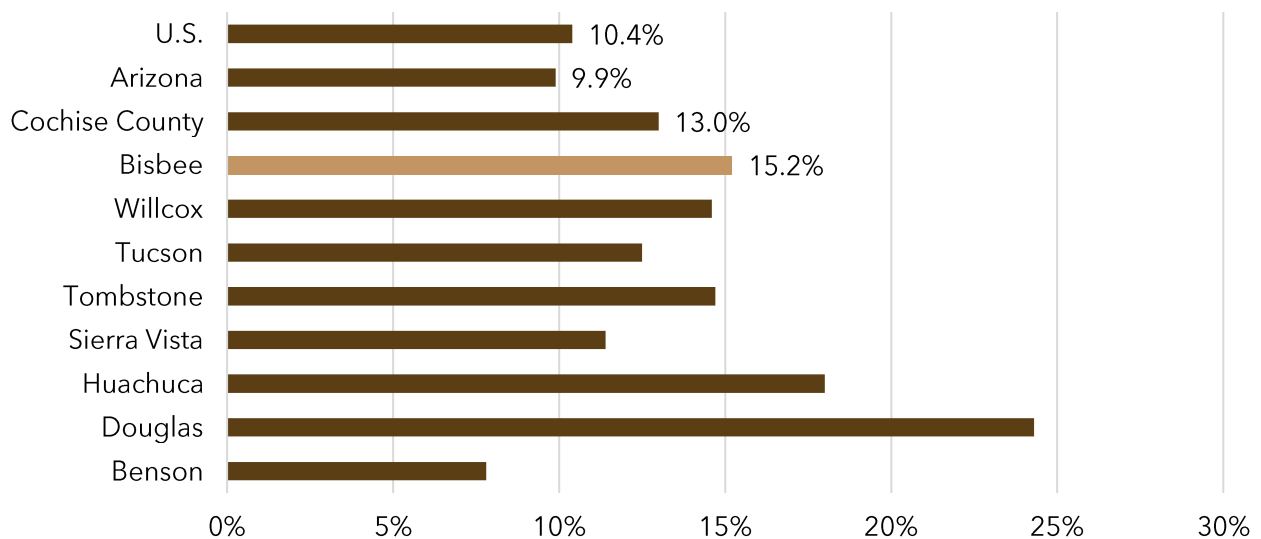
**Figure 6.11: Percentage of Families in Poverty by Composition, 2023**



Source: U.S. Census Bureau, 2023, 5-Year ACS, Table S1702

Bisbee has a higher percentage of seniors in poverty (15.2%) than Cochise County (13.0%), Arizona (9.9%), and the United States (10.4%). Among the comparison regions, only Douglas and Huachuca City have higher senior poverty rates, at 24.3% and 18%, respectively (Figure 6.12).

**Figure 6.12: Percentage of Seniors (65 years+) in Poverty, 2023**



Source: U.S. Census Bureau, 2023, 5-Year ACS, Table S1701

## Disabilities

Bisbee has a higher percentage of residents reporting disabilities (21.8%) compared to the County, Arizona, and the United States (Table 6.5).

Disabilities include challenges with hearing, vision, cognition, mobility, self-care, and independent living. Individuals with disabilities are overrepresented in low-income populations and are less likely to participate in the labor force.<sup>56</sup> Nationally, just over a fifth (21.0%) of disabled individuals report incomes below the poverty level.<sup>57</sup>

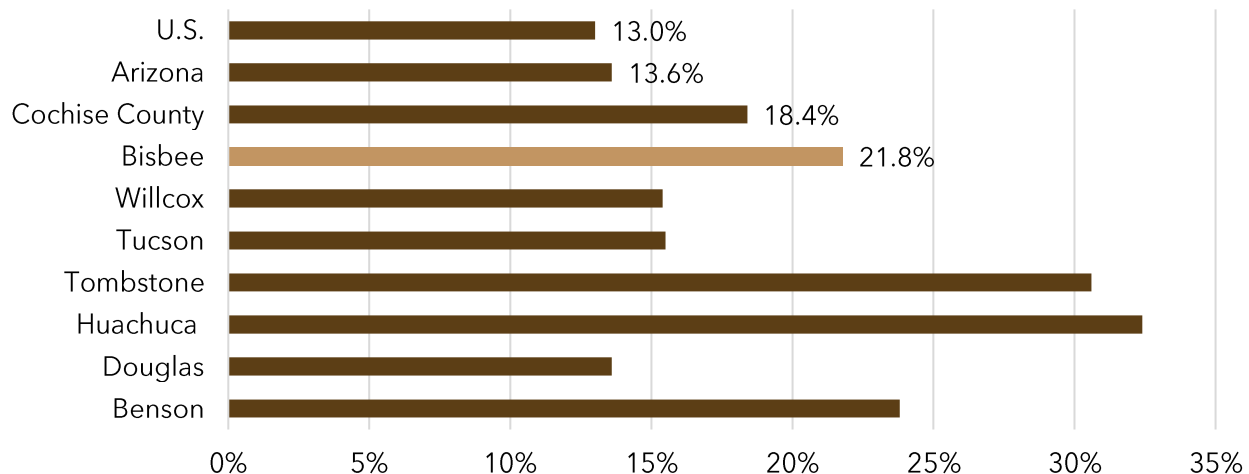
A family member's disability can place significant financial and caregiving burdens on an entire household, further impacting economic stability. These challenges are often worsened by a lack of accessible housing, making it even harder for families to find suitable and affordable living arrangements. To better serve this population, communities may need more accessible housing options, such as single-story homes or residences with ramps and other mobility-friendly features.

**Table 6.5: Population with Disabilities, 2023**

Region	Estimated Number With a Disability	Percentage With a Disability
Bisbee	1,021	21.8%
Benson	1,266	23.8%
Douglas	1,766	13.6%
Huachuca City	580	32.4%
Tombstone	313	30.6%
Tucson	81,568	15.5%
Willcox	497	15.4%
Sierra Vista	6,928	16.9%
Cochise County	21,618	18.4%
Arizona	970,404	13.6%
United States	42.7 M	13.0%

Source: U.S. Census Bureau, 5-year American Community Survey, 2023, Table S1810

**Figure 6.13: Percentage of Population with Disabilities, 2023**



Source: U.S. Census Bureau, 2023, 5-Year ACS, Table S1810

<sup>56</sup> "Disability and Socioeconomic Status," American Psychological Association, 2010, accessed February 27, 2025, <https://www.apa.org/pi/ses/resources/publications/disability#:~:text=Despite%20these%20and%20other%20forms,age%20and%20want%20to%20work.>

<sup>57</sup> U.S. Census Bureau, 2023 American Community Survey 1-Year Estimates, Table B18130.

## Veteran Population

Veterans have faced hardships in the housing market since the First World War. Reintegration into the economy can be challenging for some veterans, often resulting in higher poverty rates and affordability issues. Additionally, many veterans experience health complications after service, further hindering their economic stability. Given these challenges, ensuring access to affordable housing is essential.

In Bisbee, 12.5% of the population are veterans (Table 6.6). This is 5.7% lower than Cochise County's average but 4.4% higher than the State of Arizona and nearly double the national percentage.

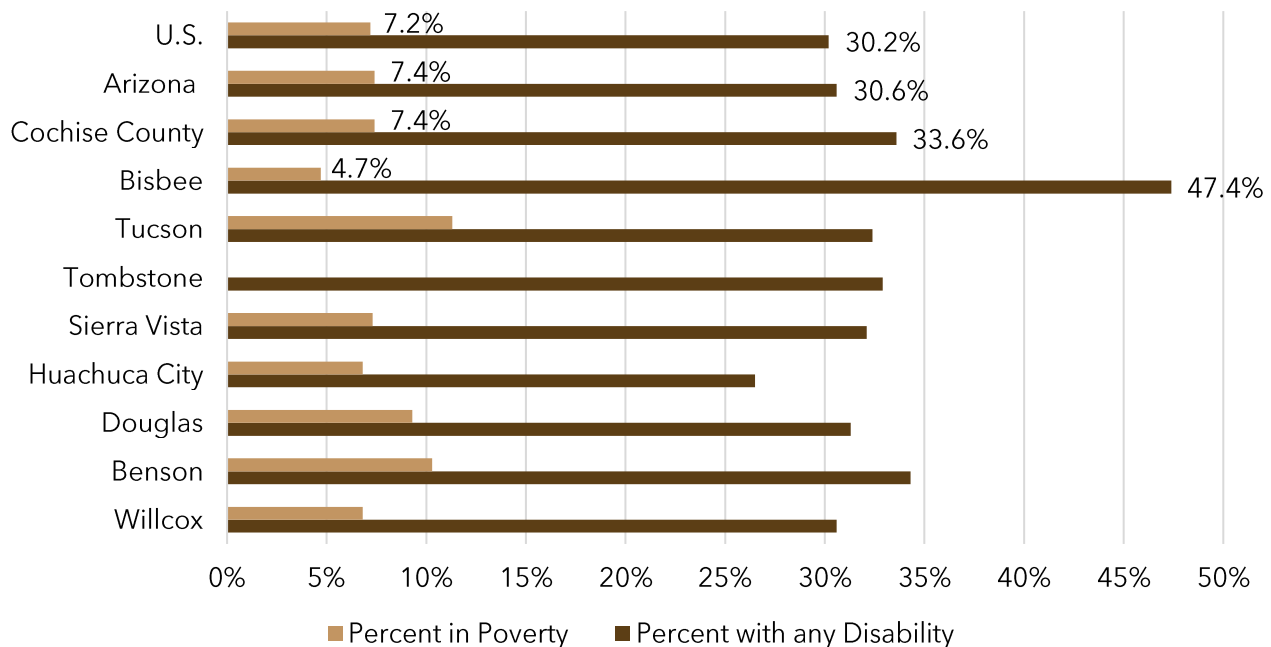
**Table 6.6: Veteran Population, 2023**

Region	Estimated Number of Veterans	Percentage of Veterans
Bisbee	553	12.5%
Benson	767	17.4%
Douglas	505	4.1%
Huachuca City	310	21.6%
Sierra Vista	7,505	24.2%
Tombstone	173	19.1%
Tucson	33,982	7.9%
Willcox	353	14.1%
Cochise County	17,297	18.2%
Arizona	459,818	8.1%
United States	16.6M	6.4%

Source: U.S. Census Bureau, 2023, 5-Year ACS, Table S2101

Considering disabled veterans in Figure 6.14, Bisbee reports the highest percentage among all regions of comparison (47.4%). However, overall, it has the second lowest percentage of veterans in poverty (4.7%).

**Figure 6.14: Percentage of Veterans in Poverty and Percentage with Any Disability, 2023**



Source: U.S. Census Bureau, 2023, 5-Year ACS, Table S2101

## Homeless

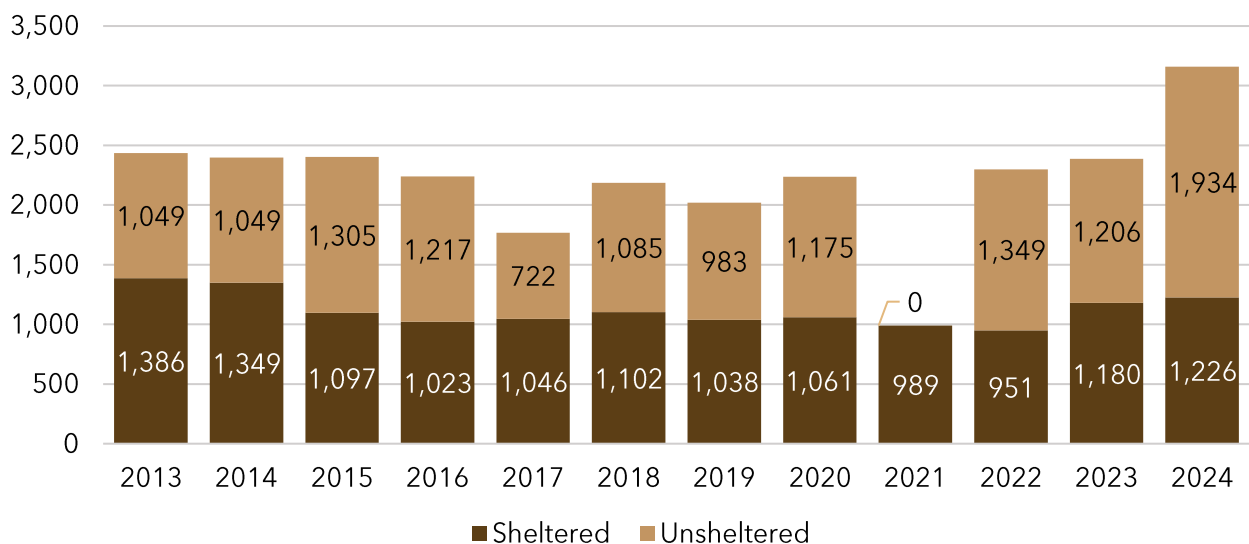
Homelessness is inherently difficult to quantify, particularly in smaller cities or non-metro areas. Additionally, individuals experiencing homelessness are often reluctant to disclose their situation. Therefore, the actual extent of homelessness is likely more widespread than any statistical analysis indicates.

Most efforts to calculate homelessness rely on the HUD Point-in-Time (PIT) Count, which measures the number of sheltered and unsheltered people experiencing homelessness on a single night in January each year. This count is conducted for the Arizona Balance of State Continuum of Care (Arizona BOSCO), which includes all of Arizona except for the metro areas of Tucson/Pima County and Phoenix/Maricopa County, each of which has its own Continuum of Care. Therefore, for Bisbee, the most detailed HUD PIT data available is at the Balance of State level.

Because the PIT Count is based on data from a single day each year, it does not fully capture the number of people experiencing homelessness over time. Additionally, methods for counting homeless populations have likely improved over time, contributing to higher reported numbers. Nevertheless, 2024 marked the highest total number of homeless individuals recorded in the PIT Count in the past decade for the AZBOSCO, with a total of 3,160. Of these, 61.2% were unsheltered, while 38.8% were sheltered in emergency, transitional, or other housing programs (Figures 6.15 and 6.16).

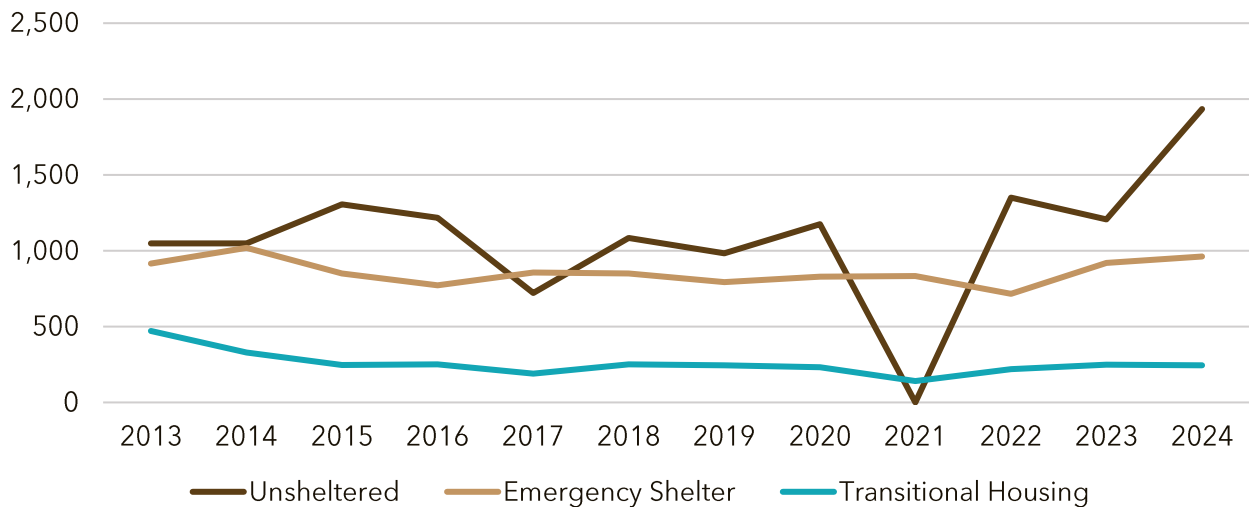
Please note that although January 2020 preceded the full impact of the COVID-19 pandemic, efforts to count homeless populations in January 2021 may have been affected by lockdowns and social distancing measures. This may have resulted in a lower overall count that year.

**Figure 6.15: PIT Homeless Count in the Arizona BOSCO 2013-2024**



Source: HUD 2007-2024 PIT Estimates by CoC

**Figure 6.16: Shelter Type of Homeless in the Arizona BOSCO 2013-2024**

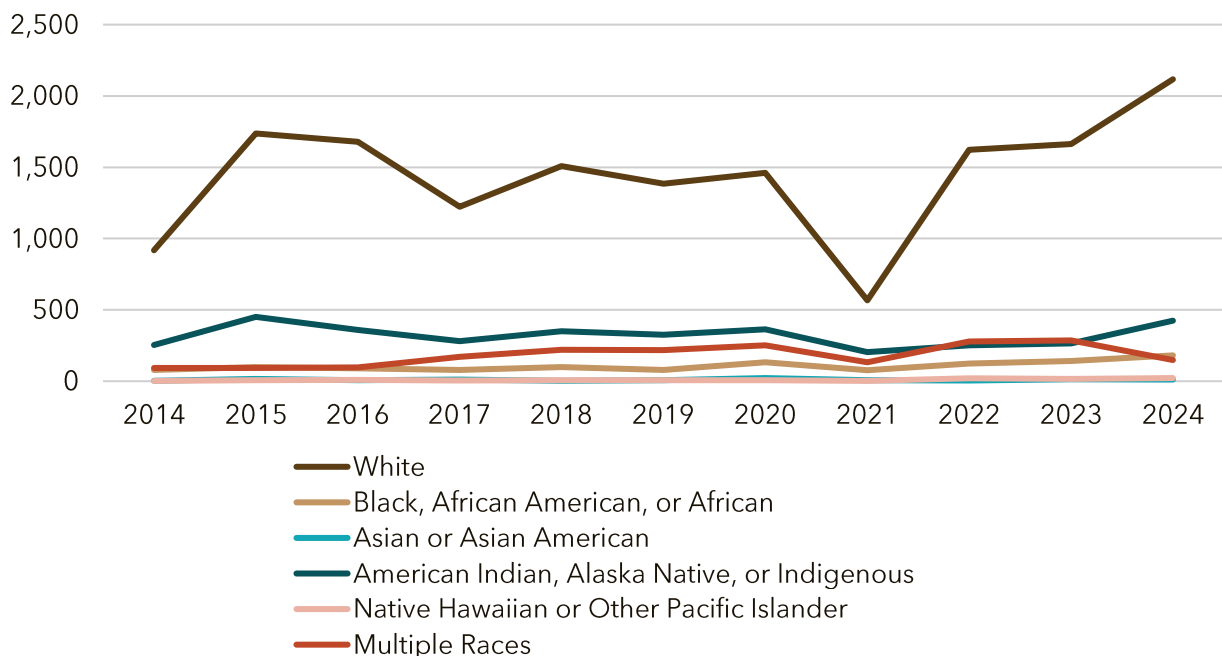


Source: HUD 20 07-2024 PIT Estimates by CoC

Among homeless persons counted for the Arizona BOSCO, the American Indian, Alaska Native, or Indigenous demographic has been the second most represented group after White in every year of the past decade, except for 2022 and 2023, when it was surpassed by the Asian or Asian American demographic (Figure 6.17).

In 2024, 21.8% of homeless individuals were identified as Hispanic/Latino (Figure 6.18). This was the second-highest percentage recorded since data collection began in 2015, surpassed only by 2023 at 24.6%.

**Figure 6.17: Demographics of Homeless in the Arizona BOSCO 2014-2024**

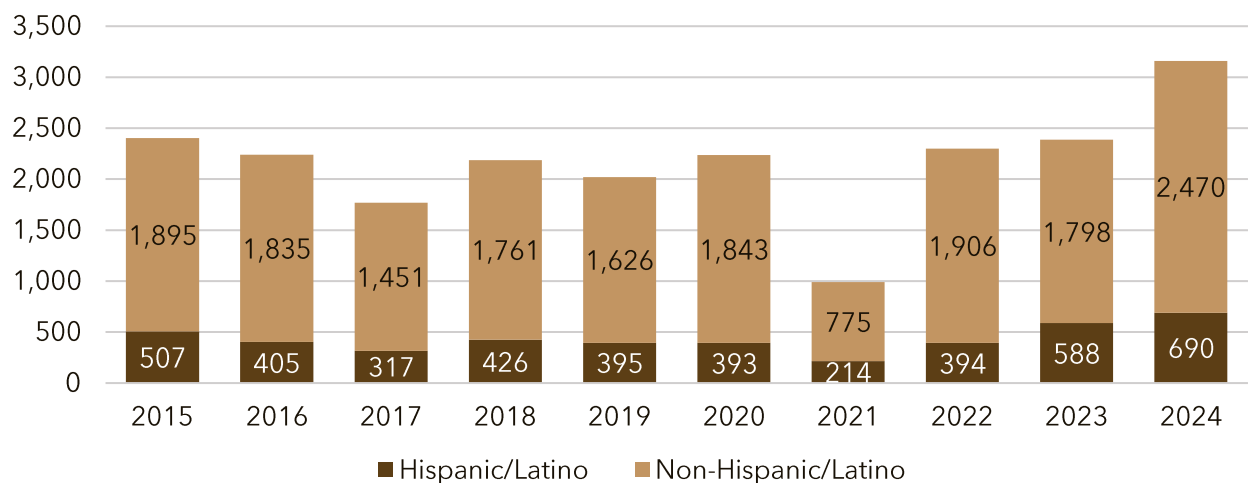


Source: HUD 2007-2024 PIT Estimates by CoC

**Table 6.7: Demographics of Homeless in the Arizona BOSCOC 2014-2024**

Year	White	Black, African American, or African	Asian or Asian American	American Indian, Alaska Native, or Indigenous	Native Hawaiian or Other Pacific Islander	Multiple Races
2014	918	78	3	255	2	93
2015	1,736	98	17	451	7	93
2016	1,679	89	7	360	9	96
2017	1,223	80	11	280	4	170
2018	1,509	99	3	350	6	220
2019	1,384	79	8	325	6	219
2020	1,460	132	22	364	6	252
2021	567	77	7	204	2	132
2022	1,622	123	4	252	21	278
2023	1,662	142	14	266	16	286
2024	2,117	181	12	425	22	148

Source: HUD 2007–2024 PIT Estimates by CoC

**Figure 6.18: Hispanic/Latino Homeless in the Arizona BOSCOC 2015-2024**

Source: HUD 2007–2024 PIT Estimates by CoC

## Economic Drivers

This section examines key drivers of local economies. The growth of the labor force and the establishment of new businesses are essential for economic development. Specific industries with higher levels of employment and wages often serve as powerful economic drivers, partly due to the clustering effect.<sup>58</sup> Clusters form when businesses in the same industry benefit from proximity, which enhances regional competitiveness.

<sup>58</sup> Joseph Cortright, “Making Sense of Clusters: Regional Competitiveness and Economic Development,” The Brookings Institute, accessed February 27, 2025, <https://www.brookings.edu/articles/making-sense-of-clusters-regional-competitiveness-and-economic-development/#:~:text=The%20foundation%20of%20a%20regional.common%20competitive%20strengths%20and%20needs.>

We find that strong, growing economic drivers also contribute to higher demand for housing. After all, individuals need to work and earn a living to afford housing. Overall employment growth creates a demand for more housing, while variations in earnings lead to differing needs for types of housing.

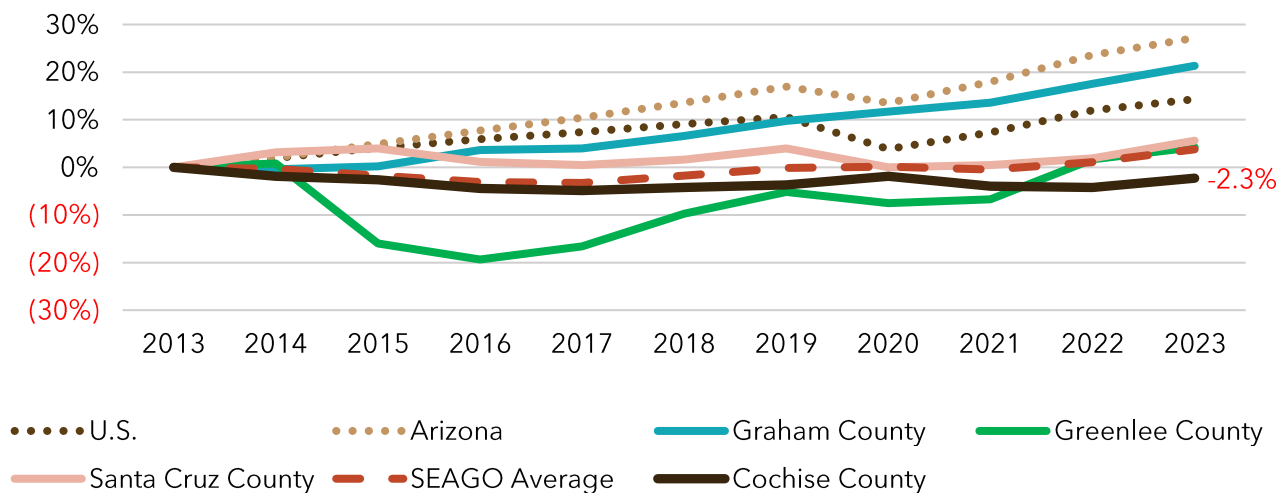
### **Labor Force, Earnings, and Establishments**

Cochise County, along with Graham, Greenlee, and Santa Cruz Counties, is part of the Southeastern Arizona Governments Organization (SEAGO). The organization's mission is to provide services that foster collaboration among federal, state, and regional entities to enhance economic and social progress in the region. SEAGO assists communities through community and economic development programs and has expanded its services to include housing assistance.

Figures 6.19–6.22 below analyze employment, establishment, and wage growth rates in the SEAGO counties from 2013 to 2023. For comparison, state and national growth rates are also included.

Overall, the SEAGO region has experienced varied changes in employment growth. For instance, Cochise County's employment has stagnated since 2013, with employment numbers in 2023 being roughly the same as or slightly lower than in 2013. In contrast, Graham County has experienced consistent employment growth, despite the impact of the COVID-19 pandemic. Greenlee County saw sharp declines in employment from 2013 to 2016 but rebounded from 2016 to 2019. While Greenlee and Santa Cruz Counties each saw slight dips during the COVID pandemic, all SEAGO counties have grown at a slower pace than the state average (Figure 6.19).

**Figure 6.19: Cumulative Annual Employment Growth Rate, 2013-2023<sup>59</sup>**

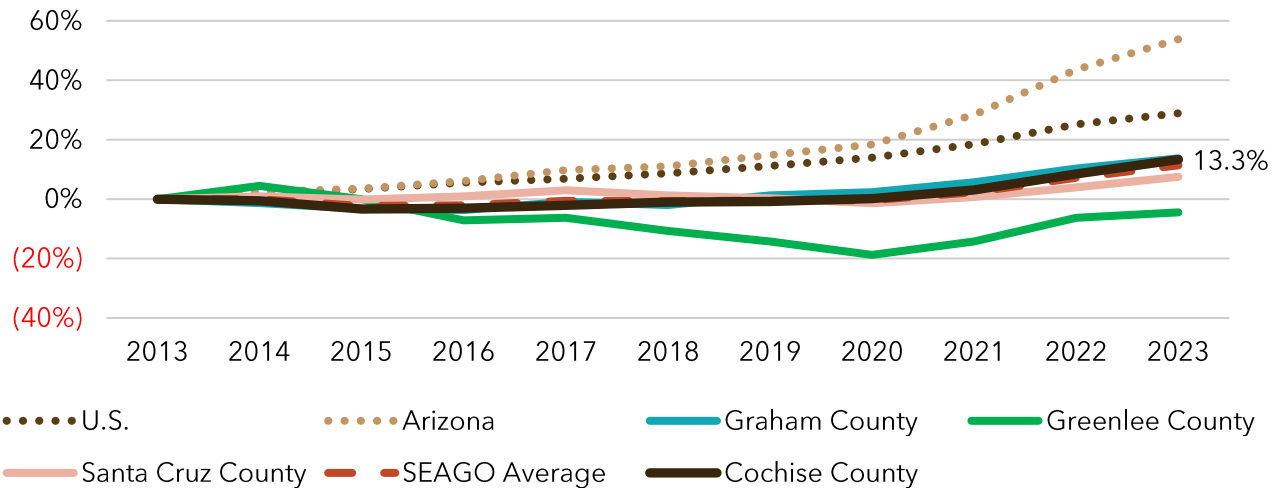


Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

<sup>59</sup> All "SEAGO Average" series in the Labor Force, Earnings, and Establishments section are based on weighted averages of each county. Specifically, weighted to totals of their respective metrics, and total employment for unemployment rates.

In terms of total establishment growth, all counties in the region have grown at a slower pace than both the state and the nation (Figure 6.20). Cochise County experienced stagnation in this area but has seen growth since around 2019. Greenlee County, on the other hand, has had the slowest establishment growth rate since 2013, with a sharp decline observed from 2017 to 2020.

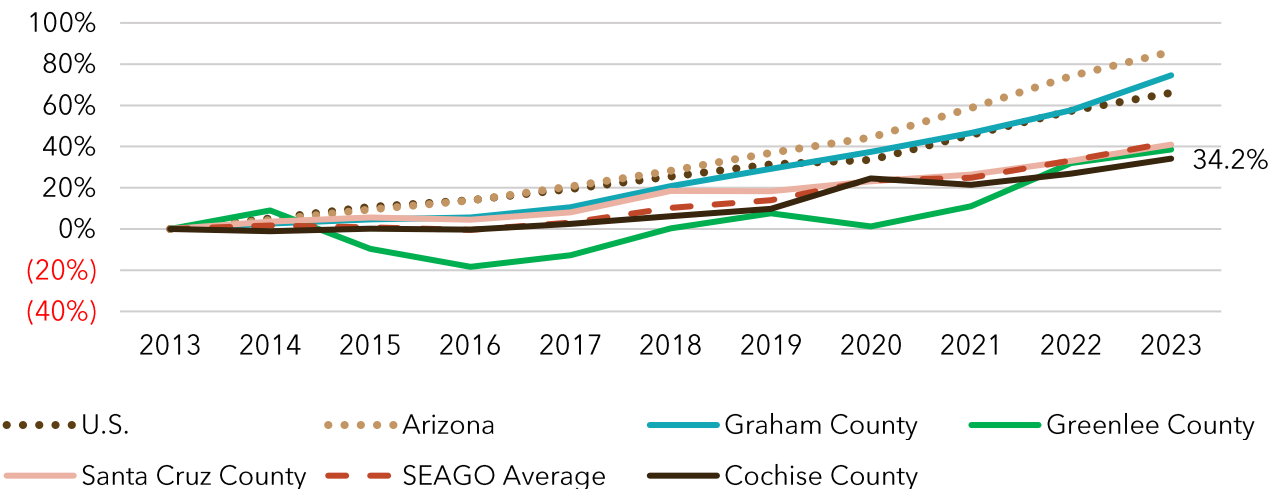
**Figure 6.20: Cumulative Annual Establishments Growth Rate, 2013-2023**



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

By contrast, total wages have been a bright spot for all SEAGO counties, as shown in Figure 6.21. Since 2013, Cochise County has seen the slowest wage growth (34.2%), but wages have still increased at a faster rate than total employment. This indicates that wages have not only risen with higher employment but that workers are earning more per year than before. Graham County stands out in this regard, experiencing faster wage growth than even the national average, though still slower than the state's growth rate.

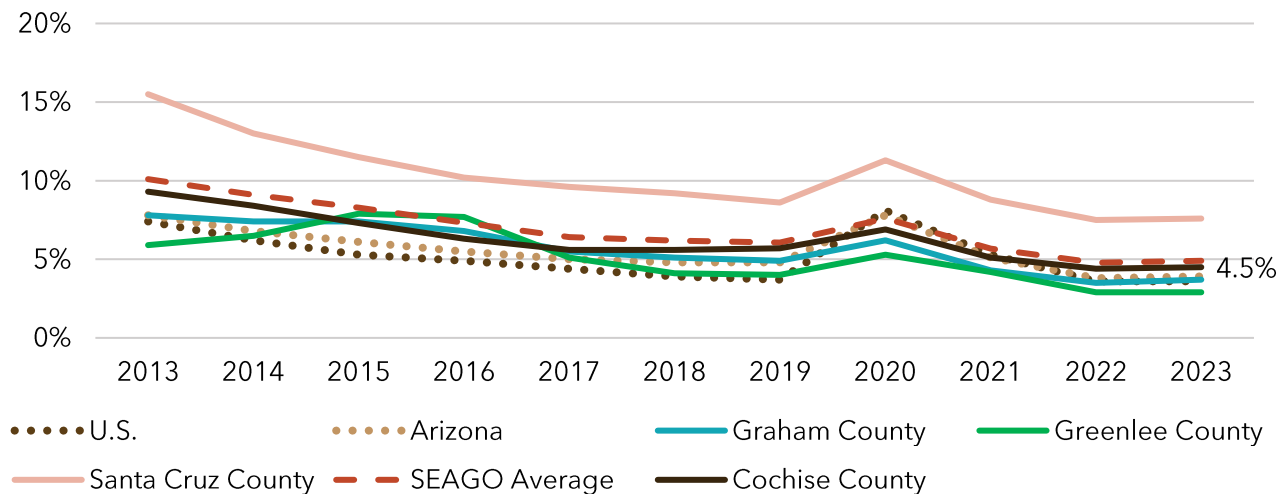
**Figure 6.21: Cumulative Annual Total Wages Growth Rate, 2013-2023**



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Figure 6.22 illustrates the annual unemployment rate over the same time period. All SEAGO counties have fared relatively well in this regard, with unemployment rates declining from 2013 to 2019. As of 2023 the Cochise County unemployment rate was 4.5%. While all counties experienced a spike in unemployment in 2020 due to the COVID-19 pandemic, only Santa Cruz County saw a higher unemployment rate (11.3%) than the state or the nation.

**Figure 6.22: Annual Rate of Unemployment, 2013-2023**



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics and Current Population Survey

### Employment by Industry

Examining employment data by industry helps identify the employment clusters in a region. Clusters often require different types of housing to accommodate workers in particular industries. For instance, many healthcare workers follow rotating or traveling schedules, spending only a few weeks or months in one location. They may not need a long-term residence. In contrast, local government employees typically prefer to live near their workplace and require permanent housing. Additionally, different industries offer varying income levels, so workers in some sectors can generally afford more expensive housing than those in others. Overall, employment by industry contributes to housing demand in Bisbee.

The two largest industries by employment in Bisbee are Public Administration (17.9% of employment) and Construction (10.8%). Tied for third place are Health Care/Social Services and Accommodation/Food Services, each accounting for 9.8% (Table 6.8). The dominance of Public Administration makes sense, as many workers are employed by the City or Cochise County.

Location quotients (LQs) compare the relative concentration of industries in an area to the national average. For example, Manufacturing represents about 5.1% of employment in Bisbee and has an LQ of 0.51. This means Bisbee's share of Manufacturing employment is about half the national share, which is roughly 10%. As shown below, Mining/Quarrying/Oil & Gas has the highest LQ in Bisbee at 5.33, followed by Public Administration at 3.58. Due to

these high LQs, these industries form significant employment clusters in Bisbee compared to the national average.

Table 6.9 compares Bisbee's employment by industry to that of Cochise County and Arizona. Notably, Cochise County also has a high concentration of employment (17.5%) in the Public Administration sector, similar to Bisbee. However, despite the presence of Copper Queen Community Hospital in Bisbee, the City has a lower concentration of employment in the Health Care/Social Assistance industry (9.8%) compared to both the County and Arizona (12.9% and 13.2%, respectively). As a historic site and popular tourist destination, Bisbee has a higher share of employment in the Accommodation/Food Services industry (9.8%) than Cochise County or Arizona.

**Table 6.8: Employment by Industry in Bisbee, 2024**

Industry	% Employment	LQ
Agriculture/Forestry/ Fishing	2.1%	1.91
Mining/Quarrying/Oil & Gas	1.6%	5.33
Construction	10.8%	1.57
Manufacturing	5.1%	0.51
Wholesale Trade	1.3%	0.65
Retail Trade	8.7%	0.83
Transportation/Warehousing	1.0%	0.20
Utilities	1.7%	1.89
Information	0.4%	0.20
Finance/Insurance	2.6%	0.54
Real Estate/Rental/Leasing	1.5%	0.83
Professional/Scientific/Tech	5.5%	0.66
Management of Companies	0.0%	0.00
Admin/Support/Waste Management	6.5%	1.51
Educational Services	6.1%	0.67
Health Care/Social Assistance	9.8%	0.70
Arts/Entertainment/Recreation	2.6%	1.13
Accommodation/Food Services	9.8%	1.44
Other Services (Excluding Public)	5.0%	1.09
Public Administration	17.9%	3.58

Source: Esri Business Analyst, 2024

**Table 6.9: Employment by Industry Comparison, 2024**

Industry	Bisbee	Cochise County	Arizona
Agriculture/Forestry/Fishing	2.1%	2.6%	0.8%
Mining/Quarrying/Oil & Gas	1.6%	0.4%	0.4%
Construction	10.8%	7.0%	7.7%
Manufacturing	5.1%	4.0%	7.5%
Wholesale Trade	1.3%	0.7%	1.7%
Retail Trade	8.7%	10.4%	11.6%
Transportation/Warehousing	1.0%	4.2%	5.1%
Utilities	1.7%	1.1%	1.0%
Information	0.4%	1.0%	1.3%
Finance/Insurance	2.6%	2.1%	6.3%
Real Estate/Rental/Leasing	1.5%	1.8%	2.4%
Professional/Scientific/Tech	5.5%	8.5%	7.3%
Management of Companies	0.0%	0.1%	0.2%
Admin/Support/Waste Management	6.5%	4.9%	5.2%

Educational Services	6.1%	7.7%	8.4%
Health Care/Social Assistance	9.8%	12.9%	13.2%
Arts/Entertainment/Recreation	2.6%	1.4%	2.4%
Accommodation/Food Services	9.8%	7.7%	7.6%
Other Services (Excluding Public)	5.0%	4.2%	4.6%
Public Administration	17.9%	17.5%	5.2%

Source: Esri Business Analyst, 2024

Table 6.10 shows employment by occupation, detailing the types of roles workers hold within those industries, such as management or sales positions. The largest occupation by employment in Bisbee is Management (16.1%), followed by Office/Administrative Support (13.5%) and Construction/Extraction (9.3%).

**Table 6.10: Employment by Occupation Comparison, 2024**

Occupation	Bisbee	Cochise County	Arizona
Management	16.1%	9.7%	12.3%
Business/Financial	5.9%	5.0%	6.6%
Computer/Mathematical	1.6%	5.0%	3.6%
Architecture/Engineering	3.7%	2.7%	2.8%
Life/Physical/Social Sciences	1.4%	0.8%	0.9%
Community/Social Service	0.1%	2.1%	1.9%
Legal	0.4%	0.6%	0.9%
Education/Training/Library	4.7%	6.2%	5.2%
Arts/Design/Entertainment	0.8%	1.5%	2.0%
Healthcare Practitioner	3.5%	5.8%	6.0%
Sales and Sales Related	7.6%	8.0%	9.3%
Office/Administrative Support	13.5%	11.5%	11.8%
Farming/Fishing/Forestry	0.7%	0.9%	0.4%
Construction/Extraction	9.3%	4.7%	5.3%
Installation/Maintenance/Repair	1.9%	2.9%	3.0%
Production	4.6%	3.0%	3.3%
Transportation/Material Moving	3.7%	6.6%	7.3%
Healthcare Support	4.4%	3.9%	3.2%
Protective Service	7.7%	7.6%	2.4%
Food Preparation/Serving	5.9%	5.7%	5.7%
Building Maintenance	2.1%	3.6%	3.5%
Personal Care/Service	0.5%	2.4%	2.7%

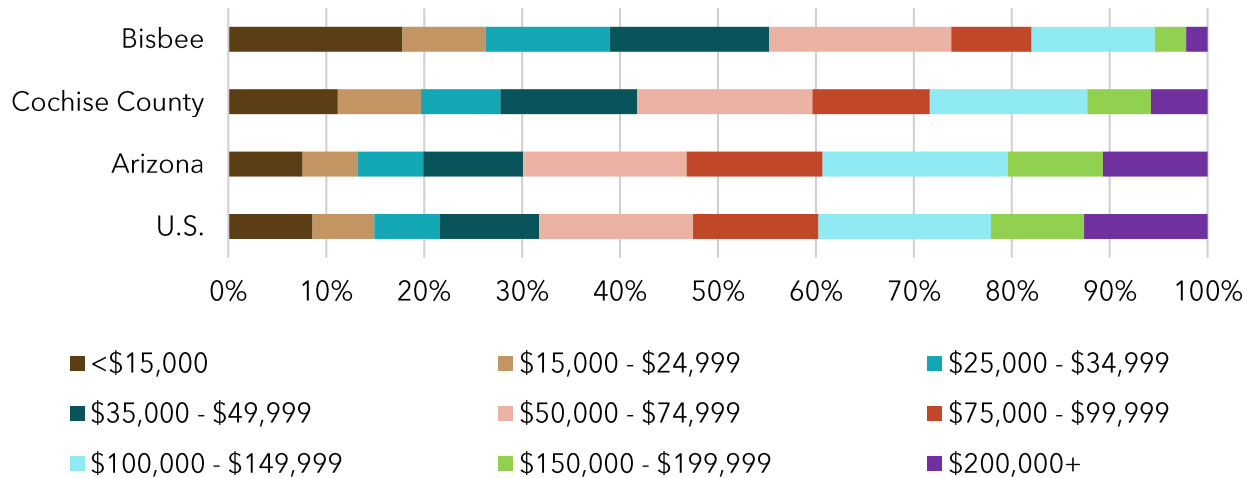
Source: Esri Business Analyst, 2024

## Income & Expenditures

Household income is a critical factor in housing demand and plays a major role in affordability. Lower-income households struggle to afford today's high housing costs, while higher-income households have more financial flexibility. As a result, regions with higher income levels tend to experience higher housing costs, and vice versa.

Figure 6.23 presents data on household income distribution in Bisbee and Cochise County, compared to Arizona and the United States. Nationally, only 8.6% of households earn less than \$15,000 per year, whereas in Bisbee, the percentage is significantly higher at 17.8%. Additionally, 55.3% of Bisbee households earn less than \$50,000 per year, making it increasingly difficult to afford rising housing costs. While households in Cochise County generally have higher incomes than those in Bisbee, their earnings still fall below the averages for Arizona and the United States.

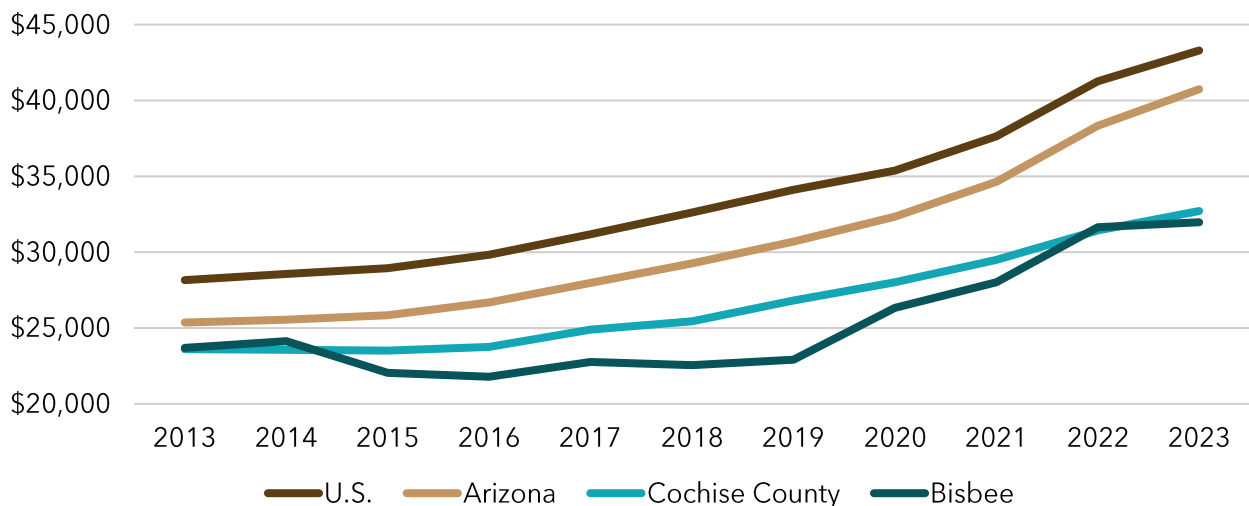
**Figure 6.23: Distribution of Household Income, 2024**



Source: Esri Business Analyst, 2024

Per capita income over time measures the average income per person within a given region. This metric is useful for comparing wealth and assessing economic well-being. Figure 6.24 displays per capita income by region from 2013 to 2023. Since 2015, all regions (including Bisbee) have experienced growth in per capita income.

**Figure 6.24: Per Capita Income, 2013-2023**



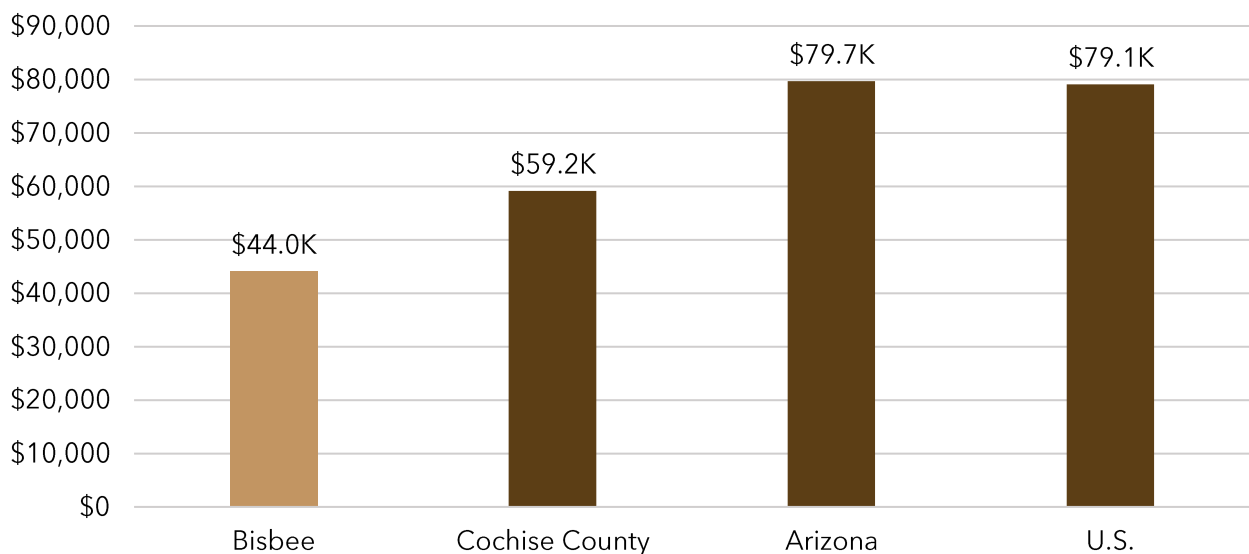
Source: U.S. Census Bureau, 2013-2023 5-Year Estimates, Table B19301

Overall, this trend indicates economic growth and suggests that it may continue in the near future. However, Bisbee's per capita income remained stagnant from approximately 2015 to 2019. In recent years, gains have brought Bisbee's per capita income to approximately \$31,970, now nearly equal to that of Cochise County.

While a region's income distribution provides insight into the full range of income levels, and per capita income reflects overall economic growth or decline, median household income offers a snapshot of how the typical household compares to those in other regions.

In Bisbee, the median household income is \$44,000 per year (Figure 6.25). This is significantly lower than the median income in Arizona and the United States (by approximately \$35,000 annually). Even within Cochise County, Bisbee's median household income is about \$15,000 lower. Low household incomes tend to indicate lower overall demand within a region.

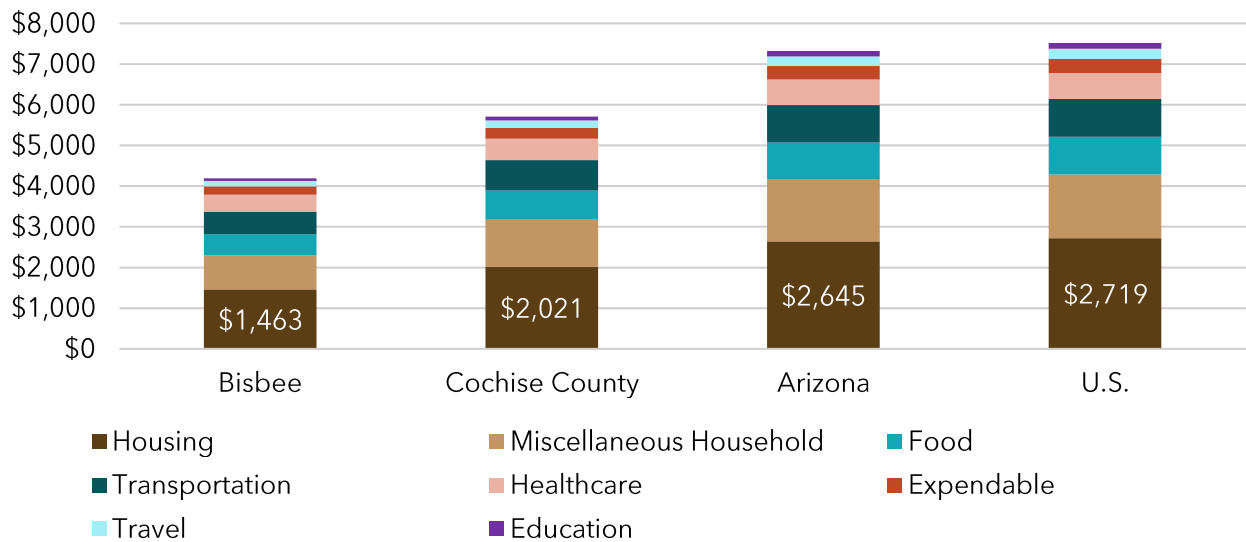
**Figure 6.25: Median Household Income, 2024**



Source: Esri Business Analyst, 2024

Figure 6.26 presents the monthly household budget for Bisbee, as well as for Cochise County, Arizona, and the United States. The key insight from this data is that monthly expenses in every category are lower in Bisbee compared to the other regions. Even in housing costs, Bisbee households spend approximately \$600 less per month than those in Cochise County, \$1,200 less than those in Arizona, and nearly \$1,300 less than the national average.

**Figure 6.26: Monthly Household Budget Expenditures, 2024<sup>60</sup>**



Source: Esri Business Analyst, 2024

While overall expenditures are much lower in Bisbee, the percentage of the monthly budget spent on each category is relatively similar to that of the other regions (Table 6.11). Households in Bisbee allocate slightly lower shares of their budget to housing but slightly higher shares to healthcare and transportation.

Sperling's Best Places provides a regional cost of living index, comparing costs in various

spending categories to national averages. In Table 6.12, the United States serves as the baseline, with a cost of living index set at 100.0. A value greater than 100.0 indicates higher costs in that region, while a value below 100.0 suggests that the category is generally less expensive than the national average.

In Bisbee, the overall cost of living index is 84.8, meaning that, in general, things are less expensive in Bisbee than in other parts of the United States. This is especially evident in housing, which has an index of 50.2, indicating that housing costs in Bisbee are about half

**Table 6.11: Monthly Household Budget Shares, 2024**

Category	Bisbee	Cochise County	Arizona	United States
Housing	34.9%	35.4%	36.1%	36.2%
Miscellaneous Household	19.9%	20.3%	20.7%	20.8%
Food	12.4%	12.5%	12.5%	12.4%
Transportation	13.2%	13.0%	12.5%	12.3%
Healthcare	10.0%	9.3%	8.6%	8.5%
Expendable	4.7%	4.6%	4.5%	4.5%
Travel	3.3%	3.2%	3.3%	3.4%
Education	1.6%	1.6%	1.8%	1.9%

Source: Esri Business Analyst, 2024

<sup>60</sup> Miscellaneous household expenditures include apparel and services, personal care products, funeral expenses, legal fees, banking service charges, accounting fees, credit card membership fees, shopping club membership fees, support payments, life insurance, and pensions and social security.

as expensive as elsewhere in the country. This is significant, as housing costs are a major factor in overall affordability. However, all regions in Southeastern Arizona Governments Organization (SEAGO) have lower housing cost indices than both Arizona and the United States.

**Table 6.12: Regional Cost of Living Comparison, 2024**

Region	Overall	Housing	Grocery	Health	Utilities	Transportation
Bisbee	84.8	50.2	92.8	106.2	99.8	82.0
Douglas	84.8	39.9	92.3	106.2	106.3	73.5
Sierra Vista	84.8	78.9	95.4	106.2	102.2	77.2
Cochise County	84.8	63.8	93.9	106.2	104.9	81.4
Graham County	84.7	71.6	94.8	105.6	105.6	73.3
Greenlee County	72.3	34.1	95.6	106.4	99.4	68.6
Santa Cruz County	81.6	65.4	98.2	86.0	101.4	78.1
Arizona	106.4	119.7	96.1	97.3	102.7	107.0
United States	100.0	100.0	100.0	100.0	100.0	100.0

Source: Sperlings Best Places, Cost of Living Comparison, 2024

## Commuter and Transportation Data

Data on commuters and transportation are valuable tools for determining housing demand patterns in different regions. During our on-site visits, it became clear that Bisbee faces a challenge in providing sufficient housing for its workforce. Specifically, local workers often struggle to find affordable housing, suitable residences, or even any housing at all. As a result, many workers commute from Sierra Vista or Douglas. (The Step Up program has had some success in addressing this trend.)

Commuting patterns are shown in Table 6.13 and Figure 6.27. According to the Census Bureau's OnTheMap database, 80.6% of Bisbee workers live outside the City. As mentioned earlier, many commute from Sierra Vista or Douglas. About 16.2% of Bisbee's workforce commutes from Sierra Vista, while 12.3% commute from Douglas. Additionally, many Bisbee residents work outside the City. Other common employment locations for Bisbee

**Table 6.13: Commuting Patterns, 2022**

Where Bisbee Residents Work		Where Bisbee Workers Live	
Location	Percentage	Location	Percentage
Bisbee	29.6%	Bisbee	19.4%
Tucson	12.3%	Sierra Vista	16.2%
Sierra Vista	10.5%	Douglas	12.3%
Phoenix	6.4%	Sierra Vista Southeast CDP	9.7%
Tempe	2.6%	Naco CDP	4.0%
Sierra Vista Southeast CDP	2.4%	Tucson	2.2%
Naco CDP	1.9%	Whetstone CDP	1.2%
Scottsdale	1.5%	Benson	1.1%
Douglas	1.5%	Pirtleville CDP	1.1%
Palominas CDP	1.3%	Huachuca City	0.9%
All Other Locations	30.0%	All Other Locations	31.9%

Source: U.S. Census Bureau, OnTheMap, 2022

residents include Tucson (12.3%), Sierra Vista (10.5%), and even Phoenix (6.4%).

Overall, approximately 2,200 workers are employed in Bisbee. The vast majority of these workers (1,761) are in-commuters, representing potential opportunities for Bisbee to capture in its housing market (Figure 6.27). In contrast, just over 1,000 residents (1,008) are employed elsewhere, which reflects employment leakage for Bisbee. Additionally, 424 workers live and are employed in the City.

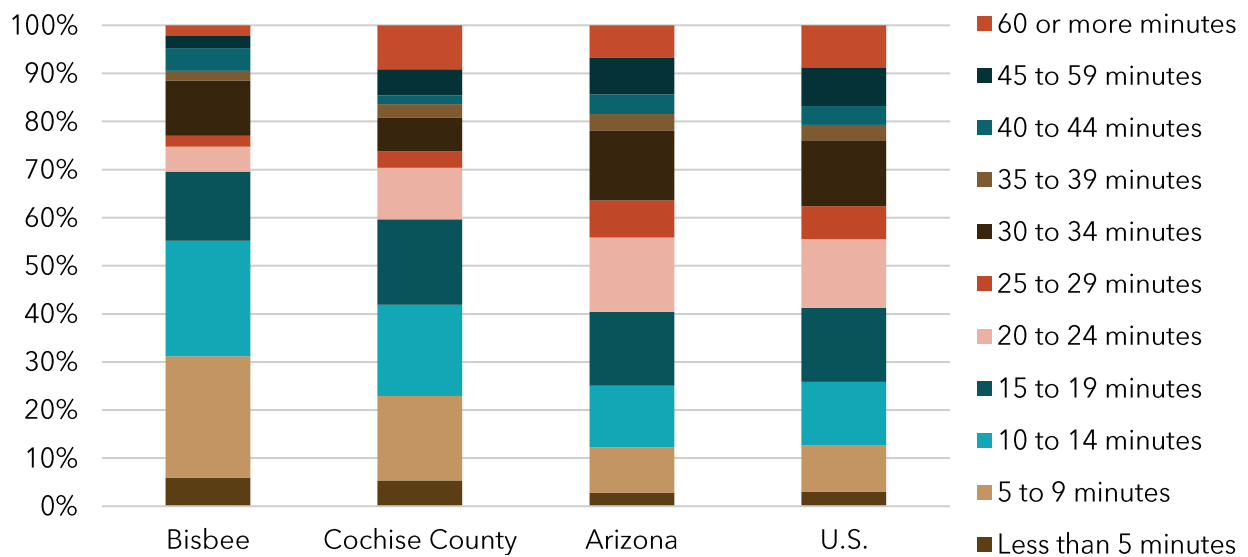
**Figure 6.27: Commuter Inflow and Outflow from Bisbee, 2022**



Source: U.S. Census Bureau, OnTheMap, 2022

Figure 6.28 compares Bisbee's travel times to work with those of Cochise County, Arizona, and the nation. As shown, Bisbee reports shorter commute times than all three of the other regions. Specifically, Bisbee's average travel time to work is 17.8 minutes, which is about five minutes less than the Cochise County average (22.8 minutes) and nearly ten minutes less than the national average (26.6 minutes). These data reflect low traffic levels and shorter commuting distances in Bisbee, which the City could leverage to its advantage.

**Figure 6.28: Travel Time to Work by Region, 2023**



Source: U.S. Census Bureau, 2023 5-Year Estimates, Table B08012

A different commuting trend has emerged over the past five years: not commuting at all. Working from home (WFH) became a popular option in 2020 due to COVID lockdowns, as companies sought to maintain productivity. Table 6.14 displays this trend from 2019 through 2023. In Cochise County, Arizona, and the United States, the share of WFH workers has more than doubled. In Bisbee, however, the share has more than tripled, indicating that the trend has had a greater impact in the City. While WFH may not be ideal for everyone, Bisbee could consider leveraging this shift to its advantage.

**Table 6.14: Work From Home Trends, 2019-2023**

Region	Percent of Workers WFH, 2019	Percent of Workers WFH, 2023	Percent Change
Bisbee	6.3%	21.8%	246.0%
Cochise County	4.6%	10.7%	132.6%
Arizona	6.5%	16.5%	153.8%
United States	5.2%	13.5%	159.6%

Source: U.S. Census Bureau, 2019 and 2023 5-Year Estimates, Table S0801

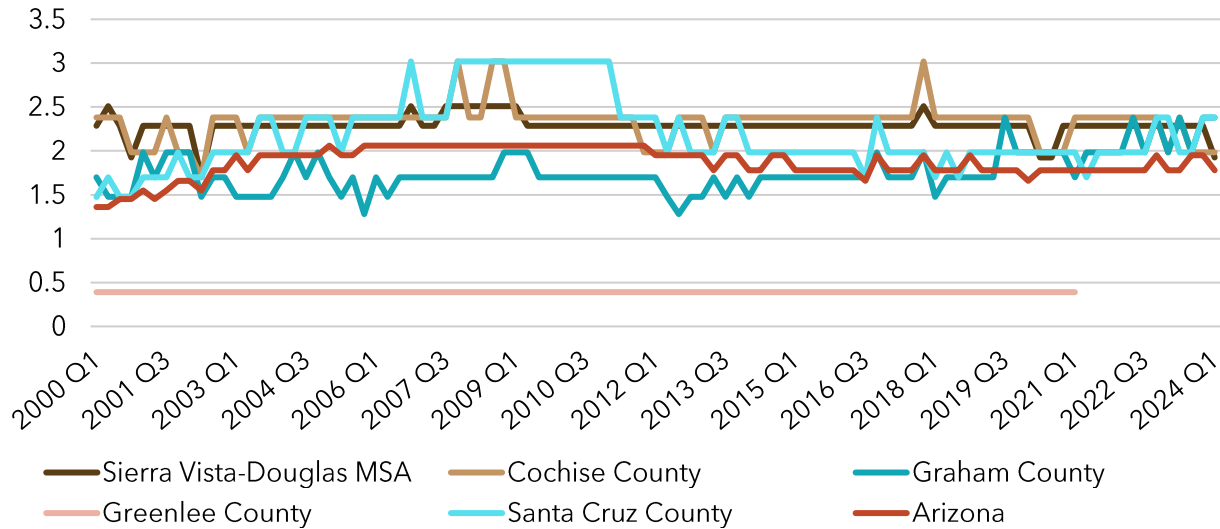
### Financial Health Metrics

Household debt-to-income (DTI) is a key indicator of financial health. Monthly debt obligations can limit a household's discretionary spending for extended periods. When debt payments become difficult to manage for a household with a given income, the family may choose to delay, substitute, or cancel spending on certain non-discretionary items. In short, households with high DTI ratios are more financially constrained and may need lower housing costs to stay afloat. They may also be restricted from purchasing a home for an extended period. A study found that households with higher DTI ratios before the 2008 Financial Crisis experienced steeper reductions in consumption and employment during the slow recovery that followed.

The Federal Reserve Board publishes historical household debt-to-income ratios for every state and county, as well as major core-based statistical areas (CBSAs), using aggregated data from Equifax, the New York Federal Reserve's Consumer Credit Panel, and the Bureau of Labor Statistics. The data reveal that regions and counties across the nation experienced varying magnitudes and paces of change in DTI ratios over the years.

Figure 6.29 displays the DTI ratios for Arizona and SEAGO counties. Notably, Cochise County's average DTI ratio has remained around 2.5 for nearly every quarter over the past two decades. Throughout this period, Cochise County has had the highest DTI ratio in the SEAGO region. This suggests that households in Cochise County may face greater difficulty securing financing for homes, likely due to lower income levels overall.

**Figure 6.29: Quarterly Debt-to-Income Ratios, 2000-2024**

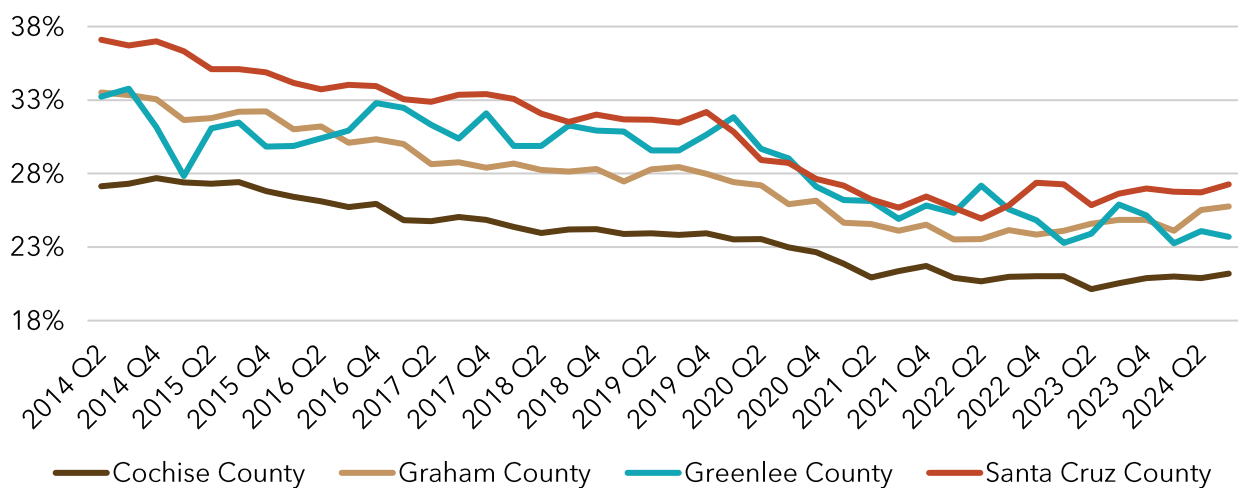


Source: Federal Reserve Board, Enhanced Financial Accounts, Household Debt-to-Income Ratios, December 2024

Access to credit is a key indicator of household financial health and is often measured by credit scores. A "subprime" borrower is someone with a credit score between 580 and 619. Lenders typically offer subprime borrowers less favorable terms for revolving credit or loans. Equifax, one of the major consumer credit rating agencies, partners with the Federal Reserve to provide county-level data on the subprime portion of the population.

Fortunately, over the past ten years, the percentage of the population with a subprime credit score has steadily declined in each county within the SEAGO region. By this measure, Cochise County has performed the best of the four counties, with just 21.2% of the population categorized as subprime as of Q3 2024 (Figure 6.30). In contrast to the DTI ratios, this suggests that households in Cochise County may receive more favorable loan terms compared to those in nearby counties.

**Figure 6.30: Quarterly Subprime Credit Population, 2014-2024**



Source: Federal Reserve Economic Data, Federal Reserve Bank of St. Louis

Data presented in Table 6.15 come from a 2022 study by the Urban Institute, which reviewed the financial health of regions across the country. Among the metrics included in the study are:

- Residents with delinquent debt
- Mortgage holders with a foreclosure in the past few years
- Median credit score

By 2022, the median credit score for the Cochise & Santa Cruz Counties area was 699, which is above the national average. Additionally, only 27.6% of residents in the region had delinquent debts at that time. Only 0.1% of mortgage holders in the region have experienced a foreclosure in recent years. These data indicate that, in general, households in the region are financially stable.

**Table 6.15: Delinquent Debt, Past Foreclosures, Median Credit Score, 2022**

Region	Residents with delinquent debt	Mortgage holders with a foreclosure in past years	Median credit score
Cochise & Santa Cruz Counties--Sierra Vista City	27.6%	0.1%	699
Arizona	29.8%	0.1%	703
United States	31.5%	0.1%	692

Source: Urban Institute, *Financial Health and Wealth Dashboard*, 2022

## 7. Housing Trends

### Building Types & Tenure

This chapter highlights key trends across various housing topics. Housing supply trends can be measured using multiple metrics, including building permits, home values, and home sales data. These data come from various sources, each offering a different perspective on the area's housing market.

Table 7.1 and Figure 7.1 provides an overview of Bisbee's housing stock, alongside statistics for

Cochise County, Arizona, and the United States for comparison. Detached single-family homes dominate the housing stock in all observed geographies but are significantly more prevalent in Bisbee. Compared to Cochise County, Bisbee has nearly 20 percentage points more single-family detached homes. The second most common housing type in Bisbee consists of two-unit structures, which make up 4.6% of the City's housing stock. However, in Cochise County, mobile homes hold the second-largest share at 17.7%. This is a rate significantly higher than in Bisbee, the state, and the nation. By contrast, in both Arizona and the United States, units in buildings with ten or more apartments represent the second-largest share.



Homes in Bisbee, PC on-site, 2024

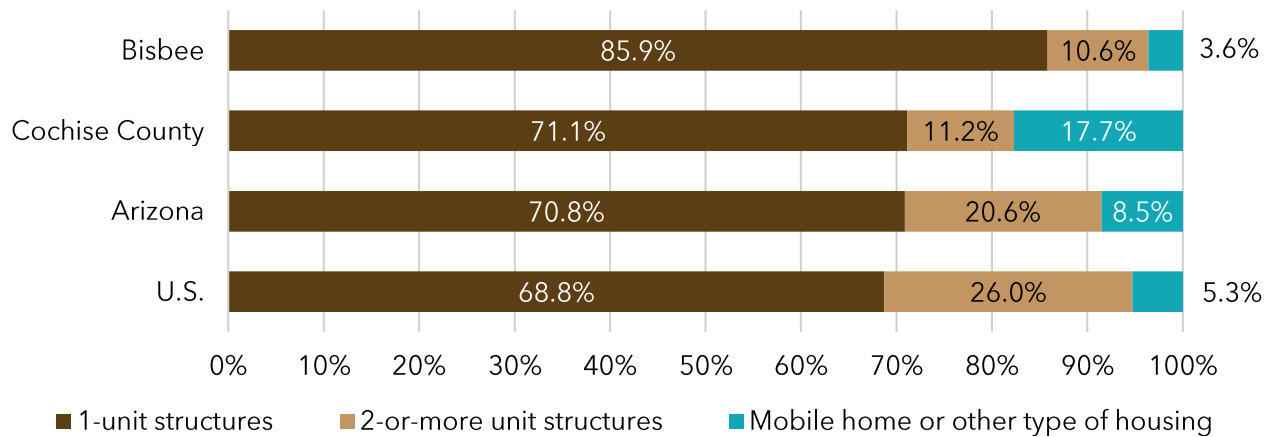
**Table 7.1: Housing Stock by Type<sup>61</sup>**

Housing Type	Bisbee		Cochise County		Arizona	U.S.
	#	%	#	%	%	%
Occupied housing units	2,597	--	50,476	--	2.80M	127.48M
1, detached	2,212	85.2%	34,466	68.3%	65.7%	62.5%
1, attached	17	0.7%	1,419	2.8%	5.1%	6.3%
2 units	119	4.6%	320	0.6%	1.3%	3.3%
3 or 4 units	98	3.8%	1,011	2.0%	3.3%	4.2%
5 to 9 units	11	0.4%	945	1.9%	3.6%	4.5%
10 or more units	47	1.8%	3,396	6.7%	12.4%	14.0%
Mobile home or other type of housing	93	3.6%	8,919	17.7%	8.5%	5.3%

Source: U.S. Census Bureau, 2023 5-Year Estimates, Table S2504

<sup>61</sup> The housing types are defined in accordance with the Census Bureau's "units in structure." Which means data are presented in terms of the number of occupied housing units in structures of the specific size.

**Figure 7.1: Percent Housing by Type**

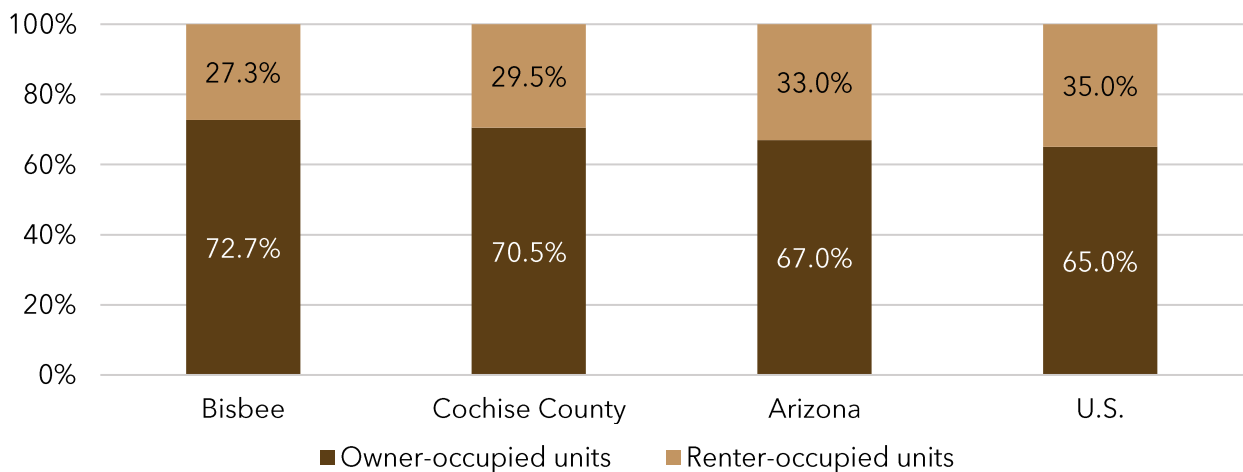


Source: U.S. Census Bureau, 2023 5-Year Estimates, Table S2504

Housing needs vary across age and income groups. Another way to analyze the housing supply is by examining owner- versus renter-occupancy. Nationally, homeownership and rental rates follow a roughly 65% to 35% split, a trend that Arizona generally mirrors. Cochise County reports slightly higher homeownership rates, but Bisbee stands out with an owner-occupancy rate of 72.7% (Figure 7.2). This is significantly higher than both the state and national averages (67.0% and 65.0%, respectively). This means nearly three out of every four homes in Bisbee are owner-occupied rather than rented.

Bisbee's high share of single-family detached homes, combined with its elevated homeownership rate, reflects a lack of housing diversity. This imbalance affects both affordability and accessibility, particularly for those who need smaller units or cannot afford to buy a home. A less varied housing supply may impact housing affordability through lower levels of competition as well. Homeowners or renters compete with each other at a lower rate to attract residents, increasing their power to raise housing prices.

**Figure 7.2: Owner-Occupied and Renter-Occupied Homes**



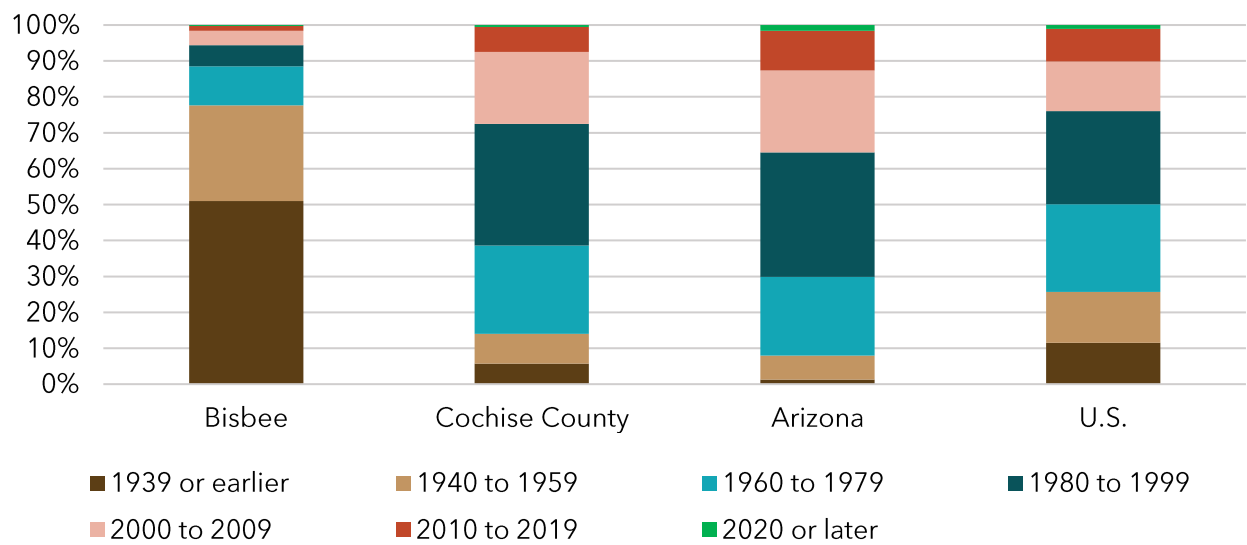
Source: U.S. Census Bureau, 2023 5-Year Estimates, Table S2504

### Housing Stock & Occupancy Rates

The age of a region’s housing stock reveals both the physical condition of homes and their maintenance needs. Older homes require more upkeep, making housing age a key factor in long-term sustainability. When viewed in Figure 7.3, these data also tell a broader story of past economic and development cycles.

Nationally, about half of all homes (49.9%) were built after 1980, providing a general benchmark. Arizona’s housing stock skews even newer, with 70.1% built after 1980, while Cochise County follows a similar trend at 61.4%. In stark contrast, 51.0% of homes in Bisbee were built in 1939 or earlier. This is a complete reversal of the national trend. This reflects Bisbee’s history as a booming mining town in the early 20th century, when most of its housing was originally constructed.

Figure 7.3: Age of Housing Stock, 2023



Source: U.S. Census Bureau, 2023 5-Year Estimates, Table S2504

Because Bisbee’s housing stock is significantly older than average, the project team compared its age to other communities in Cochise County. We ranked all U.S. cities by the relative age of their housing stock (Table 7.2) and found that Bisbee falls in the 94th percentile nationwide. Among incorporated places in Cochise County, only Douglas ranks in the top half nationally, at the

Table 7.2: Age of Housing Stock Comparison, 2023

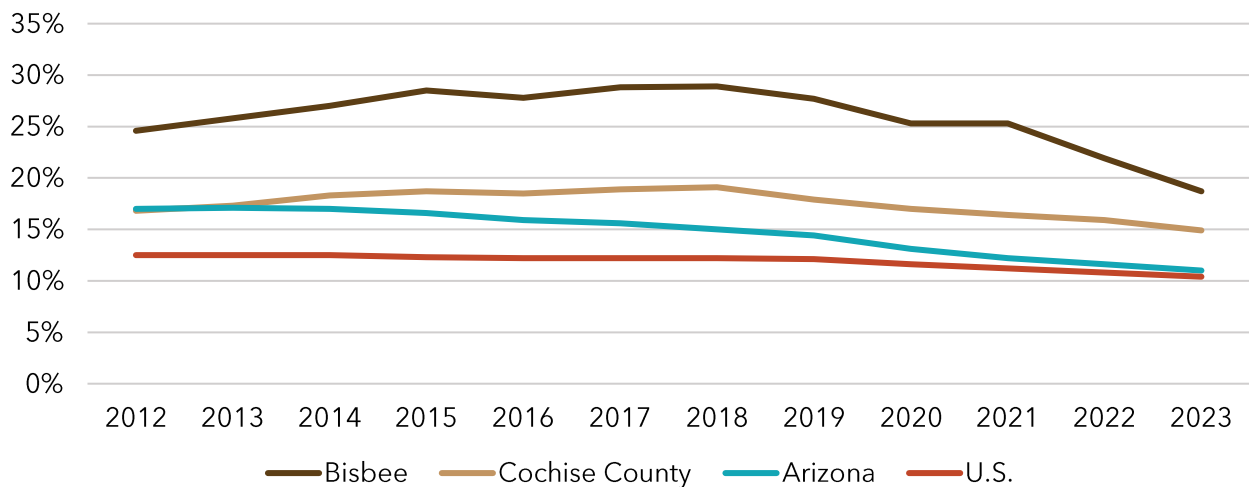
Region	Total Housing Units	Percent Built 1939 or Earlier	Percentile of All Places in the U.S.
Bisbee	3,195	56.5%	94.2%
Benson	3,171	4.3%	31.8%
Douglas	5,570	20.6%	63.1%
Huachuca City	920	0.0%	0.0%
Sierra Vista	20,351	0.4%	16.4%
Tombstone	796	11.1%	47.9%
Willcox	1,444	4.8%	33.3%

Source: U.S. Census Bureau, 2023 5-Year Estimates, Table B25034

63rd percentile. Additionally, according to the Census Bureau, Bisbee's housing stock ranks in the 99th percentile for age among all places in Arizona.

Vacancy rates indicate the balance of supply and demand in a real estate market. As shown in Figure 7.4, vacancy rates in Bisbee and Cochise County trended upward from 2012 to 2018, contrasting with the statewide and national trends, which have declined since 2012. However, since 2018, vacancy rates in both Bisbee and Cochise County have been decreasing. This decline is likely due in part to efforts by the City of Bisbee and its partnership with Step Up Bisbee/Naco to rehabilitate and redevelop residential properties.

**Figure 7.4: Vacancy Rates Over Time**



Source: U.S. Census Bureau, 5-Year Estimates 2012-2023, DP04

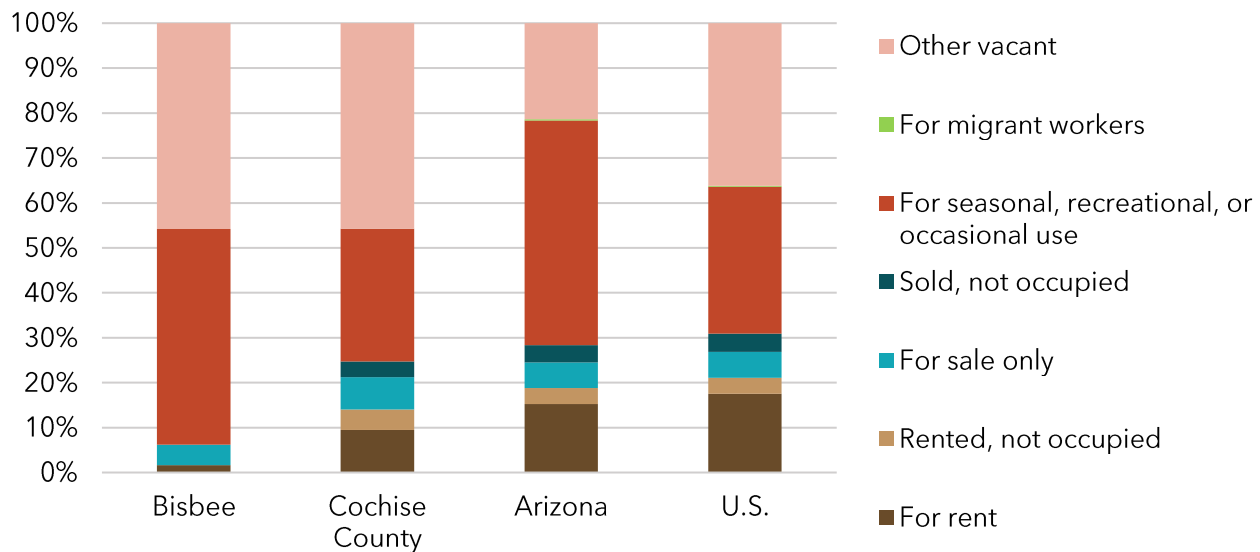
Different reasons for residential vacancies also impact the housing market. Figure 7.5 compares vacancy status in Bisbee, Cochise County, Arizona, and the nation. In Bisbee, the two most common reasons for vacancies are "Other vacant" and "For seasonal, recreational, or occasional use."

The "Other vacant" category, which includes dilapidated or uninhabitable homes, accounts for 45.8% of vacant units, highlighting Bisbee's aging housing stock from its mining era. Meanwhile, "For seasonal, recreational, or occasional use" units make up 48.0% of vacant housing. Since the mine closed in the 1970s, Bisbee has grown into a tourist destination, and many properties have been converted into short-term rentals (STRs) to capitalize on tourism. This trend contributes to higher vacancy rates and the prevalence of seasonal-use housing.

As shown in Figure 7.5 and supported by on-site observations, vacant and dilapidated units pose a significant housing challenge in Bisbee. To analyze vacancy patterns, we utilized data from Regrid, a service that provides detailed parcel information, including vacancy status based on USPS vacancy indicators.<sup>62</sup>

<sup>62</sup> Regrid, <https://regrid.com/>.

**Figure 7.5: Vacancy Status**



Source: U.S. Census Bureau, 2023 5-Year Estimates, B25004

The Regrid data allowed us to assess the number of vacant parcels by zoning designation and calculate the total acreage they occupy. Unsurprisingly, most vacant parcels and acreage are located in R1-zoned areas (Table 7.3), as R1 zoning covers the majority of land in Bisbee. However, some vacant parcels also exist in RM, C1, and a few zones with unknown classifications.

**Table 7.3: Vacant Lots by Zone in Bisbee, 2024**

Zone	Number of Parcels	Total Acres
C-1	3	2.0
R-1	151	127.3
RM	9	6.4
Unknown	3	2.0
Total	166	137.7

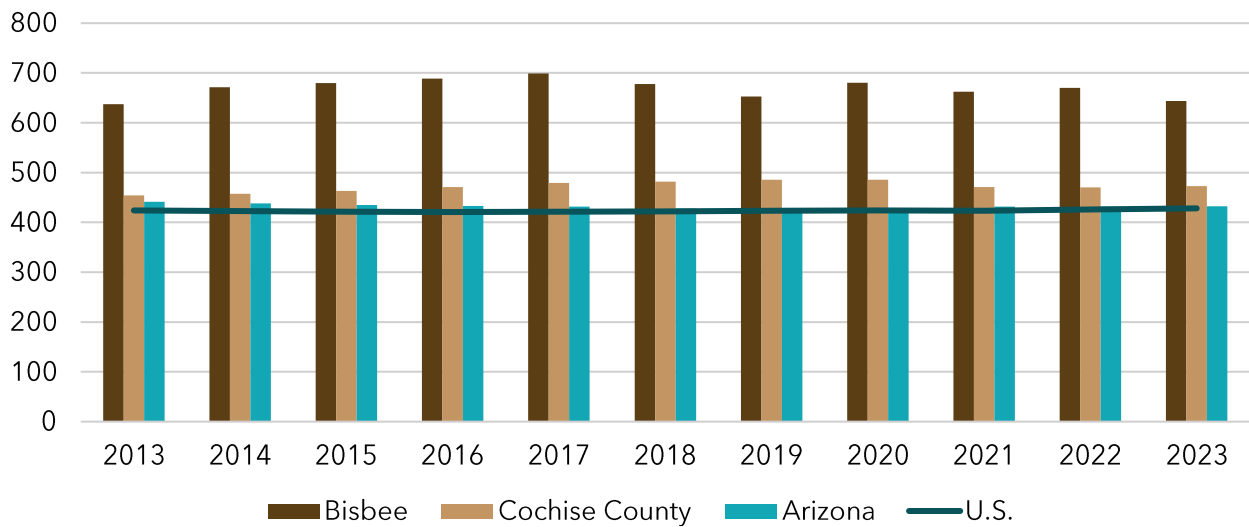
Source: Regrid Parcel Data for Cochise County

## Residences to Employment Metrics

Like vacancy rates, statistics such as housing units per 1,000 residents can indicate housing supply and availability. In Bisbee, this metric increased from 2013 to 2017 but declined from 2020 to 2023, currently sitting at approximately 644 (Figure 7.6). Over the entire observation period, Bisbee has had the highest housing units per 1,000 residents. Interestingly, Cochise County saw a slight increase from 454 to 473, while Arizona experienced a slight decline from 441 to 432. The United States has remained relatively stable over the past decade.

At first glance, high housing units per 1,000 residents might suggest ample housing opportunities. However, this calculation uses *total housing units* rather than *occupied housing units*. Bisbee has just under 2,600 occupied housing units but over 3,100 total housing units. This suggests that while properties exist, many are either in disrepair or have been converted to short-term rentals. As a result, the housing market may feel more constrained than the numbers suggest. When using occupied housing units instead, the metric drops significantly to 523, rather than the higher 644 observed with total units.

**Figure 7.6: Housing Units per 1,000 Residents**

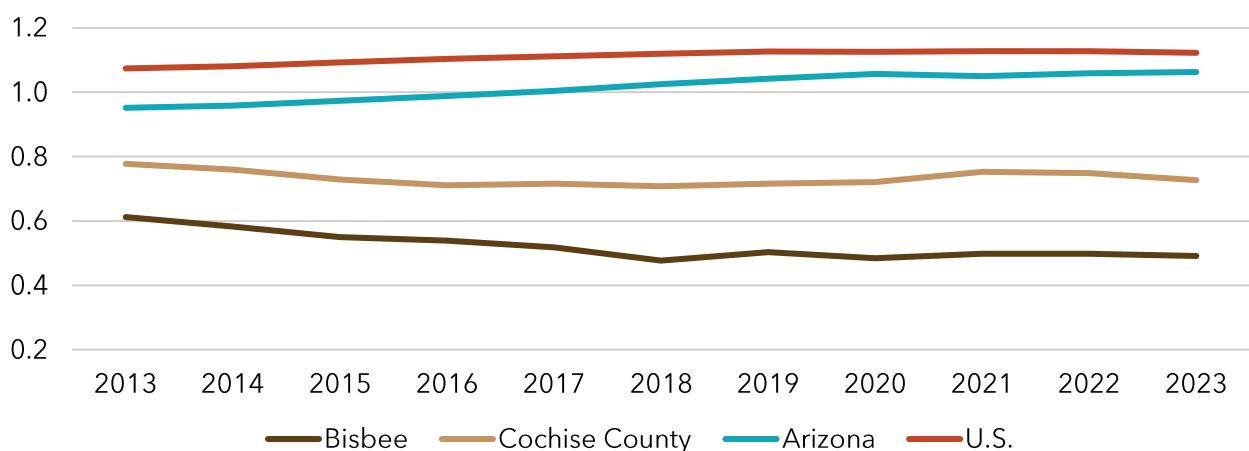


Source: U.S. Census Bureau, 2013-2023 5-Year Estimates, Tables B25001 and DP05

The jobs-to-housing ratio is another key metric for assessing housing availability (Figure 7.7). In Arizona and the United States, this ratio has remained at or above 1.0 since at least 2017, indicating that the number of jobs meets or exceeds the number of housing units. This is often a sign of slight housing shortages. However, in Bisbee and Cochise County, the ratio has been below 0.8 since 2013, suggesting a relatively sustainable housing supply for local workers. Unlike broader housing supply metrics that compare housing to the total population, this ratio focuses on housing availability relative to the number of workers.

While this analysis uses *total housing units* rather than *occupied housing units*, the relatively low ratio is not solely due to vacant or seasonal homes. Bisbee has a small workforce and a high retiree population, which significantly lowers the jobs-to-housing ratio. Even if we based the metric on occupied housing units, the ratio would still be just 0.6. This is only slightly higher than the 0.5 calculated using total housing units.

**Figure 7.7: Jobs-to-Housing Ratio**



Source: U.S. Census Bureau, 2013-2023 5-Year Estimates, Tables B25001 and DP03

## Residential Density and Overcrowding

Table 7.4 presents residential occupancy trends in Bisbee for 2022 and 2023. Most residents, whether owners or renters, live in homes with at least one more room than the number of occupants. However, renter-occupied units saw a notable increase in households with 1.0 to 1.5 occupants per room, indicating a shift toward slightly denser living arrangements. Meanwhile, owner-occupied units experienced a 29.0% decrease in the 0.50 to 1.00 occupants-per-room category, reflecting a decline in overall occupancy. In contrast, renter-occupied units saw a 14.9% increase in total occupancy.

For comparison, Table 7.5 also presents the same data for owners and renters in Cochise County.

**Table 7.4: Residence by Occupants per Room in Bisbee, 2022-2023**

Occupancy	2022	2023	Change	% Change
<b>Total Occupied Housing Units</b>	<b>2,602</b>	<b>2,597</b>	<b>(5)</b>	<b>(0.2%)</b>
<b>Owner occupied</b>	<b>1,984</b>	<b>1,887</b>	<b>(97)</b>	<b>(4.9%)</b>
0.50 or less occupants per room	1,746	1,717	(29)	(1.7%)
0.51 to 1.00 occupants per room	231	164	(67)	(29.0%)
1.01 to 1.50 occupants per room	7	6	(1)	(14.3%)
1.51 to 2.00 occupants per room	0	0	0	N/A
2.01 or more occupants per room	0	0	0	N/A
<b>Renter occupied:</b>	<b>618</b>	<b>710</b>	<b>92</b>	<b>14.9%</b>
0.50 or less occupants per room	546	586	40	7.3%
0.51 to 1.00 occupants per room	53	53	0	0.0%
1.01 to 1.50 occupants per room	19	44	25	131.6%
1.51 to 2.00 occupants per room	0	27	27	100.0%
2.01 or more occupants per room	0	0	0	N/A

Source: U.S. Census Bureau, 2022 and 2023 5-Year Estimates, Table B25014

**Table 7.5: Residence by Occupancy per Room in Cochise County, 2022-2023**

Occupancy	2022	2023	Change	% Change
<b>Total:</b>	<b>49,680</b>	<b>50,476</b>	<b>796</b>	<b>1.6%</b>
<b>Owner occupied:</b>	<b>34,882</b>	<b>35,586</b>	<b>704</b>	<b>2.0%</b>
0.50 or less occupants per room	27,358	27,808	450	1.6%
0.51 to 1.00 occupants per room	7,044	7,162	118	1.7%
1.01 to 1.50 occupants per room	270	379	109	40.4%
1.51 to 2.00 occupants per room	121	168	47	38.8%
2.01 or more occupants per room	89	69	(20)	(22.5%)
<b>Renter occupied:</b>	<b>14,798</b>	<b>14,890</b>	<b>92</b>	<b>0.6%</b>
0.50 or less occupants per room	9,553	9,645	92	1.0%
0.51 to 1.00 occupants per room	4,527	4,646	119	2.6%
1.01 to 1.50 occupants per room	553	446	(107)	(19.3%)
1.51 to 2.00 occupants per room	115	102	(13)	(11.3%)
2.01 or more occupants per room	50	51	1	2.0%

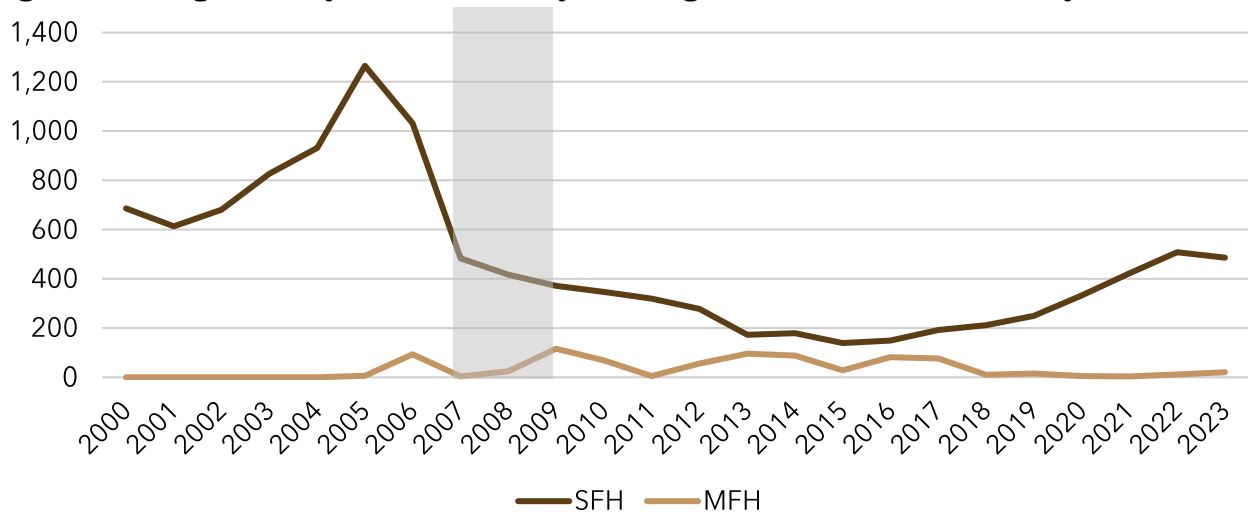
Source: U.S. Census Bureau, 2022 and 2023 5-Year Estimates, Table B25014

## New Housing Production

Housing market outcomes depend on the interaction between housing supply and demand, with building trends and production serving as key drivers of supply. When supply fails to keep pace with growing demand, housing prices inevitably rise. Additionally, housing production in both Bisbee and the broader Cochise County region influences affordability within the City.

Looking first at regional trends, Figure 7.8 shows housing permits issued in Cochise County from 2000 to 2023. Between 2001 and 2005, single-family home (SFH) permits increased steadily, peaking at 1,265. However, during the same period, the County issued virtually no multifamily housing (MFH) permits. From 2005 to 2015, SFH permits declined sharply, hitting a low of just 139. While permit numbers have since rebounded, they remain below pre-2007 levels.

**Figure 7.8: Single-Family and Multifamily Housing Permits in Cochise County, 2000-2023<sup>63</sup>**



Source: U.S. Department of Housing and Urban Development, State of the Cities Data Systems

Where has housing production in Cochise County occurred? Unfortunately, not in Bisbee. Since 2000, the City has accounted for just 0.5% of total housing permits issued in the County (Figure 7.9). This is the lowest share among all incorporated communities.

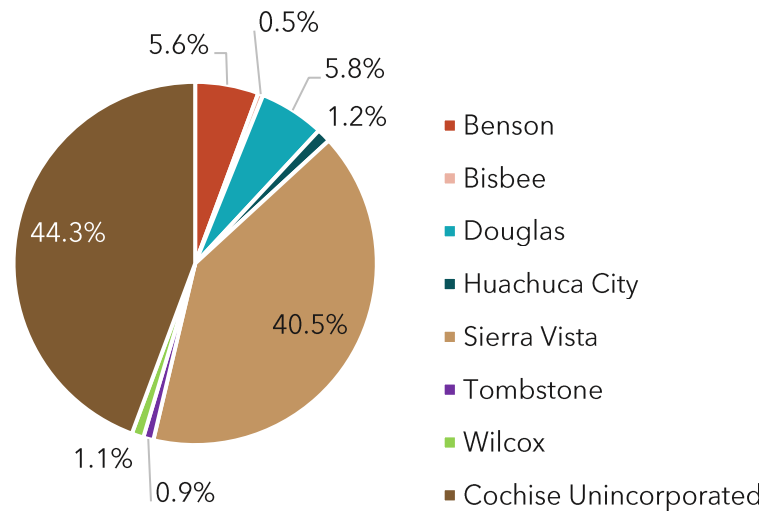
However, Bisbee has notably focused on housing rehabilitation. In the past two years, the City (in partnership with Step Up Bisbee/Naco) has rehabilitated or redeveloped about ten properties. Additionally, through a collaboration with SEAGO, Bisbee has used HUD funding to rehabilitate 17 properties in colonias neighborhoods.

Sierra Vista leads the County in new housing production, accounting for 40.5% of total permits. This is unsurprising given its status as the largest city. Meanwhile, unincorporated areas hold an even larger share, with 44.3% of all permits issued.

<sup>63</sup> The shaded bars represent the 2007-09 Financial Crisis.

Figure 7.10 compares Bisbee's total housing permits issued from 2000 to 2023 with those of other Cochise County communities of similar or smaller size, except for Douglas. Among these, Benson (Bisbee's closest comparison by population) has experienced housing production levels similar to Douglas, a city nearly three times larger than both Bisbee and Benson. In contrast, Bisbee's housing trends align more closely with those of Huachuca City, Tombstone, and Willcox, all of which have smaller populations.

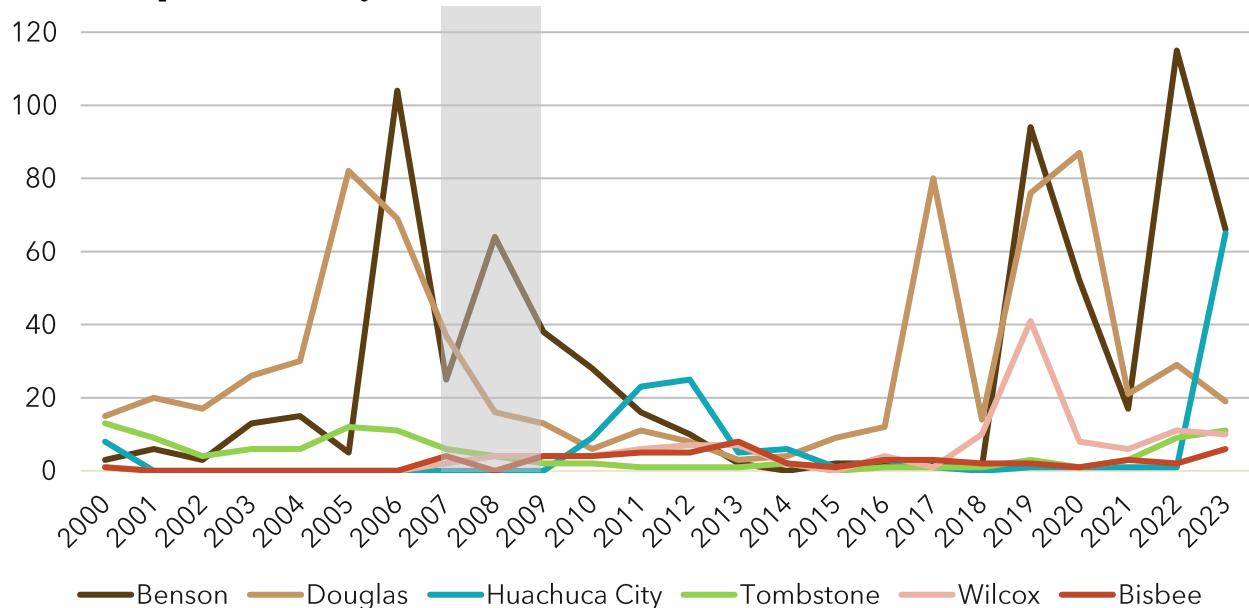
**Figure 7.9: Share of Total Housing Permits Issued in Cochise County, 2000-2023**



Source: U.S. Department of Housing and Urban Development, State of the Cities Data Systems

Several factors may be limiting Bisbee's housing production. The City contains two large historic districts, Old Bisbee and Warren, which may present regulatory or structural challenges. Additionally, land ownership by Freeport-McMoRan (FMI) has significantly landlocked some areas, restricting development opportunities.

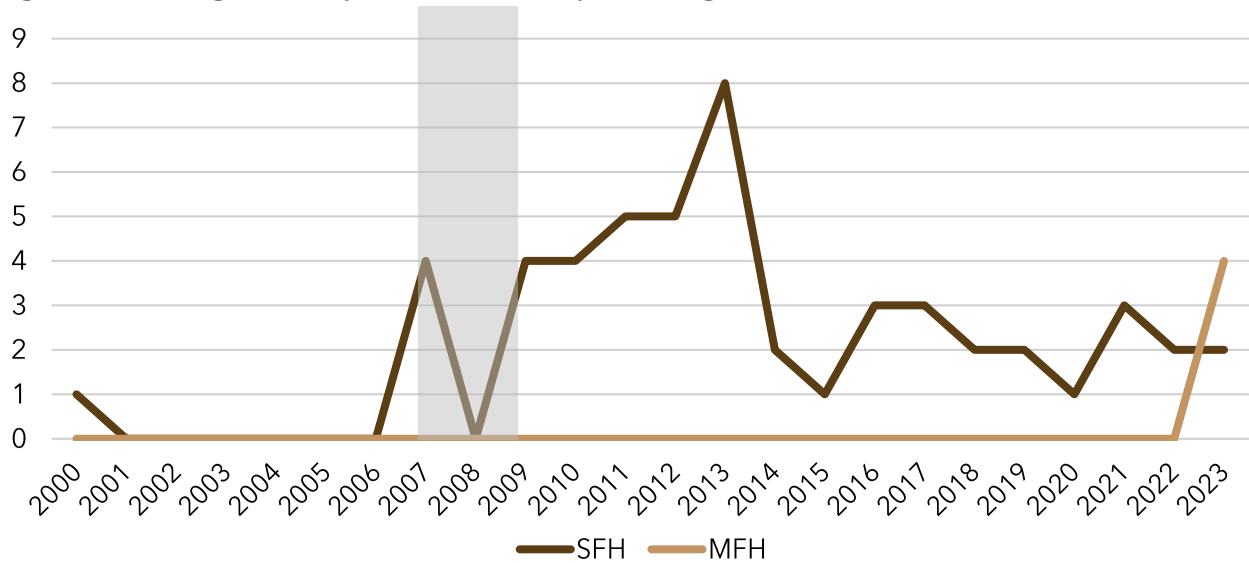
**Figure 7.10: Total Housing Permits Issued in Cochise County, Excluding Sierra Vista and the Unincorporated County, 2000-2023**



Source: U.S. Department of Housing and Urban Development, State of the Cities Data Systems

When Bisbee has issued housing permits, the vast majority have been for single-family homes (SFH) (Figure 7.11). While this limits the number of potential units per lot, it aligns with Bisbee’s zoning regulations, as most residential areas are designated R1, specifically for SFH development. Bisbee’s stagnant housing production has likely intensified the upward pressure on demand over the past three years.

**Figure 7.11: Single-Family and Multifamily Housing Permits in Bisbee, 2000-2023**

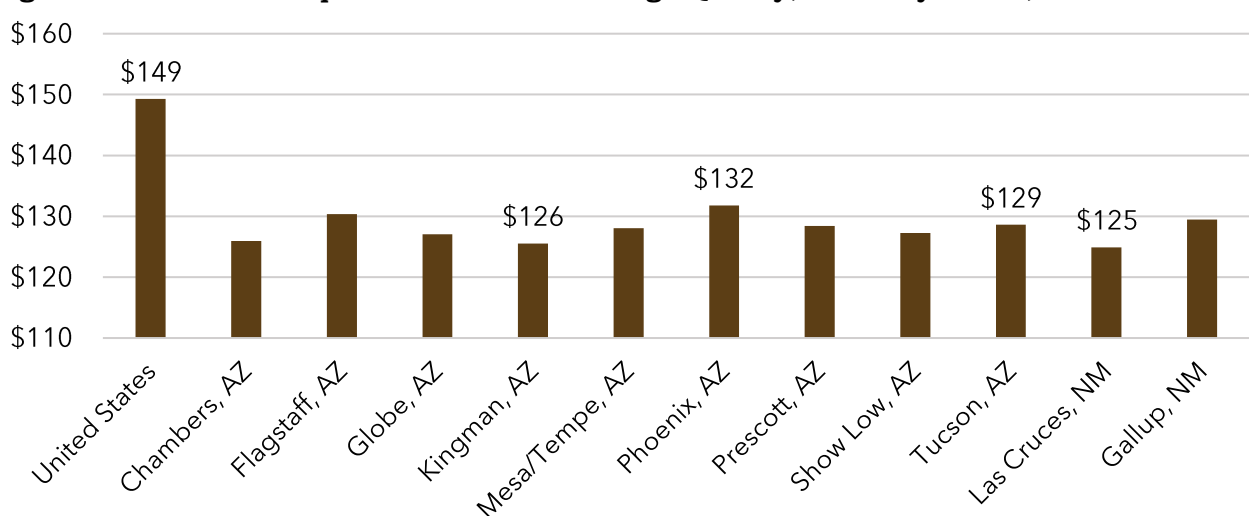


Source: U.S. Department of Housing and Urban Development, State of the Cities Data Systems

## Cost of Construction

Construction costs are a key factor in assessing the housing landscape. However, data on building costs for different housing types are limited. To address this, the project team used RSMeans data to compare per-square-foot cost estimates for an average 1.5-story single-family home, as shown in Figure 7.12.

**Figure 7.12: Cost Per Square Foot for an Average Quality, 1.5 Story Home, 2024**



Source: RS Means, Square Footage Estimator, Year 2024

We analyzed RSMeans data for 1,800-square-foot, 1.5-story single-family homes with wood siding and frame construction, built by non-union contractors. These cost comparisons include locations across Arizona and nearby areas in New Mexico. The RSMeans database is updated quarterly, tracking both the City Cost Index (CCI) and key building material costs. The Historical Cost Index (HCI) applies CCI updates to a historical benchmark, allowing for location-based cost indexing over time. This tool helps forecast construction costs, compare costs across regions, and update estimates nationwide.

Unfortunately, RSMeans does not provide data for Bisbee due to its small size and lack of available data. To estimate potential construction costs in Bisbee, we examined data from several Arizona cities. In Tucson, the average cost per square foot is approximately \$129. This is slightly lower than the state's highest rate of \$132 per square foot in Phoenix and well below the U.S. average of \$149 per square foot. This translates to a nearly \$37,000 lower cost to build an average 1.5-story single-family home in Tucson compared to the national average (Table 7.6).

**Table 7.6: Cost to Build Comparison, 2024**

Region	Building Cost	Cost Per Square Foot
United States	\$268,737	\$149
Chambers, AZ	\$226,703	\$126
Flagstaff, AZ	\$234,633	\$130
Globe, AZ	\$228,650	\$127
Kingman, AZ	\$225,946	\$126
Mesa/Tempe, AZ	\$230,433	\$128
Phoenix, AZ	\$237,217	\$132
Prescott, AZ	\$231,118	\$128
Show Low, AZ	\$229,061	\$127
Tucson, AZ	\$231,514	\$129
Las Cruces, NM	\$224,778	\$125
Gallup, NM	\$233,070	\$129

Source: RS Means, Square Footage Estimator, Year 2024

## Home Value Trends

Housing discussions often focus on central estimates like averages and medians, which can obscure the full distribution of housing values and lead to missed insights. To provide a clearer picture, the tables and figures below highlight key real estate market metrics for Bisbee in comparison to other regions over recent years.

In Bisbee, the largest share of owner-occupied homes falls within the \$300K–\$399K range, followed by homes valued between \$200K–\$249K. Cochise County reflects a similar pattern, with the highest concentration of homes also in the \$300K–\$399K range and the second largest share in the \$200K–\$249K range. At the state level, however, home values tend to be higher, with 22.2% of homes valued between \$500K–\$749K. A full breakdown of price distributions across all regions, including national data, is shown in Table 7.7.

**Table 7.7: Owner-Occupied Housing Units by Value and Median Home Values, 2024**

Home Value	Bisbee		Cochise County		Arizona	U.S.
	#	%	#	%	%	%
<\$50K	81	4.3%	3,449	9.1%	5.2%	4.7%
\$50K-\$99K	153	8.1%	2,767	7.3%	3.3%	5.4%
\$100K-\$149K	215	11.4%	3,942	10.4%	3.0%	5.9%
\$150K-\$199K	306	16.2%	4,586	12.1%	4.0%	8.0%
\$200K-\$249K	368	19.5%	5,837	15.4%	5.8%	8.6%
\$250K-\$299K	172	9.1%	4,738	12.5%	6.5%	8.6%
\$300K-\$399K	436	23.1%	6,784	17.9%	19.0%	16.1%
\$400K-\$499K	119	6.3%	3,146	8.3%	18.5%	12.0%
\$500K-\$749K	36	1.9%	2,312	6.1%	22.2%	16.6%
\$750K-\$999K	2	0.1%	265	0.7%	7.7%	7.3%
\$1M-\$1.5M	0	0.0%	0	0.0%	2.7%	3.8%
\$1.5M-\$1.9M	0	0.0%	0	0.0%	0.9%	1.5%
\$2M +	0	0.0%	76	0.2%	1.2%	1.7%
Median Home Value	\$225,611	--	\$236,155	--	\$417,273	\$355,577
Average Home Value	\$240,382	--	\$260,944	--	\$477,809	\$459,105

Source: Esri Business Analyst, 2024

### Single-Family Home Value Trends

Figure 7.13 and Table 7.8 present the Zillow Home Value Index (ZHVI) and its changes over time. Unlike median and average home values reported by the Census Bureau, the ZHVI represents the value of a “typical” home. Specifically, it represents homes within the 35th to 65th percentile range. This distinction makes the ZHVI particularly useful, as it accounts for home values beyond just those currently being bought and sold.

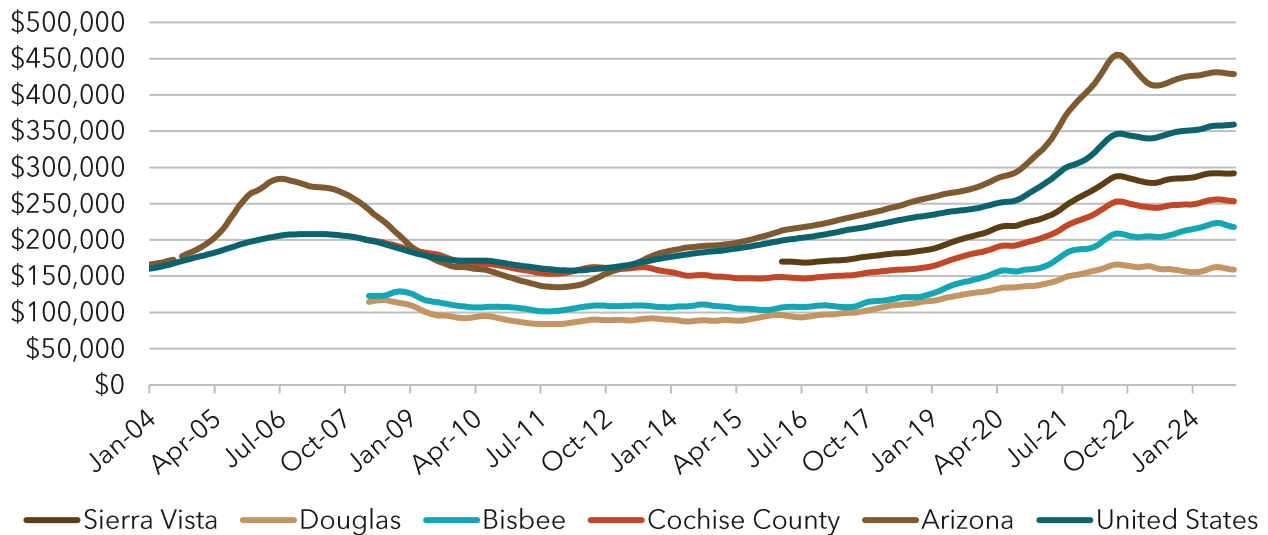
We compared home values in Bisbee to those in Sierra Vista, Douglas, Cochise County, Arizona, and the United States due to their regional proximity. Following the Great Recession, home values declined from roughly 2009 to 2012. Since then, Bisbee’s home values have grown, reaching just under \$220K near the end of 2024.

In Arizona and across the United States, home values rose steadily from 2012 to 2020. However, the COVID-19 pandemic, coupled with policy decisions in 2020–21 and historically low interest rates, accelerated these trends and led to unprecedented home value appreciation nationwide. Changing homeowner preferences played a key role, as many opted to upgrade their homes when opportunities for work, recreation, and socializing became more limited.

Despite the surge in home prices and rapid growth in the post-pandemic years, values have largely stagnated since mid-2022. This pattern holds true for Bisbee and other areas in Cochise County, where home values climbed steadily from 2017 to mid-2022 before leveling off (Figure 7.13). Homes in Bisbee are valued higher than those in Douglas but

remain lower than those in Sierra Vista. However, even with slower growth rates and relatively lower home values, housing in Bisbee remains unaffordable for many. This is likely due to lower incomes and limited economic opportunities in the region.

**Figure 7.13: Single-Family Home Zillow Home Value Index, 2004-2024**



Source: Zillow ZHVI, 2024

Table 7.8 presents dollar growth rates over the past 12 months (using October 2024 as the reference point), along with compound annual growth rates (CAGR) over the last three, five, and ten years.

In dollar terms, Bisbee’s home values have experienced the fourth-fastest growth among the comparison regions, increasing by \$6.4K in the past year. Looking at growth rates, Bisbee ranks second-fastest over the last three years, third-fastest over the last five years, and third-fastest over the last ten years. However, as previously noted, Bisbee’s overall home values remain the third lowest among the group. This suggests that some of the faster growth rates may be partly due to starting from a lower baseline.

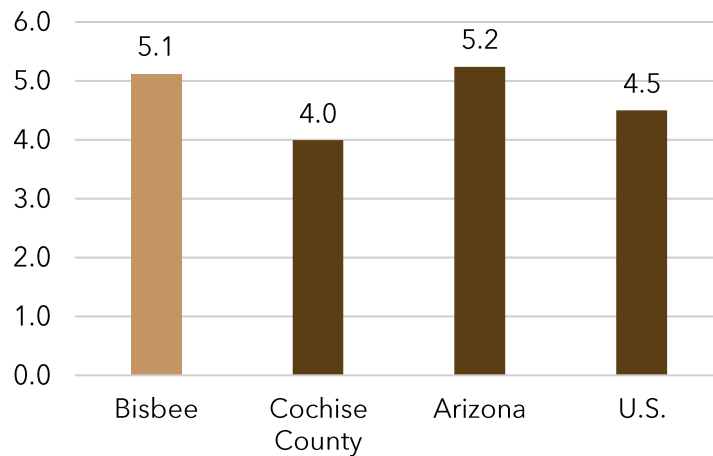
**Table 7.8: Home Value Growth, 2014-2024**

Region	ZHVI	Dollar Growth Past 12 Months	10-Yr CAGR	5-Yr CAGR	3-Yr CAGR
Bisbee	\$217,723	\$6,354	7.1%	8.5%	5.2%
Douglas	\$158,963	\$1,555	6.0%	4.6%	1.5%
Sierra Vista	\$291,709	\$6,684	N/A	7.3%	4.3%
Cochise County	\$253,472	\$4,876	5.4%	6.9%	3.9%
Graham County	\$275,853	\$9,079	6.1%	7.5%	4.0%
Greenlee County	\$148,527	\$1,082	N/A	N/A	(0.8%)
Santa Cruz County	\$267,995	\$4,671	8.3%	9.9%	4.9%
Arizona	\$428,711	\$4,751	8.3%	9.6%	3.1%
United States	\$359,099	\$9,095	6.9%	8.1%	5.5%

Source: Zillow ZHVI, 2024

The ratio of median home value to median household income is a key indicator of housing affordability, revealing the relative cost of living in different markets. Figure 7.14 shows that Bisbee's ratio is higher than both Cochise County and the United States, meaning homes in Bisbee are less affordable than what the average American or Cochise County resident experiences. Despite Bisbee's relatively low home values, affordability remains a significant challenge.

**Figure 7.14: Median Home Value to Median Household Income Ratio, 2024**



*Source: Esri Business Analyst, 2024*

This ratio helps illustrate how many years of income an average family would need to purchase a median-priced home if paying in cash with no financing. In Bisbee, a typical household would need to invest over five times their median income, compared to just four and a half times for the median U.S. household. The higher this ratio, the less affordable housing is in a given region.

It is clear that income levels are a major driver of Bisbee's affordability issues. While home values in Bisbee are lower (just 60.6% of the typical U.S. home) household incomes are also significantly lower. The median household in Arizona and the United States earns approximately \$35K more per year than the median household in Bisbee. Even within Cochise County, the median household earns about \$15K more per year than its counterpart in Bisbee. This suggests that while lower housing prices help with affordability, increasing incomes would also play a critical role in improving housing accessibility.

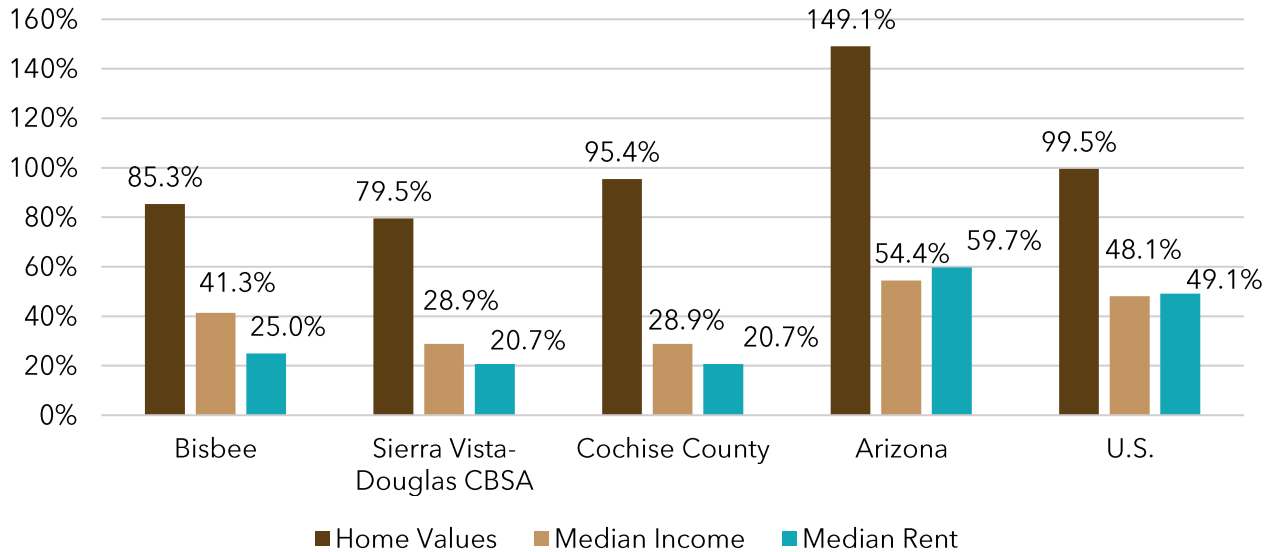
Figure 7.15 illustrates the varying rates of change in median incomes, home values, and rents between 2013 and 2023. The Federal Housing Finance Agency (FHFA) House Price Index (HPI) provides a comprehensive measure of home value trends. Based on mortgage data from Fannie Mae and Freddie Mac since the 1970s, the index tracks changes in sales prices and refinance values for the same homes over time.

This comparative analysis offers valuable insights into the impact of home price inflation across different regions. In Bisbee, home values have appreciated 44 percentage points more than median incomes over the past decade. While significant, this gap is smaller than the national average, where home values have outpaced incomes by 51 percentage points. Arizona has seen the largest disparity among the comparison regions, with a 94-point difference.

A larger gap between home price appreciation and income growth indicates a rising barrier to homeownership. In Bisbee and the surrounding region, this trend has made it

increasingly difficult for new buyers to enter the housing market. Additionally, households that purchased homes when interest rates were lower may now find it challenging to move. This further limits housing mobility.

**Figure 7.15: Percent Change in Home Values, Median Income, and Median Rent, 2013-2023**

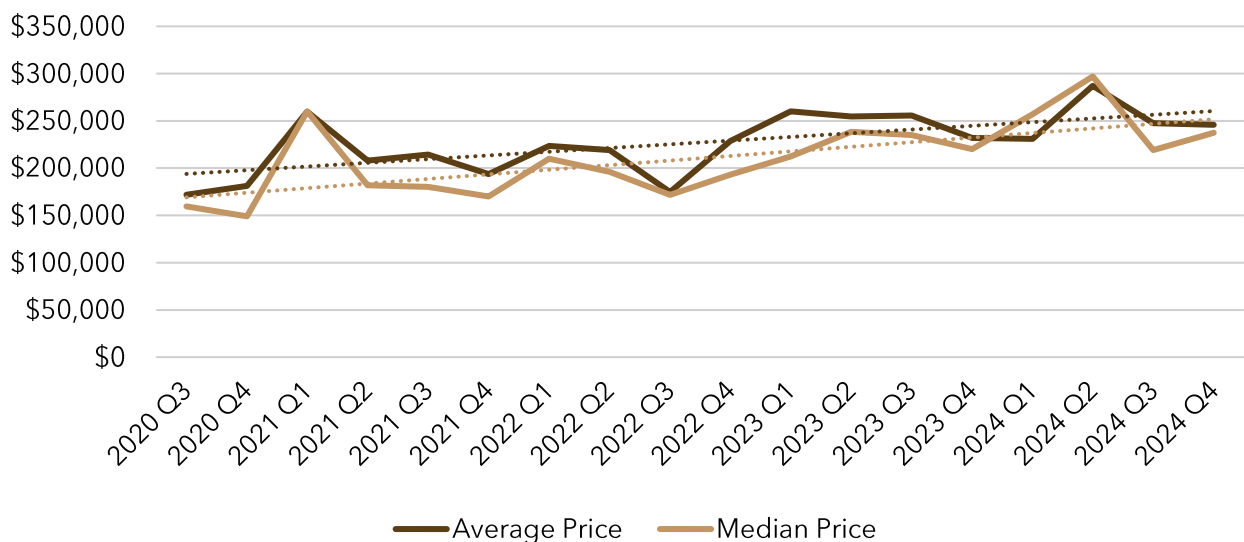


Source: U.S. Census Bureau, 2023 5-Year Estimates, Tables DP03 and DP04, FHFA Home Price Index

### Trends of Homes on the Market

Average and median price trends of homes sold in Bisbee are displayed in Figure 7.16. As of 2024 Q4, the median home in Bisbee sold for \$237,500. This is a 59.4% increase since 2020 Q4. As shown below, both the average and the median home price have steadily trended upward over the last four years.

**Figure 7.16: Quarterly Home Sale Price in Bisbee, 2020-2024**

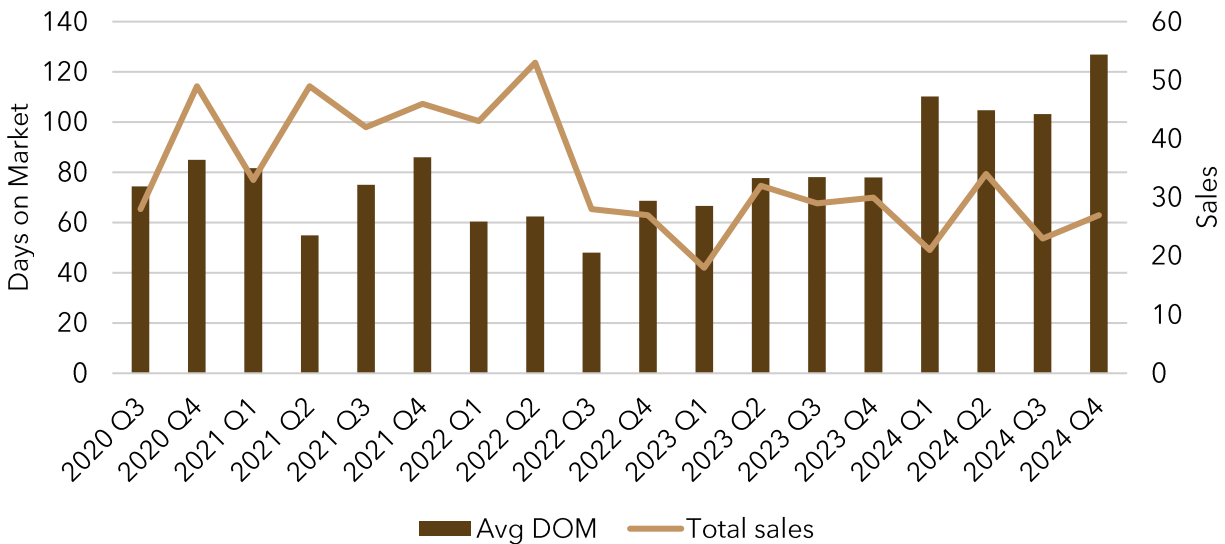


Source: First West Properties Corporation, Multiple Listings Service Data

Average days on market (DOM) and total home sales in Bisbee are shown in Figure 7.17. These two metrics tend to have a slightly inverse relationship. When DOM decreases, home sales typically increase, and vice versa. Together, they provide insight into market conditions, indicating whether the housing market is heating up or cooling down.

Toward the end of 2022, the housing market showed signs of slowing, with total sales declining while DOM increased where total sales dropped, and the DOM began to rise. By Q4 of 2024, homes in Bisbee remained on the market for an average of 127 days (just over four months). A total of 27 transactions were recorded during this quarter.

**Figure 7.17: Quarterly Average Days on Market and Total Sales in Bisbee, 2020-2024**



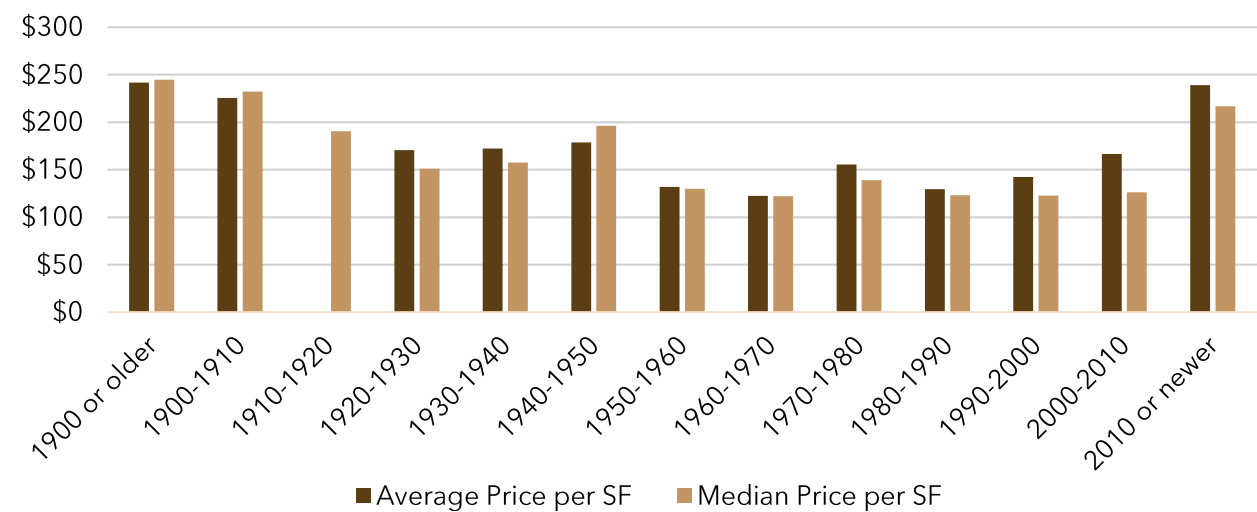
Source: First West Properties Corporation, Multiple Listings Service Data

The price per square foot helps assess a home’s value, regardless of its size. Figure 7.18 illustrates the price per square foot of homes sold in Bisbee based on the decade they were built.

As a booming mining town in the early 1900s, Bisbee has a large stock of homes built in the first half of the 20th century. The condition of these older homes varies. Some are in disrepair, while others have been well-maintained and are considered luxury historic properties.

In Bisbee, the most valuable homes are those built in 1900 or earlier, with a median price per square foot of \$245. The next most valuable homes are those built in 2010 or later, with a median price per square foot of \$217. This trend highlights the value of Bisbee’s historic homes while also reflecting the increasing cost of new construction.

Figure 7.18: Price Per Square Foot by Decade Built in Bisbee, Sold Homes 2020-2024

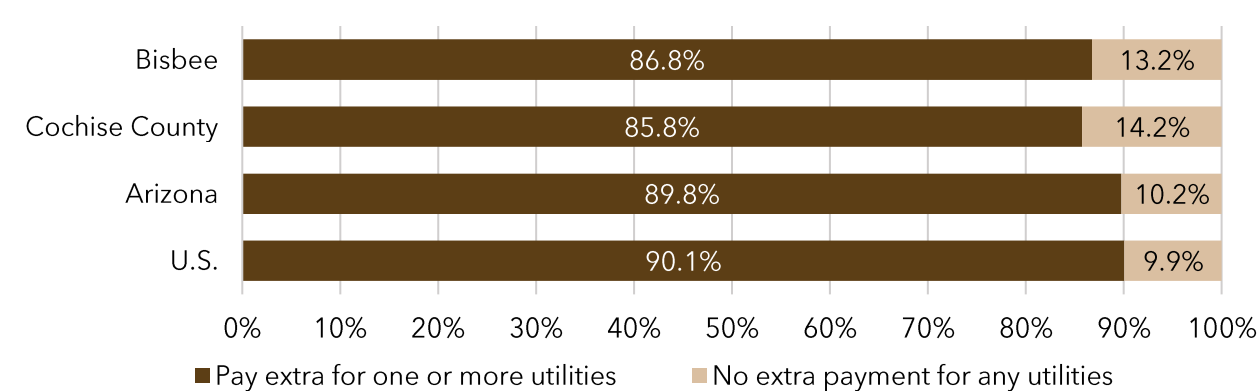


Source: First West Properties Corporation, Multiple Listings Service Data

Household Utility Burden

Utility costs can be a significant burden for households, whether they rent or own. Many renters pay for one or more utilities separately from their rent. As shown in Figure 7.19, the proportion of households in Bisbee paying extra for utilities is slightly higher than the state and national averages. However, even when utilities are included in rent, renters still cover the cost indirectly, potentially pushing this figure even higher.

Figure 7.19: Renter-Occupied Homes that Pay Extra for Utilities, 2023



Source: U.S. Census Bureau, 2023 5-Year Estimates, Table B25069

Measuring the relationship between income and utility costs provides a more accurate assessment of the financial burden on households. Table 7.9 and Figure 7.20 illustrate household energy and transportation costs in Cochise County, as measured by the National Renewable

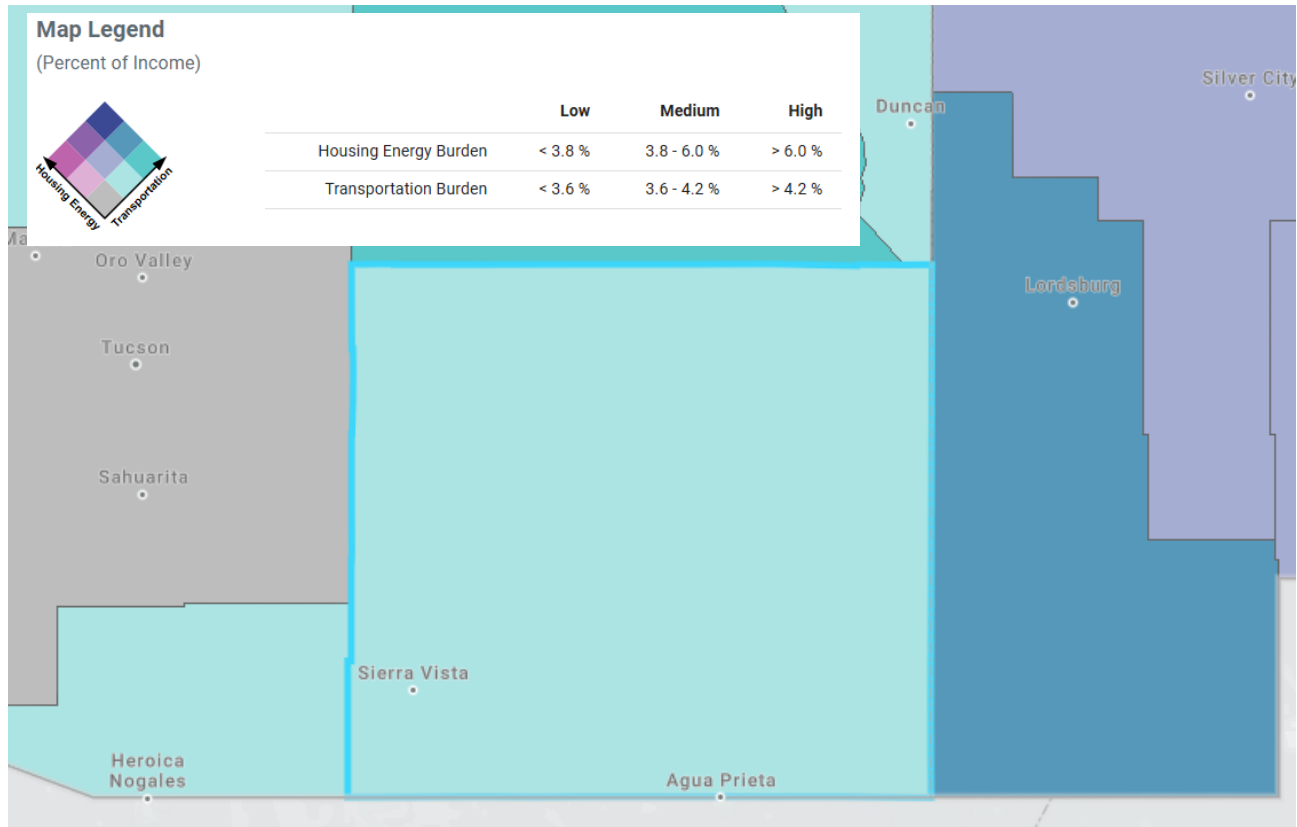
Table 7.9: Cochise County Energy and Transportation Burden, 2020

Category	Value	Range
Housing Energy Burden	3.44%	Low
Transportation Burden	3.65%	Medium
Total Energy Burden	7.09%	--

Source: National Renewable Energy Laboratory (NREL), State and Local Planning for Energy (SLOPE) Platform, 2020

Energy Laboratory (NREL). In terms of housing energy burden, Cochise County ranks low compared to the national average. This metric includes the costs of electricity, gas, and other fuels such as oil and wood. However, when considering transportation burden, Cochise County falls into the medium range at 3.65%. This metric accounts for annual household miles traveled, stock-weighted fuel efficiency (miles per gallon), and fuel prices.

**Figure 7.20: Cochise County Energy and Transportation Burden Map, 2020**



Source: National Renewable Energy Laboratory (NREL), State and Local Planning for Energy (SLOPE) Platform, 2020

## Planned Developments and Redevelopments

A key characteristic of Bisbee's housing challenges is the lack of new residential developments in recent years. As far as we know, there are currently no planned residential developments in the traditional sense. Instead, most housing activity in Bisbee consists of repairs, rehabilitations, or complete teardowns and redevelopments of existing properties.

### Step Up

An innovative program available to Bisbee is Step Up Bisbee/Naco.<sup>64</sup> This program offers services like home refurbishment, affordable housing, neighborhood revitalization, and

<sup>64</sup> Step Up Bisbee/Naco, accessed April 5, 2025, <https://www.stepupbisbeenaco.com/>.

home repair assistance. Bisbee partners with Step Up to acquire vacant and abandoned properties with the help of a buyer/donor. The buyer donates the home to the City and, in return, receives 100% of the resale value of the home as a tax credit, worth up to 30% of the buyer's adjusted gross income (AGI).

Once the home is donated, Step Up works to prepare it. After repairs or redevelopment, the home is sold at 20% below market value as affordable workforce housing, specifically for those earning 60% or less of the Area Median Income (AMI). This program is designed to provide affordable housing for workers essential to Bisbee's functioning, including teachers, firefighters, and other city and county employees.

For example, consider a completed Step Up home: An LLC purchases a blighted property for \$50,000 and donates it to the City or nonprofit, claiming a \$55,600 tax benefit. The property is then rehabilitated at a total cost of \$102,000. After completion, the property is appraised at \$139,000 and sold for \$112,000, 20% below the appraisal. The \$10,000 profit is reinvested in the partner organizations.

The Saginaw neighborhood cluster is a key beneficiary of the Step Up workforce housing program. Many homes in this area are old (some even predate the 20th century) due to their proximity to the Lavender Pit. These homes were relocated from the pit to the Saginaw neighborhood, and as a result of their age, many required extensive rehabilitation or complete redevelopment.



### Hillcrest

Another unique asset in Bisbee's housing market is the old Hillcrest Hospital. Originally built to serve the miners during Bisbee's mining boom, Hillcrest was converted into apartments in the 1920s or 1930s. However, the building has been abandoned and condemned for nearly ten years.



In 2024, the City was awarded nearly \$500K in Region 9 EPA funding for environmental cleanup and rehabilitation of the building. Once the cleanup and rehabilitation are completed, Hillcrest will be sold at auction to a private owner. The building has been considered as a site for affordable housing, with potential to host between 36 and 42 housing units, and there is possibility for further development on other parts of the property.

### City-Owned Property

Another potential development opportunity is a city-owned property located in the San Jose neighborhood cluster. This 17-acre parcel of raw, undeveloped land is listed for sale at an affordable price. However, additional investment will likely be needed for infrastructure to support development. Situated in an R-1 zoned area of San Jose, this land presents a natural opportunity for housing development. Furthermore, with the approval of the zoning overlay, there is potential for higher-density development on this parcel.<sup>65</sup>



In fact, due to the approval of the zoning overlay and efforts of our study, the City Council voted to approve the sale of this property to a tiny home developer in April of 2025.<sup>66</sup> The development is said to include both homeownership and rental tiny homes as part of the project model. The purchase of a tiny home will include the land on the subdivided lot, with price quotes ranging from \$100.0K to \$170.0K. According to our analysis in [Section 2](#), these prices will include a greater share of Bisbee households looking to purchase homes.

### New Douglas Commercial Port of Entry

In 2019, the United States General Services Administration (GSA) conducted a feasibility study on the capacity of the Raul H. Castro Port of Entry in Douglas. The study concluded that the current port of entry cannot adequately meet the traffic demands or the mission requirements of U.S. Customs and Border Protection (CBP).<sup>67</sup> To address this issue, the federal government will allocate over \$400 million for the development of a new commercial port of entry and the rehabilitation of the Raul H. Castro Port of Entry.

This project represents the greatest opportunity for new development in the region. Specifically, the current port employs between 250 and 300 Border Patrol agents, and CBP plans to double this employment for the new commercial port of entry. Additionally, PC's in-depth interviews suggested that the construction of the commercial port alone would create around 200 construction jobs. More jobs will likely be needed to extend infrastructure, utilities, roads, and internet cables. In total, this development project could generate 450-550+ jobs in the Bisbee to Douglas region, in addition to any economic development triggered by the new port.

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<sup>65</sup>"Agenda Center, Feb 18, 2025 Minutes," City of Bisbee, accessed April 5, 2025, <https://www.bisbeeaz.gov/agendacenter>.

<sup>66</sup>"Agenda Center, Apr 15, 2025 Minutes," City of Bisbee, accessed April 5, 2025, <https://www.bisbeeaz.gov/agendacenter>.

<sup>67</sup>"Port of Entry Project," Engage Douglas, accessed February 28, 2025, <https://engage.douglasaz.gov/twoportsolution>.

Our in-depth interviews also revealed that the project will begin in the Fall of 2025 and be completed by 2028. This timeline presents an opportunity for Bisbee to capture a spillover of workers who cannot find housing in Douglas. Some Border Patrol agents prefer not to live in the communities where they work and instead choose to live elsewhere. The additional construction workers will also need housing. Both groups represent a potential boost in housing demand for Bisbee in the near future.

### New Cochise County Prison

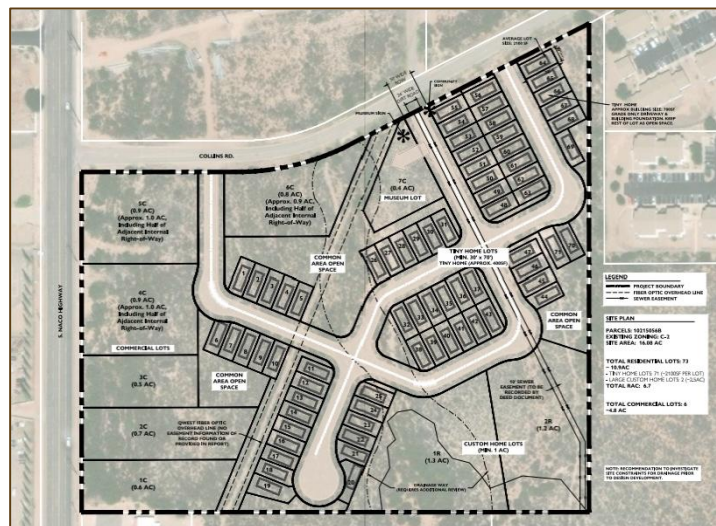
Another significant development in the region is the new Cochise County Jail. According to the planning and construction timeline, construction will begin in January 2026, and the facility will be occupied by staff and inmates in 2029.<sup>68</sup> This project will also bring more construction workers to the region and likely create additional employment opportunities. In addition to the new commercial port of entry being built in Douglas, the new Cochise County Jail will further increase demand for housing in Bisbee.

### Bisbee Together Tiny Home Development

The Bisbee Together nonprofit group, organized as a 501(c)(3) just last year, has an ambitious plan for a mixed-use, tiny home development. The project is currently in the fundraising phase and will be located on approximately 16.1 acres of C2 land, just off Collins Rd and Naco Highway.

The development plans include 71 residential lots for tiny homes, along with two larger lots for site maintenance and management. Additionally, five commercial use lots will create a mixed-use environment. These commercial lots will feature common areas, shops, restaurants, and potentially some music and art installations.

Some people view tiny homes as a passing trend rather than a practical solution to Bisbee's housing challenges. However, Bisbee Together believes these units can be built more efficiently to reduce costs for residents. The basic tiny home model will be 400 square feet, though some homes can range up to 1,150 square feet, with construction costs estimated at approximately \$100 per square foot. In total, Bisbee Together expects these homes to be built for less than \$150K, significantly lower than the cost of a typical home in the area. About 20% of the units will be dedicated to the Cochise County Housing Authority to house low-income residents with Section 8 vouchers. However, some



<sup>68</sup>"Cochise County Jail District," Cochise County, accessed February 28, 2025, <https://www.cochise.az.gov/864/Cochise-County-Jail-District>.

questions remain, as the tiny homes are planned to be built using alternative materials to keep costs down. It remains to be seen whether these materials will meet the City's code requirements.

## Rent Trends

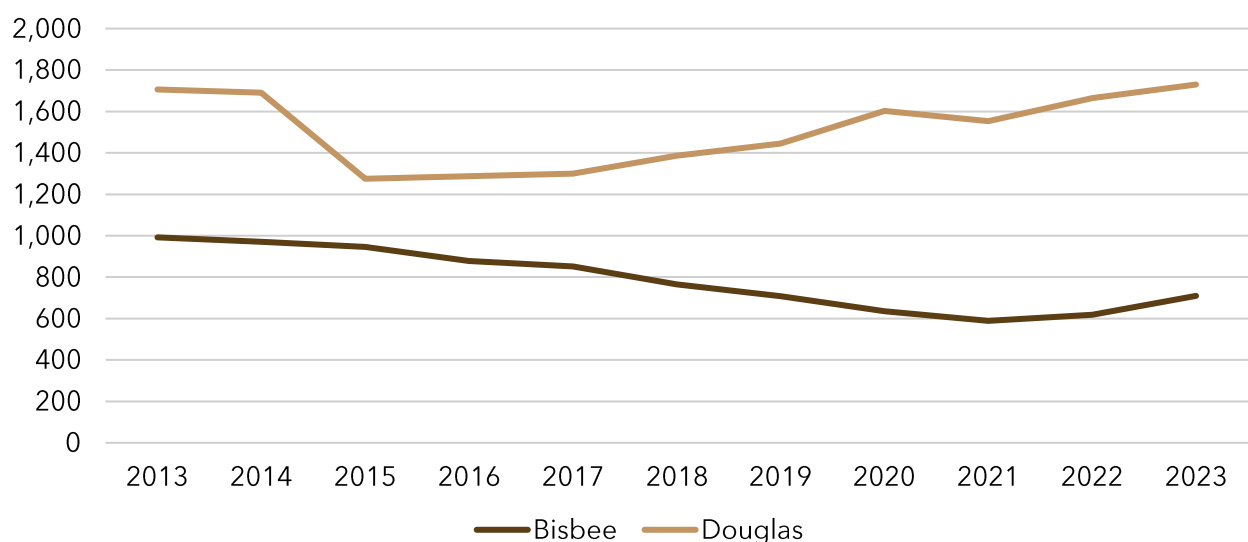
Generally speaking, there are fewer metrics available on rental markets, as it is more difficult for federal agencies to track, and for-profit data providers do not have as much incentive to collect and report such information. However, there are several sources that use proprietary methods to produce reports on rental market conditions. Housing and Urban Development (HUD) also tracks rental prices to produce Fair Market Rents (FMRs) that must be used in subsidized housing built with HUD funding. So, although these sources differ in their methods, they tell the same story of increasing rental costs.

In addition to the data presented in this section, we collected firsthand data on the Low-Income Housing Tax Credit (LIHTC) rental market. This data may be used to inform future decisions on LIHTC development and can be reviewed in [Appendix C](#).

In-depth interviews we conducted in Bisbee indicated that many long-term rentals had been converted to short-term rentals. Additionally, there seems to be an under supply of long-term rentals more broadly. The lack of proprietary data for Bisbee supported this observation. As part of our analysis, we collected data from the Census Bureau on the number and share of renter-occupied units in Bisbee over time, and FMR data from HUD. We also surveyed the rental market for rental opportunities.

Figure 7.21 shows the production of rental units in Bisbee has been nonexistent. In fact, the total number of rental units has actually declined over the past decade. With a decline in rental units, the challenge of an undiversified housing stock in Bisbee will be further exacerbated. By contrast, Douglas has increased its number of rental units since 2015.

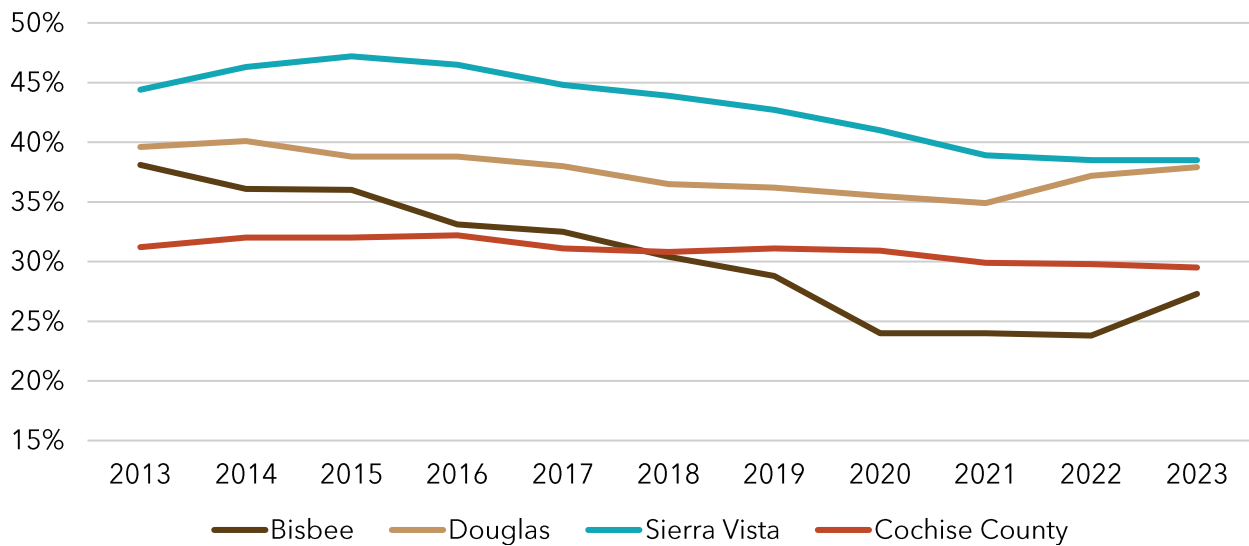
**Figure 7.21: Renter-Occupied Units, 2013-2023**



Source: U.S. Census Bureau, 2013-2023 5-Year Estimates, Table DP04

The share of renter-occupied units is depicted in Figure 7.22. Examining this share provides a useful model for comparing Bisbee’s rental housing with that of other regions. The share of renter-occupied units in Cochise County has remained mostly stable since 2013. However, in Douglas and Sierra Vista, renter-occupied units have accounted for a smaller share of the housing stock over the same period. Along with the total number of renter-occupied housing units, Bisbee's share of renter-occupied units has also declined over the past decade. Rental units typically offer a pathway for households to enter the housing market and save for homeownership. A decline in the number and percentage of rental units will negatively impact Bisbee households’ ability to achieve these goals.

**Figure 7.22: Renter-Occupied Unit Share of Total Occupied Units, 2013-2023**



Source: U.S. Census Bureau, 2013–2023 5-Year Estimates, Table DP04

As few data are available on the rental housing stock in Bisbee, similarly, there are few data on rental prices in the City. Table 7.10 reports the HUD Small Area FMRs (SAFMR) for the Bisbee zip code area, 85603. While FMRs are not the same as private market rents, they follow the trend of private market rents, as they represent the 40th percentile rents for standard-quality rental housing units in the FMR area.<sup>69</sup> As shown in Table 7.10, rental rates for all unit sizes have

**Table 7.10: HUD SAFMR Trends, 2019-2024, Zip Code 85603**

Unit Size	2019	2024	Change	% Change
Efficiency/studio	\$560	\$700	\$140	25.0%
1-bedroom	\$560	\$830	\$270	48.2%
2-bedroom	\$710	\$970	\$260	36.6%
3-bedroom	\$1,020	\$1,370	\$350	34.3%
4-bedroom	\$1,240	\$1,650	\$410	33.1%

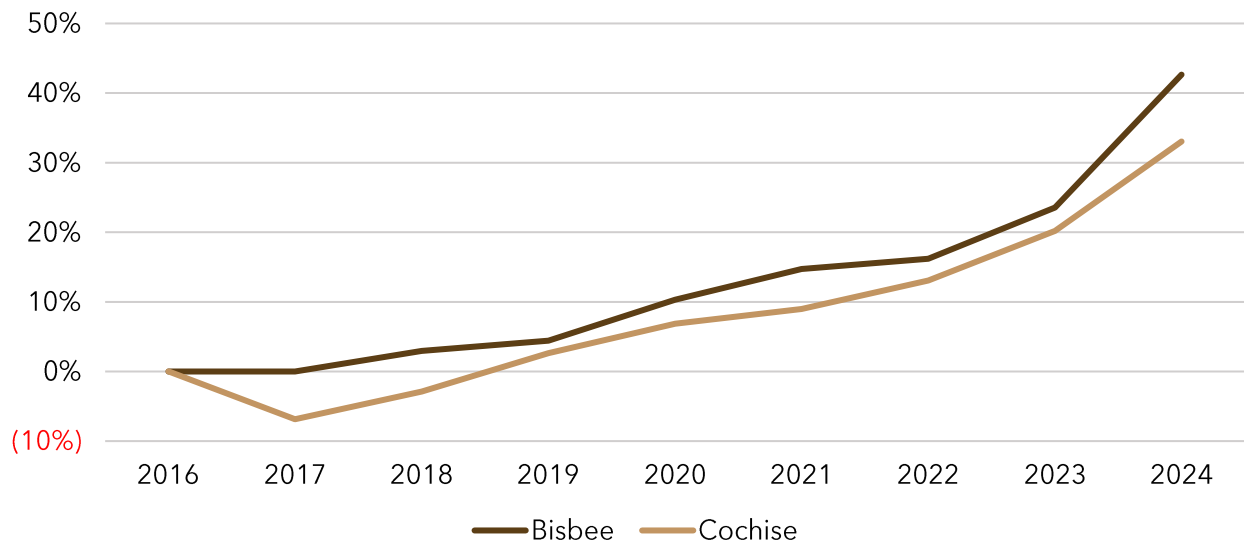
Source: HUD Small Area Fair Market Rents, FY2019–FY2024

<sup>69</sup> 24 CFR § 888.113, “Housing and Urban Development,” Cornell Law School, accessed February 28, 2025, <https://www.law.cornell.edu/cfr/text/24/888.113>.

increased at least 25.0% in the last five years. Interestingly, one-bedroom units have increased at the fastest rate, by 48.2% since 2019.

Figure 7.23 illustrates the rental price trends of two-bedroom units in Bisbee and Cochise County according to HUD’s FMRs. As shown, rental prices of two-bedroom units in Bisbee have grown slightly faster than those in Cochise County over the last eight years. However, units in Bisbee have followed the same general trend as those in Cochise County.

**Figure 7.23: HUD FMR 2-Bedroom Unit Price Trends, 2016-2024**



Source: HUD Fair Market Rents and HUD Small Area Fair Market Rents, FY2016-FY2024

As shown in Table 7.11, PC procured additional rental price data from another source, ApartmentList. The availability of data for different regions depended on the size of the jurisdictions. While data was not available for Bisbee, price data was available for Cochise County and Sierra Vista. PC recognizes that this data will not reflect prices for Bisbee specifically but offers a close estimation due to the geographical proximity. As of 2023, the average price of a two-bedroom unit in Sierra Vista was about \$1,070 per month, which is about \$100 higher than the average two-bedroom unit in Cochise County, which was about \$960. Rental prices for two-bedroom units have increased slightly more than 50.0% in both regions since 2018.

**Table 7.11: Rental Price Trends of 2-Bedroom Units, 2018-2023**

Region	2018	2023	Change	% Change
Cochise County	\$632	\$956	\$324	51.4%
Sierra Vista	\$705	\$1,067	\$362	51.4%

Source: Apartmentlist.com Rent Estimates

To aid the rental market analysis, the PC project team gathered primary data from online rental sites. The project team searched across five different popular sites to find rental listings, and we came up with a total of 11 available listings. Two of these available listings

were mobile home park lots in Don Luis. Table 7.12 breaks down the rental listings as of December 2024 by unit size, rental rate, and neighborhood cluster.

**Table 7.12: Rental Listings, December 2024**

Unit size	Rent	Cluster
Mobile home park lot	\$375	Don Luis
Mobile home park lot	\$375	Don Luis
Studio	\$900	Old Bisbee
1 bed/1 bath	\$1,700	Warren
1 bed/1 bath	\$990	Warren
1 bed/1 bath	\$1,050	Warren
2 bed/1 bath	\$895	Warren
2 bed/1 bath	\$1,100	Old Bisbee
2 bed/2 bath	\$1,400	San Jose
2 bed/2 bath	\$1,075	Don Luis
3 bed/2 bath	\$1,975	San Jose

Source: Zillow, Trulia, Apartments.com, Realtor.com, Facebook Marketplace

## Short-Term Rentals

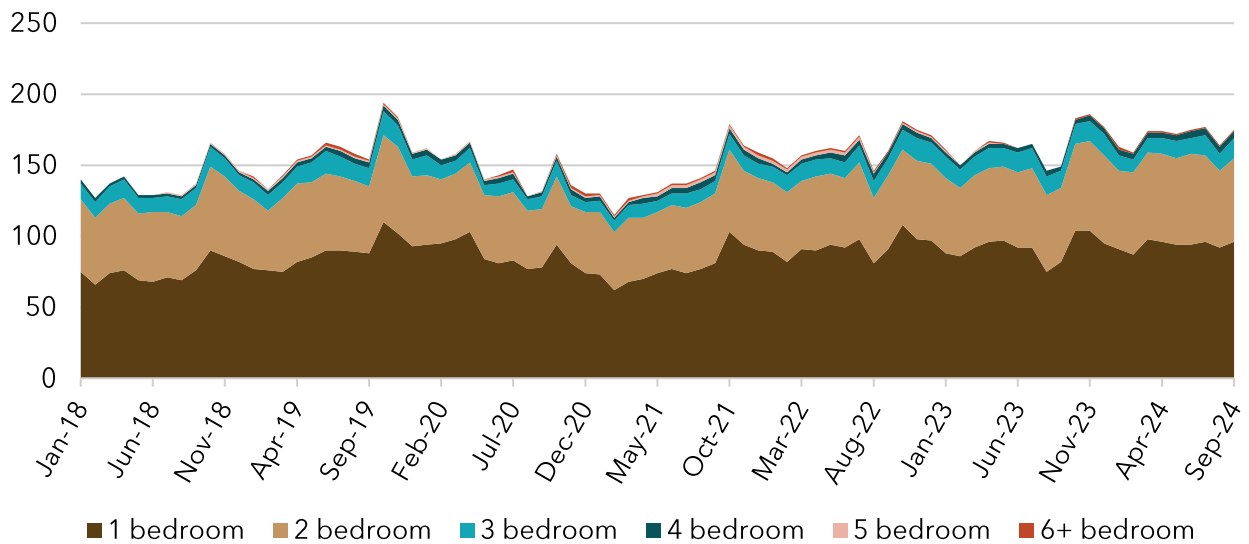
The short-term rental (STR) industry (i.e. Airbnb) plays an increasingly significant role in local housing markets and corresponding trends. This model is a double-edged sword; on one hand, it provides a potential source of "side-hustle" revenue for existing residents. On the other hand, it can inflate home prices, as single-family homes may be valued at the same level as commercial real estate in the area.

While STRs have the potential to inflate home prices and restrict the local housing supply, the State of Arizona has taken action to limit local regulations on them. In 2017, the Arizona State Legislature enacted ARS §9-500.39, which does allow for some specific regulations.<sup>70</sup> However, overall, Bisbee lacks oversight and regulation of STRs due to this legislation. The City can require STR owners to apply for licenses and charge a fee for those licenses. The City cannot, however, dictate how many STRs are allowed or where they can operate.

Figure 7.24 shows the number of active STR listings in Bisbee between January 2018 and September 2024. With the exception of a notable peak in October 2019 and a dip in February 2021, the total number of active listings across all bedroom types increased from 140 to 175 (25%). STRs generally follow a seasonal trend, with more listings in the summer and fewer in the fourth quarter of the year. However, in Bisbee, the number of active listings rises in the summer and increases again in the fall before declining in winter. Additionally, there has been no significant increase in the total number of active listings over time. In various other communities, the spring and summer of 2020 marked a rise in the number of STRs.

<sup>70</sup> § 9-500.39, "Annexation," Arizona Revised Statutes (ARS), accessed February 28, 2025, <https://www.azleg.gov/ars/9/00500-39.htm>.

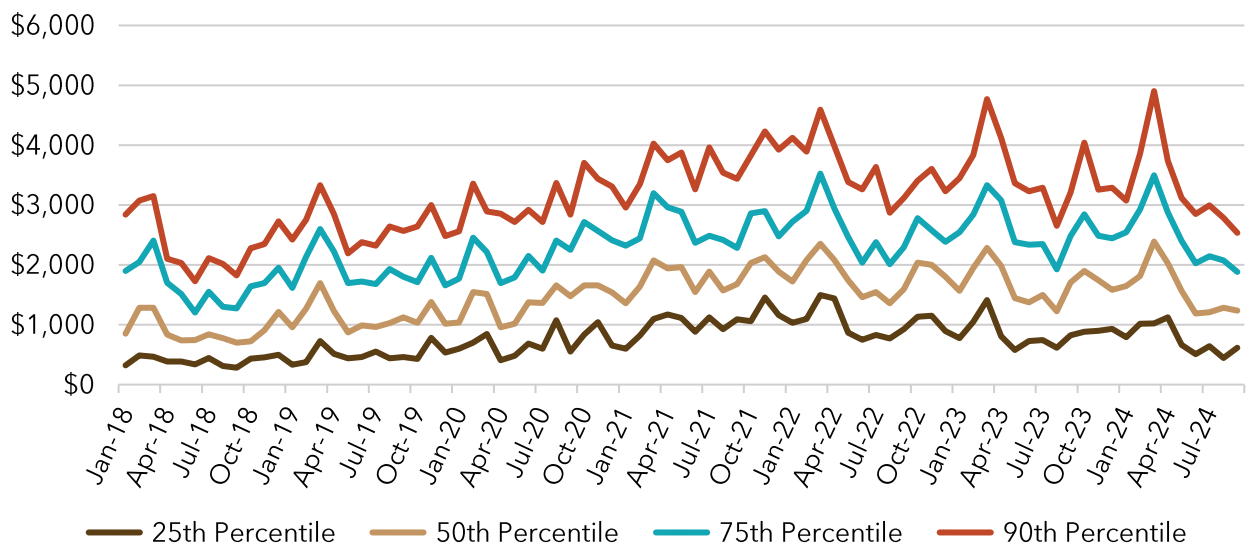
**Figure 7.24: Active STR Listings by Bedroom**



Source: AirDNA, 2024

Figure 7.25 below portrays the monthly revenue of STR operators in various percentiles. Here, most operators are shown as the 50<sup>th</sup> percentile, above average performers are shown as the 75<sup>th</sup> percentile, and top performers are shown as the 90<sup>th</sup> percentile. Most operators earn \$0.8K to \$1.7K per month, while top performers earn \$2K to \$3K per month. Across all percentiles, however, STR operators experienced an upward trend in revenue between January of 2018 and March 2022, witnessing notable spikes around March each year. Beyond this point, revenue continued to experience significant spikes in March each year, even as monthly revenue showed an overall decline.

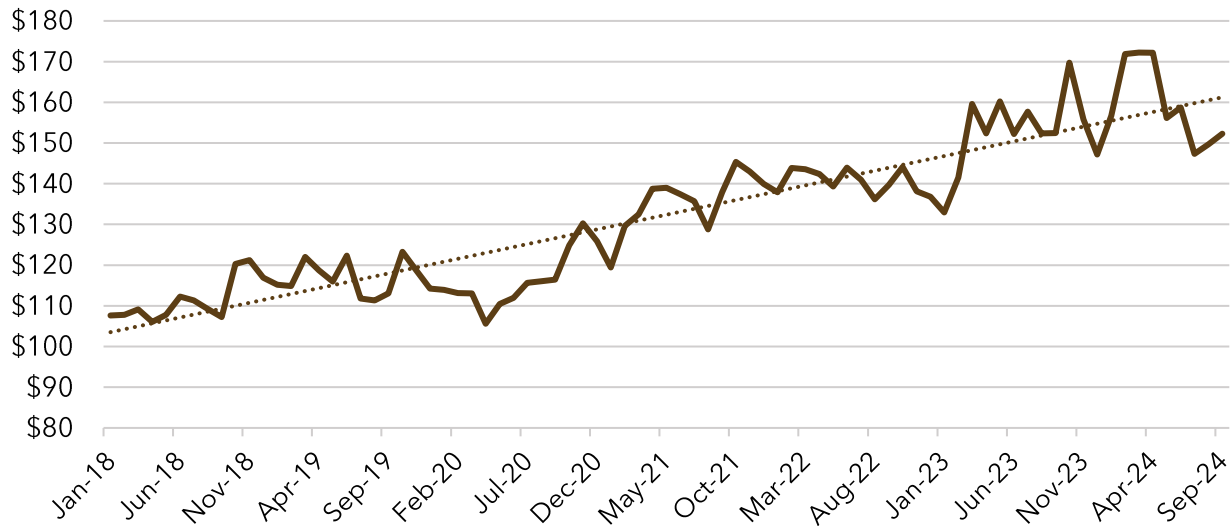
**Figure 7.25: STR Monthly Revenue by Percentile**



Source: AirDNA, 2024

Figure 7.26 shows the trend of the average daily rate (ADR) of STRs in Bisbee. The ADR saw a general increase from January of 2018 through January 2020 before reaching its lowest point of \$106 in April 2020. Subsequently, ADR gradually increased in the following months, with a notable 20% increase from January 2023 to March of that same year.

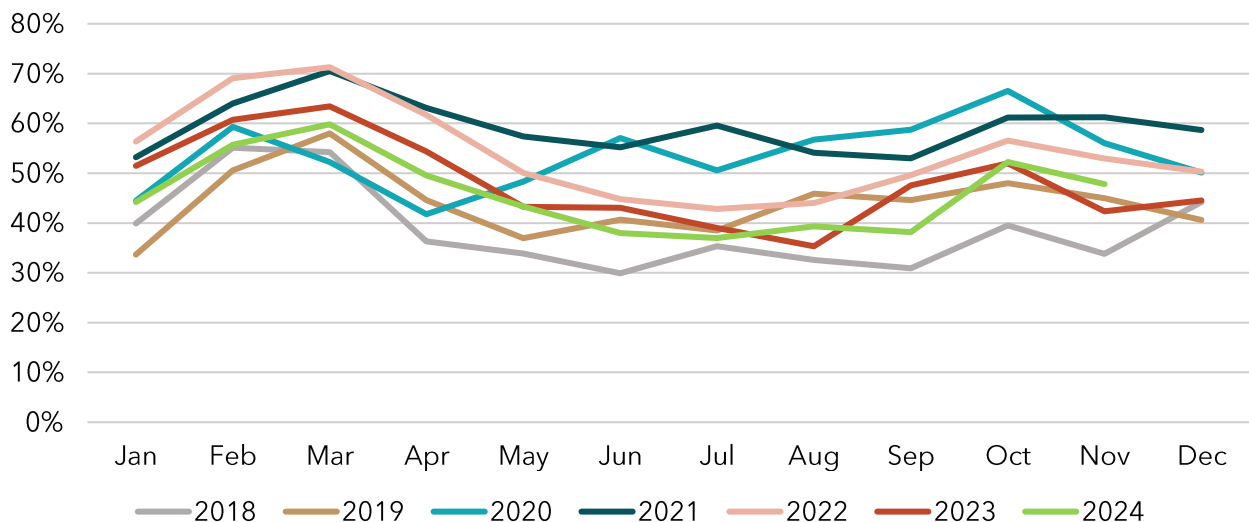
**Figure 7.26: STR Average Daily Rate**



Source: AirDNA: 2024

The occupancy rate of a short-term rental (STR) indicates how often it is booked each month. Occupancy rates can help determine whether an STR operator should increase or decrease the rental price. For example, a property that is booked at 90% for \$100 per night could earn more revenue if booked at a lower occupancy rate for \$300 per night. Figure 7.27 shows the monthly occupancy rate of Bisbee STRs from 2018 to 2024. In 2024, STR occupancy mirrors trends from previous years, with the highest rates in the first quarter.

**Figure 7.27: STR Occupancy Rate**



Source: AirDNA: 2024

Table 7.13 summarizes STR patterns for Bisbee and its peer communities. Peer communities were selected based on their significant STR presence, tourism focus, and similarities in size and characteristics to Bisbee. Compared to these peer communities, Bisbee ranks on the lower end in terms of STR patterns, with most categories aligning closely with Taos. Additionally, Bisbee’s average daily rate (ADR) for STRs is \$161, with only Silver City falling below at \$111.

**Table 7.13: STR Pattern in Bisbee and Peer Communities**

City	Occupied Housing Units	Active Short-Term Rentals	Percentage STR Stock	Median Occupancy Rate	Average Daily Rate
Bisbee, AZ	2,602	234	9.0%	45%	\$161
Jerome, AZ	228	37	16.2%	39%	\$321
Jackson Hole, WY	9,268	1,077	11.6%	63%	\$658
Sedona, AZ	4,936	2,095	42.4%	64%	\$389
Taos, NM	2,886	258	8.9%	58%	\$203
Flagstaff, AZ	27,062	1,542	5.7%	60%	\$261
Silver City, NM	3,724	72	1.9%	59%	\$111

Source: U.S. Census Bureau, 2022 5-Year Estimates, Table S2504, AirDNA, 2024

Observing the overall trends in Bisbee is helpful for understanding the general market conditions. However, Bisbee's distinct neighborhood clusters may be experiencing different effects from STRs. AirDNA offers a tool that allows users to create a “custom market area” within community markets, such as Bisbee’s. Using this tool, the project team analyzed STR statistics for Old Bisbee, Warren, San Jose, Bakerville, Saginaw, Don Luis, Galena, and Tintown. Old Bisbee has the most STRs and the highest percentage of STR stock, at 19.0%, as shown in Table 7.14. However, Galena and Tintown do not have any actively listed STRs.

**Table 7.14: STR Patterns in Bisbee and Neighborhood Clusters**

Area	Occupied Housing Units	Active Short-Term Rentals	Percentage STR Stock	Median Occupancy Rate	Average Daily Rate
Bisbee	2,602	234	9.0%	45%	\$161
Old Bisbee	765	145	19.0%	47%	\$78
Warren	689	37	5.4%	39%	\$124
San Jose	440	6	1.4%	45%	\$122
Bakerville	145	1	0.7%	18%	\$103
Saginaw	127	6	4.7%	41%	\$75
Don Luis	113	2	1.8%	65%	\$99
Galena	63	0	0.0%	N/A	N/A
Tintown	25	0	0.0%	N/A	N/A

Source: City of Bisbee Zoning Map, AirDNA, 2024



## 8. Community Engagement Summary

As a part of this study, Points Consulting (PC) visited the City of Bisbee several times in an effort to complete in-depth interviews and connect with the community. This community engagement gave invaluable insight into the specific needs of Bisbee and provided community members the chance to provide input on the study itself. Key themes from the on-site visits and in-depth interviews are included in the following sections.

**Historical development context:** While Bisbee's age as a city aligns with the national average, the majority of its housing stock is significantly older. According to the Census Bureau, 51.0% of Bisbee's occupied housing units were built before 1940. Although some residents have the means and desire to rehabilitate these homes, the aging housing stock has contributed to a substantial issue with vacant and dilapidated units. These deteriorating homes either fall below livable standards or occupy valuable land that could otherwise support new housing. Both issues exacerbate the existing housing shortage, driving up prices and limiting available options. Furthermore, Bisbee's historical development has resulted in an undiversified housing stock.

Old Bisbee is a registered historic district, and Warren is expected to gain similar recognition soon. The historic designation of Old Bisbee led to the establishment of the Design Review Board (DRB), which has the final authority over new housing construction within the district. While preserving Old Bisbee's historic character has strong community support, the review process has created barriers to new development. Developers often avoid projects in the district due to the additional time and costs associated with ensuring architectural consistency. As a result, the DRB has contributed to the slow growth of Bisbee's housing supply over the past two decades.

Beyond its historic districts, Bisbee's development pattern is unique due to its three distinct neighborhood clusters. Old Bisbee originated as a mining camp and expanded alongside the mine's growth. As the town developed further, residential and commercial expansion shifted southeast, creating the Warren neighborhood cluster. During the 1940s, World War II increased demand for copper, spurring further mine employment and residential development in the San Jose neighborhood cluster. The mine's expansion, the natural barriers of the Mule Mountains, and continued landownership by Freeport-McMoRan have shaped Bisbee's distinct neighborhood clusters. This geographic separation has led to differing development priorities across the clusters, influencing where higher-density and affordable housing solutions can be implemented in the future.

**Shifting economic drivers:** Bisbee's economy no longer depends on copper prices. After the Freeport mine closed in 1974, the local economy and housing market effectively collapsed. During in-depth interviews, multiple people recalled that "you could buy a house for less than \$2,000." As demand plummeted, Bisbee became an incredibly affordable place to live, attracting artists who moved there in the 1980s and '90s to practice their craft. This migration helped spark a partial revitalization of the town.

Today, Bisbee's economy is driven by jobs in local government, healthcare, public schools, tourism, and the arts. While local government and healthcare provide the most stable and economically viable employment, jobs in tourism, education, and the arts contribute to low median incomes. A lack of diverse economic opportunities has stagnated wage growth and remains a key factor in the City's affordable housing crisis. Many people who work in Bisbee cannot find adequate or affordable housing and instead live in surrounding communities like Sierra Vista or Douglas.

The growth of the tourism industry has further strained the housing market, as many local property owners have converted long-term rentals into short-term vacation rentals. While this trend is most concentrated in Old Bisbee, it has contributed to rising housing costs citywide.

**Bisbee has positioned itself to take housing action:** Bisbee has already taken significant steps to address its housing crisis. In addition to commissioning this study, the City launched Step Up Bisbee/Naco, an innovative program that rehabilitates vacant and dilapidated housing while creating workforce housing. This initiative not only restores substandard homes but also undertakes full tear-downs and rebuilds. The renovated homes are sold at 20% below market rates to local workers who previously struggled to find housing in Bisbee. After working in 10+ states, we have yet to encounter a similar program.

City staff also secured EPA grant funding to rehabilitate the abandoned Hillcrest Hospital. Originally built as a mining hospital and later converted into a multi-unit complex with 36–42 housing units, the building has sat vacant for years. The grant-funded cleanup marks a major step toward selling the property to a private developer, potentially expanding Bisbee's housing supply.

Additionally, city planners have developed a zoning overlay to allow for more middle-density housing and have drafted an ordinance to discourage landowners from letting properties deteriorate. The zoning overlay will not change existing zoning districts but will enable a broader range of housing options in the San Jose cluster. Meanwhile, the vacant and abandoned property ordinance will push landowners to either rehabilitate their properties (adding to Bisbee's housing stock) or donate them for redevelopment through existing programs.

To further address substandard housing, Bisbee has partnered with Cochise County and SEAGO to secure additional Community Development Block Grant (CDBG) funds for unit rehabilitation. The City also offers reduced or waived building fees for developers constructing housing affordable to local workers. Additionally, Bisbee owns a 17-acre parcel available at an affordable price. While currently zoned R-1, the parcel sits within the San Jose area slated for the future zoning overlay, making it well-positioned for middle- to high-density development.

With strong City Council support for housing initiatives, Bisbee is well-positioned to take even bolder action to address its housing challenges.

## Community Survey

The project team conducted an electronic survey of Bisbee community residents from October 28, 2024, through January 13, 2025. We collected a total of 396 complete responses, with 560 surveys returned. Open to all Bisbee residents, the survey included a mix of fixed-response questions (e.g., multiple-choice and scaled responses) and open-ended questions.

To maximize participation, the project team (working with the City of Bisbee) widely promoted the survey both online and offline through flyers, email, and social media. The project team used thematic coding to categorize open-ended responses into similar groups.

For quality assurance, we identified and removed suspicious responses (e.g., surveys completed too quickly, unusual IP addresses, or irrelevant input). We also excluded responses if the respondent did not live in or around Bisbee or lacked a connection to the community. Additionally, open-ended responses were meticulously reviewed to ensure uniqueness and prevent duplicate or verbatim submissions.

The response rate for Bisbee residents was 13.1%. Given this rate, we can be confident that the survey results reflect the actual sentiments of the Bisbee community within a margin of error of 3.9% in either direction. Tables outlining statistically significant survey responses by area of residence can be reviewed in [Appendix A](#).

## Summary of Findings

### Housing Situation

The highest survey participation rates came from Old Bisbee, Warren, and San Jose, the largest residential clusters in Bisbee. This group accounted for 77.0% of responses (Figure 8.1). However, residents from all other clusters (including Bakerville, Saginaw, and Galena) also participated. Only 6.2% of responses came from outside the City



City of Bisbee Housing Survey Flyer



PC staff collecting surveys in Bisbee, October 31, 2024

but within Cochise County (Figure 8.1). As noted earlier, we did not open the survey to residents outside Cochise County.

Survey respondents overwhelmingly own their homes, with only 17.6% identifying as renters. Additionally, 1.8% reported being “unhoused,” while 5.0% live with family or friends (Figure 8.2). These patterns align with data from Chapter 7, which also show a high rate of owner-occupied housing.

More than three quarters of respondents (83.8%) live in single-family homes, underscoring the limited variety of housing options in Bisbee (Figure 8.3). Apartments appear to be scarce, with only 5.2% of respondents living in an “apartment or studio.” Overall, 92.0% of surveyed residents live in one of three housing types: single-family homes, manufactured/mobile homes, or apartments/studios.

Community interviews and survey responses highlight a shortage of rental opportunities, particularly for residents unable to afford homeownership. This issue is reinforced by earlier data findings and the small proportion of survey respondents currently renting in Bisbee.

### **Housing Perceptions**

PC designed the Housing Perceptions section of the survey to assess respondents' views on Bisbee's housing market. The survey included questions on housing prices, availability, and overall community sentiment.

Within the past three years, nearly a third (28.1%) of respondents reported difficulty finding suitable housing within their budget, while a similar share (29.7%) indicated they had no such trouble (Figure 8.4). The remaining 42.2% answered “not applicable.” While a significant portion struggled to find housing for themselves, nearly half (48.2%) said they knew someone who had been displaced due to rising costs in the past year (Figure 8.5). Additionally, 8.4% responded “me and others,” meaning that over half of survey participants have either experienced displacement firsthand or know someone who has.

Respondents rated their perceptions of home purchase and rental prices in Bisbee on a scale from one to five, with one being “too expensive” and five being “very affordable.” The weighted average for purchasing a home was 1.89, indicating strong sentiment that housing is unaffordable. More specifically, 76.1% of respondents rated home prices as “too expensive” or “somewhat expensive,” while only 14.5% found them affordable (Figure 8.6).

A similar trend emerged regarding rental prices. Only 8.8% of survey takers considered renting in Bisbee affordable, whereas 73.4% found it too expensive (Figure 8.7). Notably, 14.1% responded “don’t know,” suggesting that a significant portion of the population may be unaware of the challenges renters face.

Community perceptions of high housing costs are likely shaped by factors residents find problematic. A primary concern is the proliferation of short-term rentals, which many believe have contributed to rising housing prices. When asked about major housing issues, 14.7% of total votes collected cited “Too much housing is being used for Airbnbs or

vacation rentals” (Figure 8.8). Other concerns included a shortage of housing for high-needs populations and a lack of apartments and middle- to high-density housing. The combination of limited housing options and an abundance of short-term rentals likely contributes to the 11.8% who cited “Existing homes are too expensive” as a key issue.

Survey respondents also recognized the broader economic consequences of rising housing costs (Figure 8.11). When we asked respondents how cost and availability negatively impact Bisbee’s economy, the most common concerns included:

- Housing insecurity and/or more frequent moves by residents (14.6%)
- The conversion of housing into short-term rentals (14.3%)
- A rise in homelessness (13.0%)
- The loss of talent from the area (13.0%)

In contrast, when we asked about potential positive effects, the overwhelming response was “no major positive effects,” followed by “increases residents’ property values” (Figure 8.13). This aligns with the sentiment that rising costs are making it harder for locals to stay in the community.

Expanding on concerns about housing shortages, 68.5% of respondents expressed a desire to see Bisbee’s housing stock increase (Figure 8.10). Among those who supported more housing, 37.4% preferred a “mix of single-family and more dense housing options.”

### **Housing Policy**

The next portion of the survey focused on policies related to housing in Bisbee. This section aimed to gather information on residents’ perceptions of the City’s role in the housing market and how they felt the City should respond.

The first question regarding housing policy in Bisbee asked: “What should the local government’s role be in regulating the housing market?” Over half (65.1%) of respondents indicated that the local government should take an active or proactive role, a significant majority compared to most other communities (Figure 8.18). In contrast, only 8.0% believed the government should take a hands-off approach, which is also notable.

The next set of questions examined how the City should engage with the housing market. Given that short-term rentals are a major issue in Bisbee, the survey sought to understand what residents believe should be done to address the problem. Exactly 70.0% of respondents stated that there are too many short-term rentals in Bisbee, with Old Bisbee and Warren identified as the most affected areas (Figure 8.19). To address this issue, a significant majority supported limiting the number of active short-term rentals in the City (Figure 8.21). Another widely favored solution was allowing short-term rentals only if the primary unit is owner-occupied. Surprisingly, only 6.5% of respondents believed short-term rentals should be banned entirely. However, it is important to note that all these potential solutions would be difficult to implement under Arizona’s current regulations, which do not impose limits on STRs.

Beyond the issue of short-term rentals, the survey also asked respondents what policy tools they would support for the local government or non-profits to use in facilitating more housing. The most popular response was “Grants or other incentives for remodeling/upgrading existing housing,” selected by 47.7% of respondents (Figure 8.22). Overall, rehabilitation or removal of blighted buildings accounted for three of the top five most-selected responses, aligning well with the City’s Step-Up Bisbee program. Other highly supported policies included “More public housing (or rent-subsidized housing)” and “Funding for housing targeted at public service and modest-income workers (such as teachers and healthcare workers).”

### Locational Preference

The final portion of the survey focused on locational preferences, asking respondents where they would like to see different types of housing.

In general, respondents felt that townhomes should be primarily located either behind commercial corridors or in predominantly single-family home areas (Figure 8.26). This preference may stem from the fact that townhomes typically blend well with single-family homes and have minimal impact on a neighborhood’s character.

For duplexes and triplexes, survey takers indicated that moderately sized single-family lots would be the most suitable locations (Figure 8.25). However, when asked about apartments, the most popular responses were “high-density apartment complex areas” and “nowhere” (Figure 8.28). This suggests that many residents prefer apartment complexes to be separate from single-family neighborhoods or do not want them built at all. This trend continued with condominiums, for which the most common response was “nowhere” (Figure 8.29).

### Perspective Differences Among Residents

As Bisbee is separated into multiple distinct areas, the housing needs of those specific areas may be just as distinct. To manage the varying needs of the Bisbee’s residents, it is important for the City to understand the differences in perspective among them. Using statistical analysis, PC was able to uncover these key differences by analyzing responses to the geography question (Figure 8.1) as well as responses to other questions. This process is called cross-tabulation. Importantly, the team did not just assess the differences in response by area but highlighted those where there is a statistically significant difference between the regional average and the average for that particular area. More detailed results from this process can be reviewed in [Appendix A](#).

### Old Bisbee

Survey respondents from Old Bisbee were more likely to submit these responses:

- **“Somewhat agree” or “strongly agree”** with the statement about Bisbee’s future: “Bisbee has thoughtfully balanced the priorities of economic growth and retention of its historic and artistic character.”
- **“High-density apartment complex areas”** when asked about most suitable areas for the townhome housing type.

- **“Areas on or just behind commercial corridors”** when asked about most suitable areas for the duplex/triplex housing type.
- **“White”** for race/ethnicity.
- **“Contributes to talent leaving the area”** in response to how the cost and availability of housing negatively affect the local economy.
- **“Somewhat agree”** or **“strongly agree”** with the statement about Bisbee’s future: “Housing in Bisbee has adapted to meet community needs.”

## Warren

Survey respondents from Warren were more likely to submit these responses:

- **“Single-family home”** in response to being asked what type of housing they reside in.
- **“Own”** in response to question about current living situation.
- **“Somewhat affordable”** or **“very affordable”** when asked about their perceptions of purchasing a home in Bisbee.
- **“Moderate size single-family neighborhoods”** when asked about most suitable areas for accessory dwelling units.
- **“Urban density single-family neighborhoods”** when asked about most suitable areas for the owner-occupied condominium housing type.
- **“Brings in higher-income households who contribute positively to the economy”** when asked how the cost and availability of housing is positively affecting the local economy.
- **“Grants or other incentives for removing blighted buildings”** when asked what tools local government or non-profit partners could use to facilitate more housing.
- **“Large lot single-family neighborhoods”** when asked about most suitable areas for accessory dwelling units.
- **“Increased property values helps funding for local schools”** when asked how the cost and availability of housing is positively affecting the local economy.
- **“Greater permissions on accessory dwelling units”** when asked what tools local government or non-profit partners could use to facilitate more housing.
- **“No”** when asked if they have had difficulty finding suitable housing within the last three years.

## San Jose

Survey residents from San Jose were more likely to submit these responses:

- **“Non-white”** for race/ethnicity.
- **“Yes”** when asked if they believe Warren has too many short-term rentals.
- **“Overdevelopment of areas that should be conserved for public use”** when asked about housing aspects they are dissatisfied with in the Bisbee community.
- **“Existing homes are too expensive”** when asked about housing aspects they are dissatisfied with in the Bisbee community.
- **“Somewhat expensive”** or **“too expensive”** when asked about their perceptions of purchasing a home in Bisbee.

- **“Too many homeless persons in the community”** when asked about housing aspects they are dissatisfied with in the Bisbee community.
- **“Somewhat agree”** or **“strongly agree”** with the statement about Bisbee’s future: “Bisbee has grown rapidly.”
- **“Contributes to disrepair of existing units”** when asked how the cost and availability of housing negatively affect the local economy.
- **“Yes”** when asked if they have had difficulty finding suitable housing within the last three years.

## Galena

Survey respondents from Galena were more likely to submit these responses:

- **“Yes”** when asked if they believe Galena has too many short-term rentals.
- **“Nowhere”** as the most suitable area for the duplex/triplex housing type.
- **“Don’t know/not sure”** when asked about their perceptions of affordability of purchasing a home in Bisbee.
- **“Existing homes are too expensive”** when asked about housing aspects they are dissatisfied with in the Bisbee community.
- **“Single-family home”** when asked about what kind of housing they reside in.

## Saginaw

Survey respondents from Saginaw were more likely to submit these responses:

- **“Between \$35,000 and \$50,000”** in response to question about household gross annual income.
- **“Unsure/don’t know”** when asked what the local government’s role should be in regulating the housing market.
- **“Large lot single-family neighborhoods”** when asked about most suitable areas for the cottage housing type.
- **“Improve allowance of boarding houses”** when asked what tools local government or non-profit partners could use to facilitate more housing.
- **“Areas on or just behind commercial corridors”** when asked about most suitable areas for accessory dwelling units.
- **“18-24”** when asked age range.
- **“Land banking”** when asked what tools local government or non-profit partners could use to facilitate more housing.
- **“Allowance of manufactured homes”** when asked what tools local government or non-profit partners could use to facilitate more housing.
- **“Areas on or just behind commercial corridors”** are most suitable for the multifamily/apartment housing type.
- **“Somewhat affordable”** or **“very affordable”** when asked about their perceptions of purchasing a home in Bisbee.
- **“Yes, with a focus on low-density, single-family homes”** when asked if the housing stock in Bisbee should increase.
- **“Not applicable to my situation”** when asked if they have had difficulty finding suitable housing within the last three years.

## Bakerville

Survey respondents from Bakerville were more likely to have these responses:

- **“Yes”** when asked if Bakerville has too many short-term rentals.
- **“Urban density single-family neighborhoods”** when asked about most suitable areas for the cottage housing type.
- **“Local government incentives for development of affordable units”** when asked what tools local government or non-profit partners could use to facilitate more housing.
- **“Should intervene to help the most disadvantaged citizens”** when asked what the local government’s role should be in regulating the housing market
- **“Nowhere”** when asked about most suitable areas for accessory dwelling units
- **“Areas on or just behind commercial corridors”** when asked about most suitable areas for accessory dwelling units.
- **“Somewhat agree”** or **“strongly agree”** with the statement about Bisbee’s future: “Bisbee remains largely a community for artistic-types, retirees, and visitors.”
- **“Yes, with a focus on low-density, single-family homes”** when asked if the housing stock in Bisbee should increase.
- **“Unsure/don’t know”** when asked what the local government’s role should be in regulating the housing market.
- **“At the right price”** when asked about their perceptions of renting in Bisbee.

## Tintown

Survey respondents from Tintown were more likely to submit these responses:

- **“Me”** or **“me and others”** when asked if they or anyone they know have been displaced from their home due to rising housing costs in the last three years.
- **“Yes”** when asked if Tintown, Saginaw, Galena, and Bakerville all have too many short-term-rentals.
- **“Allow without restrictions”** when asked what they believe the local government should do related to STRs in the City.
- **“Contributes to overcrowding of rental units”** when asked how the cost and availability of housing negatively impacts the economy.
- **“Yes”** when asked if they have had difficulty finding suitable housing within the last three years.
- **“Increases homelessness”** when asked how the cost and availability of housing negatively impacts the economy.

## Themes in Open-Ended Responses

Open ended answers to survey responses reflect individual beliefs, preferences, and personalities. Sometimes, they can be difficult to interpret. That said, some broad themes that emerged from the survey findings are important to discuss. Most open-ended responses were a continuation of the questions asked on the survey. However, there was also a “final thoughts” style question designed to capture any other concerns related to housing.

## **Housing Is Not Affordable**

Unsurprisingly the dominant theme in open-ended responses is a lack of affordable housing and the need for more. Even after the survey's initial section addressed affordability perceptions, concerns about high housing costs continued to surface throughout open-ended answers. This persistence highlights how crucial housing affordability is to residents and their dissatisfaction with the current situation.

Across all six open-ended response sections, affordable housing ranked among the top five concerns. In three of those instances, it was the most frequently mentioned issue. The prevailing sentiment was that rising home prices are harming Bisbee's economy and that stronger affordable housing initiatives are essential to help residents stay in the community.

### ***Tourism Is Negatively Affecting Bisbee's Housing Situation***

Building on the previous theme, many respondents expressed concerns that tourism is becoming a growing challenge for Bisbee. Some directly linked rising housing costs to Bisbee's tourism industry, sharing comments such as, "Tourism is driving home prices up and rent," and "Can't emphasize enough the negative impact on homes being used for Airbnbs while locals can't afford to buy a home."

Despite these concerns, many respondents also acknowledged tourism's critical role in Bisbee's economy. Some urged caution against restricting short-term rentals, with one stating, "Leave short-term rentals alone. They house the economy of Bisbee." Another noted, "The only revenue the town has is tourism..."

This contrast highlights the tension between preserving affordable housing for residents and maintaining tourism as a key economic driver.

One potential solution that emerged in multiple responses is diversifying Bisbee's economy by attracting higher-paying, year-round jobs. While tourism will likely remain essential, strengthening the local job market could alleviate affordability concerns and support a more sustainable balance between economic growth and housing accessibility.

### ***Abandoned and Dilapidated Housing Needs to Be Addressed***

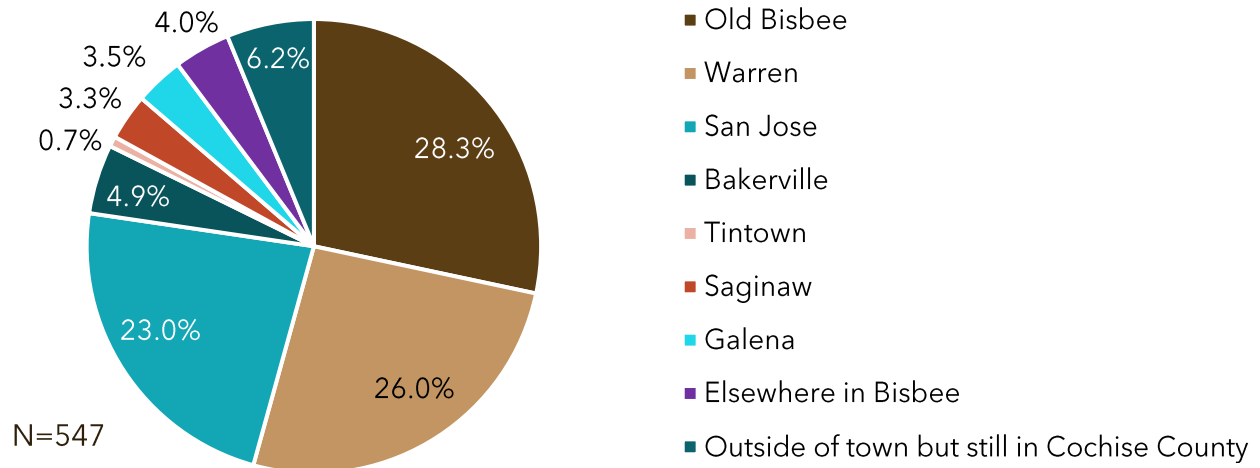
Another recurring theme in open-ended responses is the issue of abandoned and dilapidated housing. Many residents expressed concerns about neglected properties and emphasized the need for action. Data in [Chapter 7](#) reinforces the impact of this problem on the Bisbee community.

Fortunately, efforts are already underway through the Step-Up Bisbee program, which has been rehabilitating unsafe homes. However, not all abandoned properties are accessible to the City. A potential solution (popular among both city employees and survey respondents) is implementing a tax on neglected properties. This could incentivize owners to either renovate or sell their properties to the City, allowing them to be revitalized through Step-Up Bisbee.

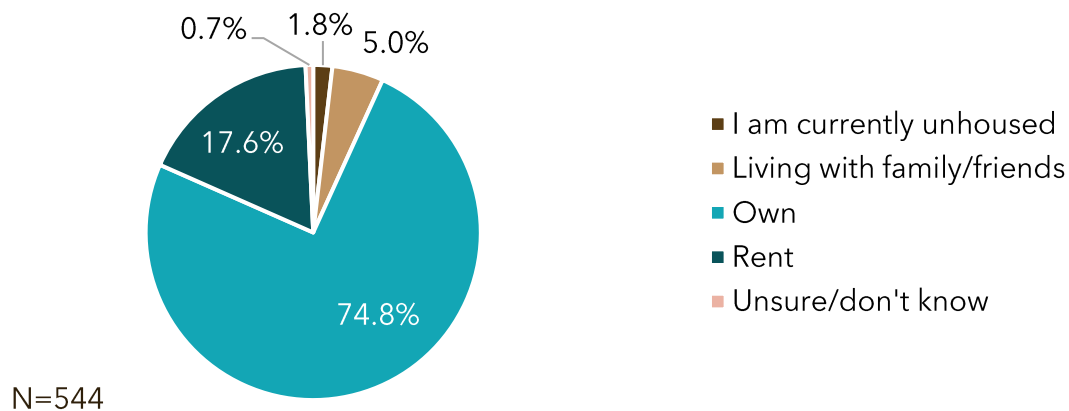
## Survey Responses

### Housing Situation Questions

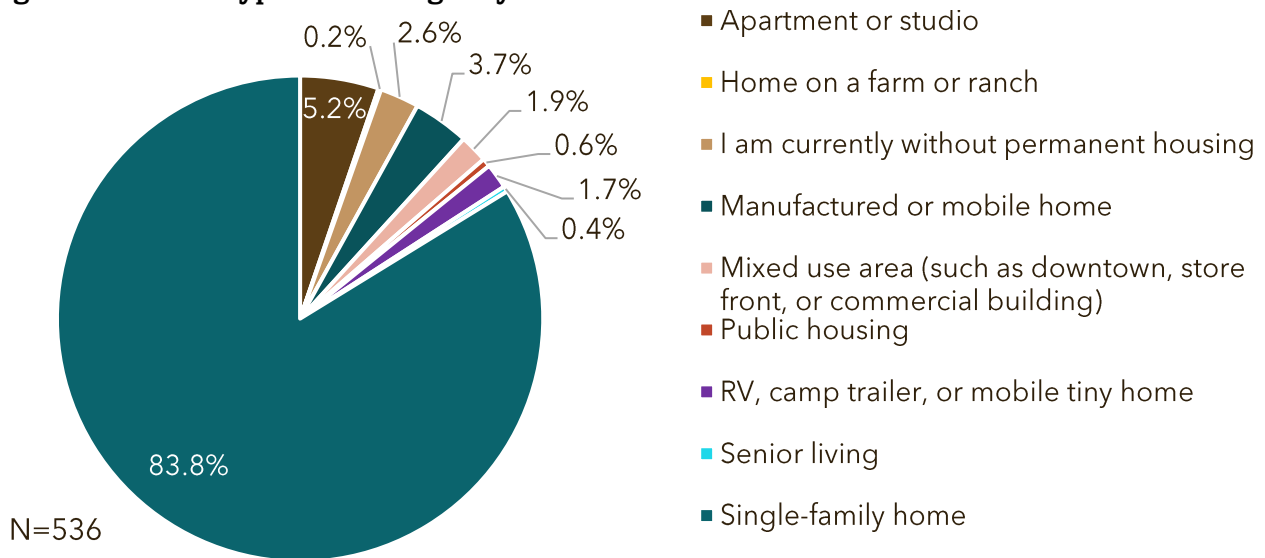
**Figure 8.1: Where in the Bisbee vicinity do you reside?**



**Figure 8.2: What is your current living situation?**



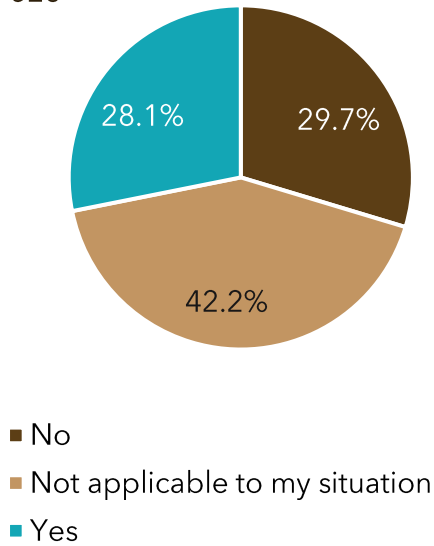
**Figure 8.3: What type of housing do you reside in?**



## Housing Perceptions

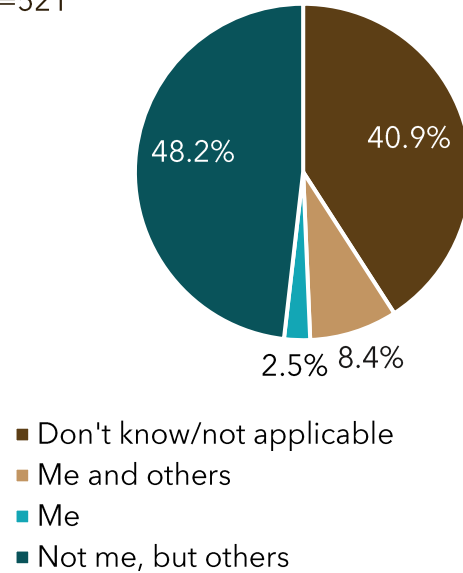
**Figure 8.4: Within the past 3 years, have you had difficulty finding suitable housing within your budget in Bisbee?**

N=526

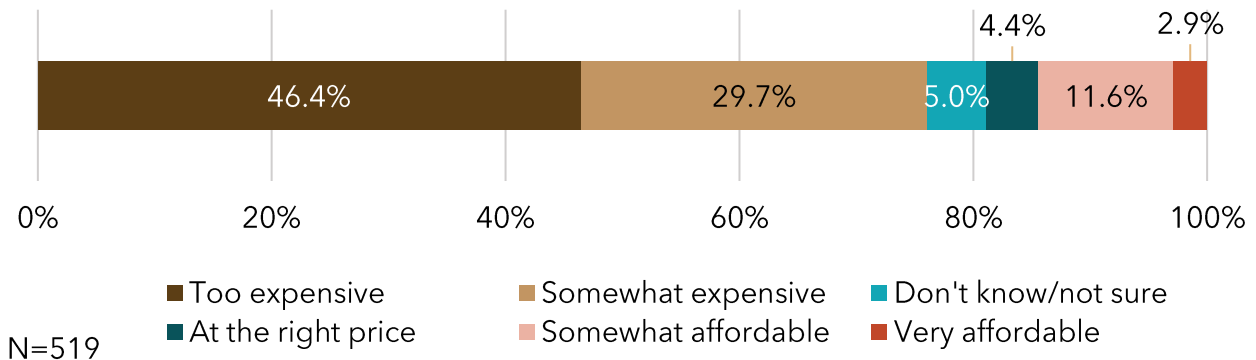


**Figure 8.5: Within the past 3 years, have you or anyone you know been displaced from their home in the past year due to rising housing costs?**

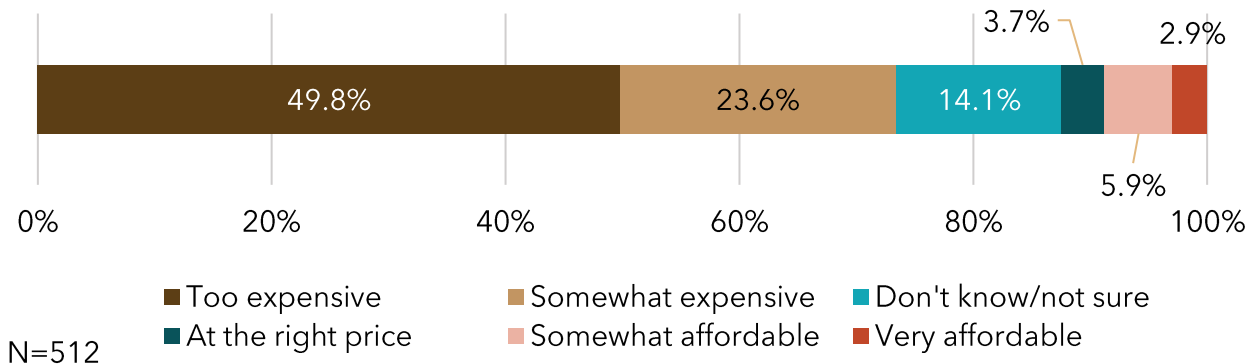
N=521



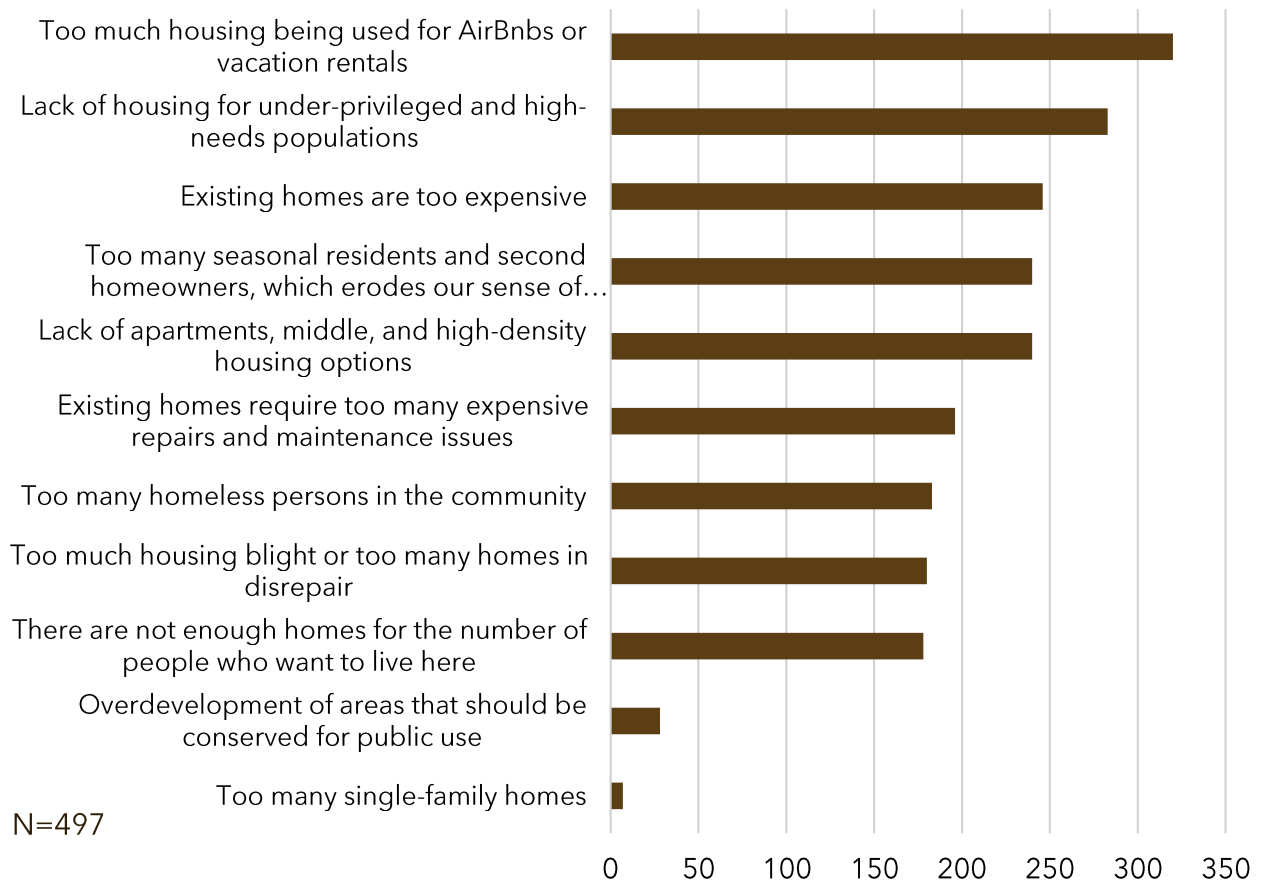
**Figure 8.6: Please rate your perceptions of purchasing a home in Bisbee?**



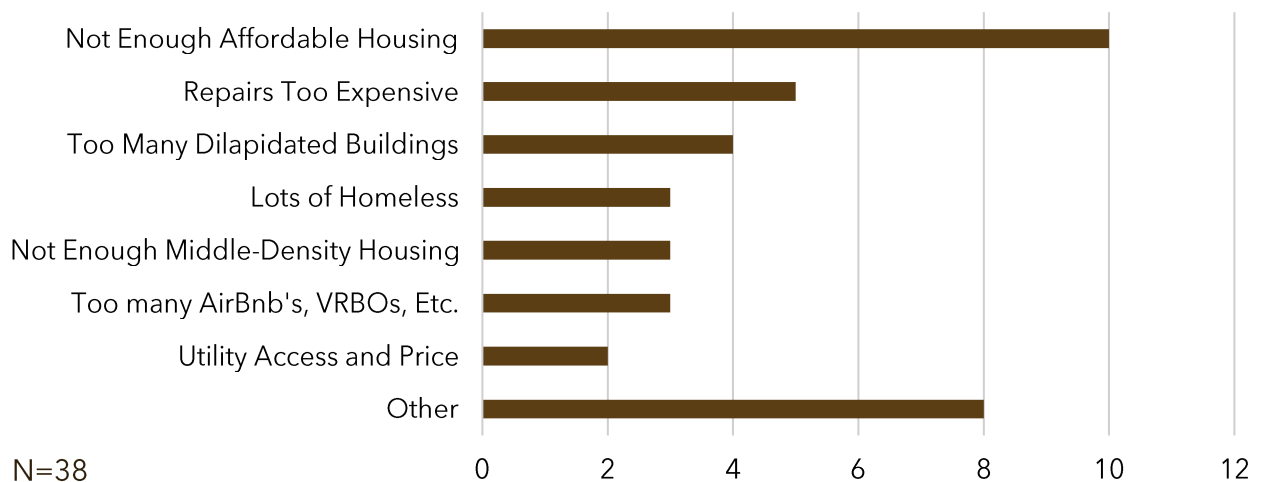
**Figure 8.7: Please rate your perceptions of renting in Bisbee**



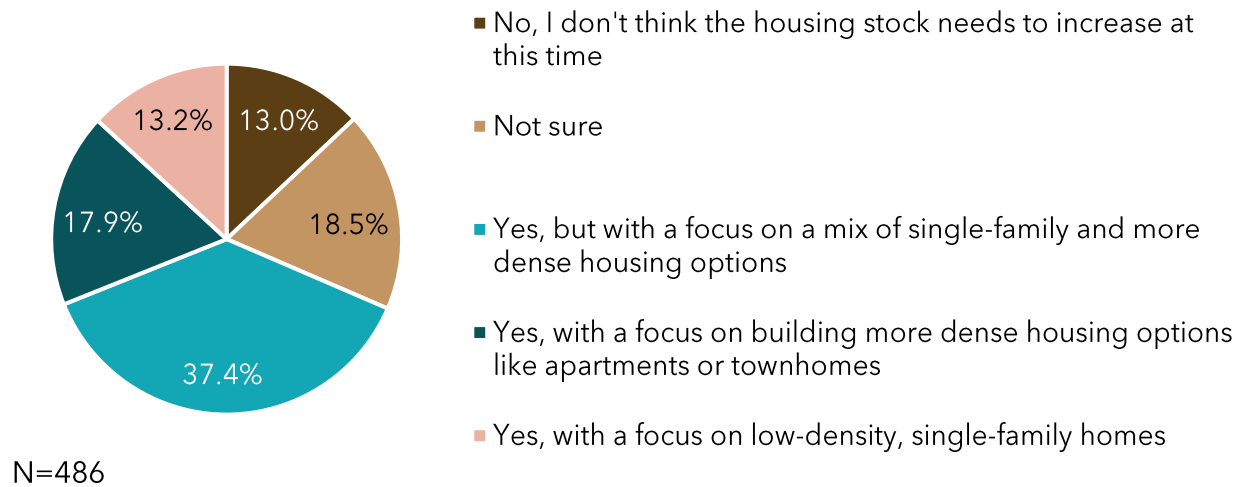
**Figure 8.8: Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community?**



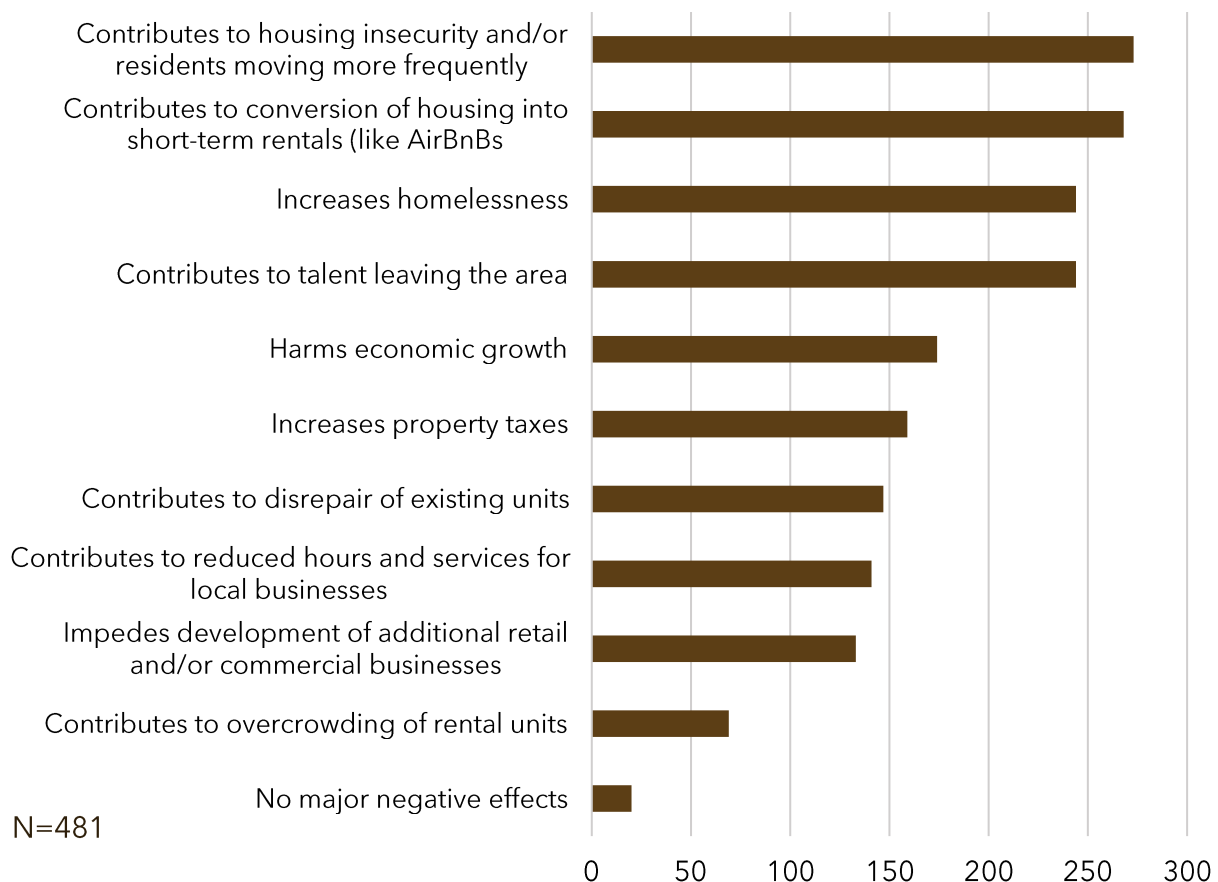
**Figure 8.9: Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community? (Other)**



**Figure 8.10: Would you like to see housing stock increase in Bisbee?**



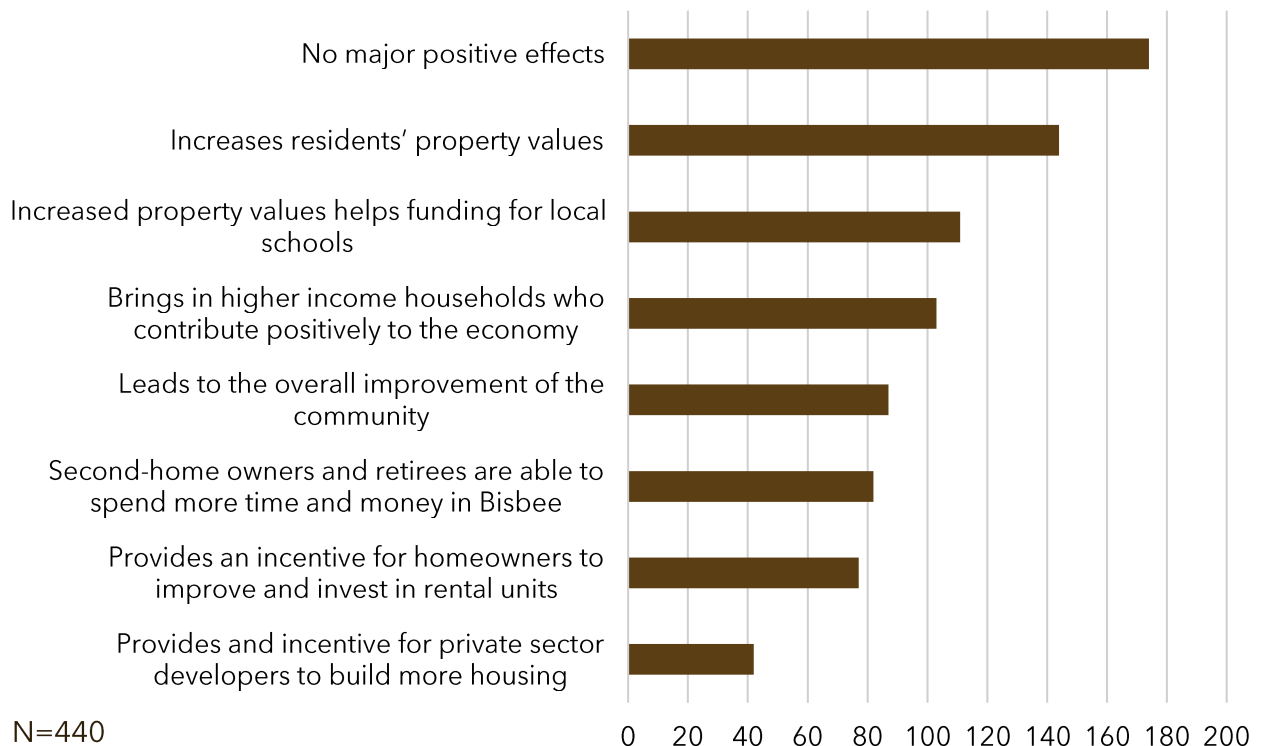
**Figure 8.11: In what ways do you think the cost and availability of housing is negatively affecting the economy in Bisbee?**



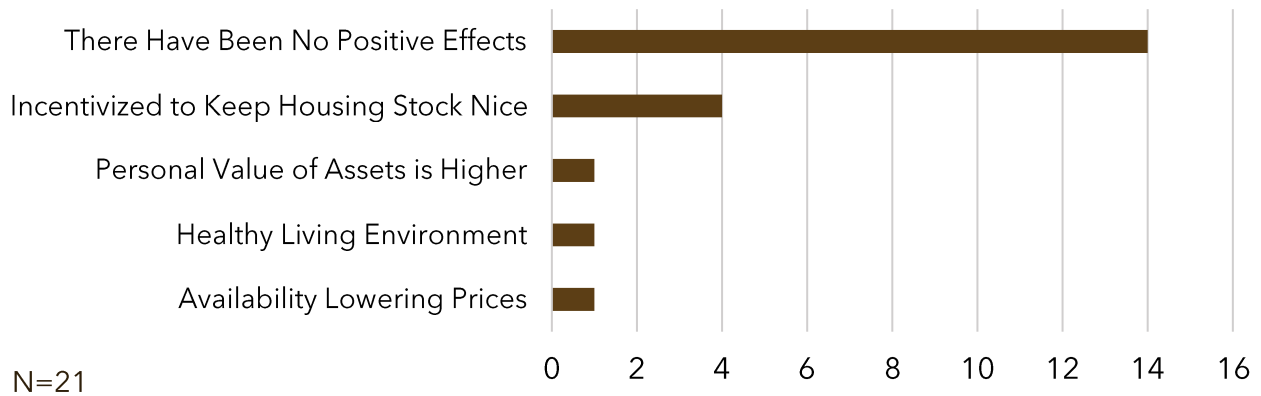
**Figure 8.12: In what ways do you think the cost and availability of housing is *negatively* affecting the economy in Bisbee? (Other)**



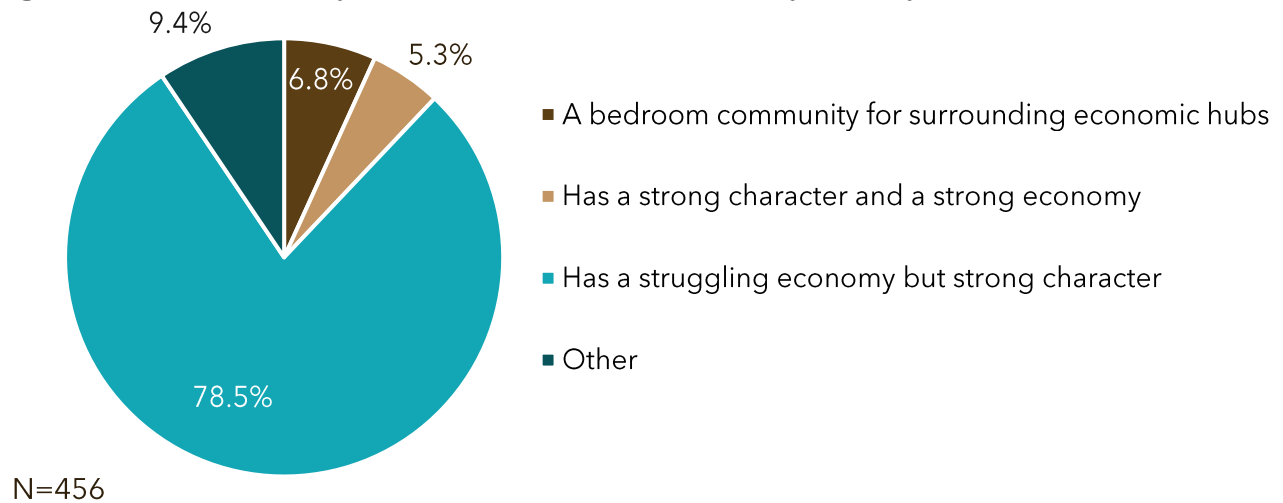
**Figure 8.13: In what ways do you think the cost and availability of housing *positively* affecting the economy in Bisbee?**



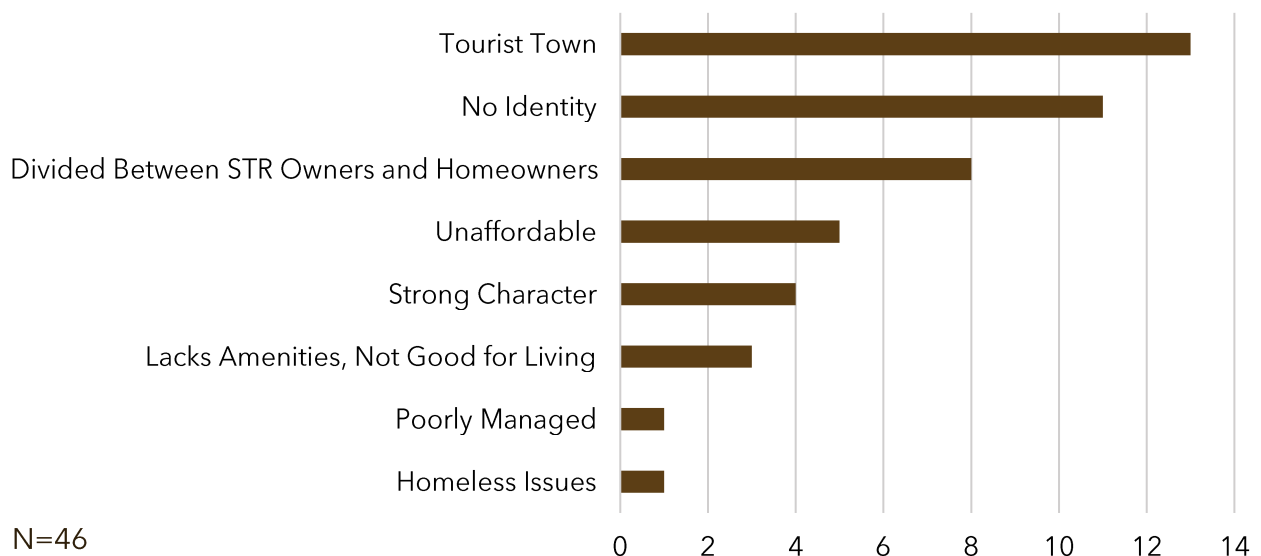
**Figure 8.14: In what ways do you think the cost and availability of housing *positively* affecting the economy in Bisbee? (Other)**



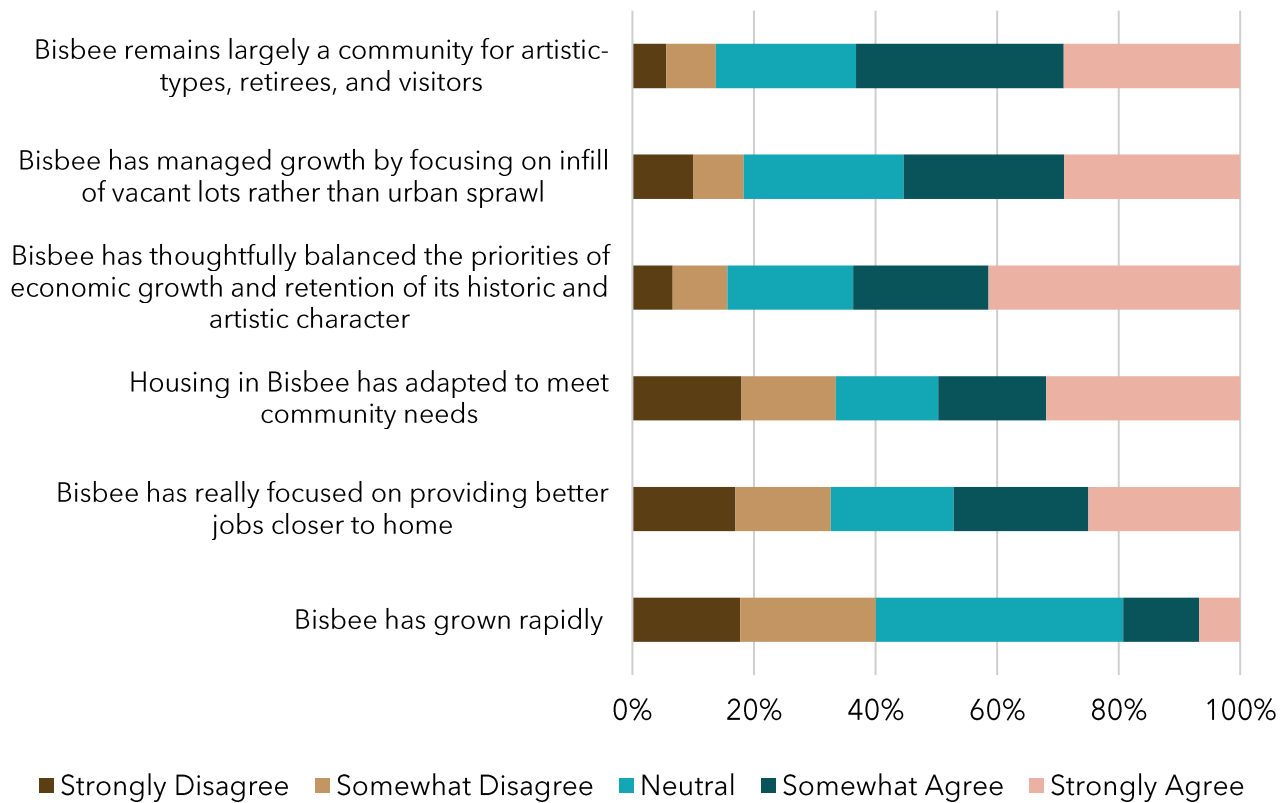
**Figure 8.15: How would you describe Bisbee's community identity now?**



**Figure 8.16: How would you describe Bisbee's community identity now? (Other)**

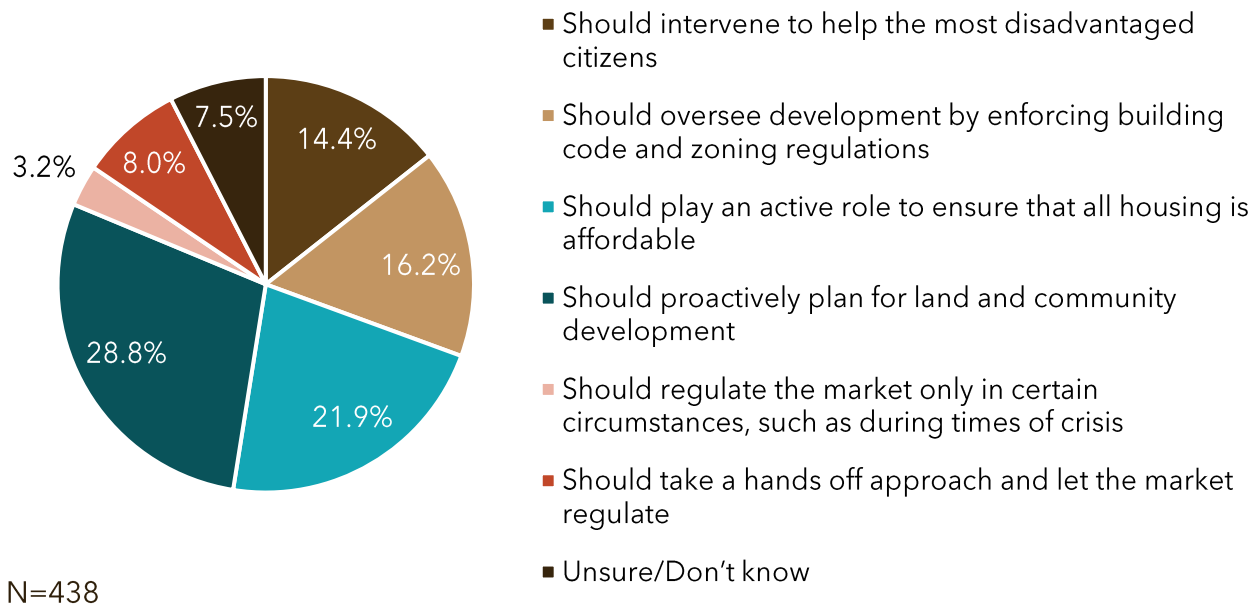


**Figure 8.17: Community Perceptions of Bisbee in the Future:**

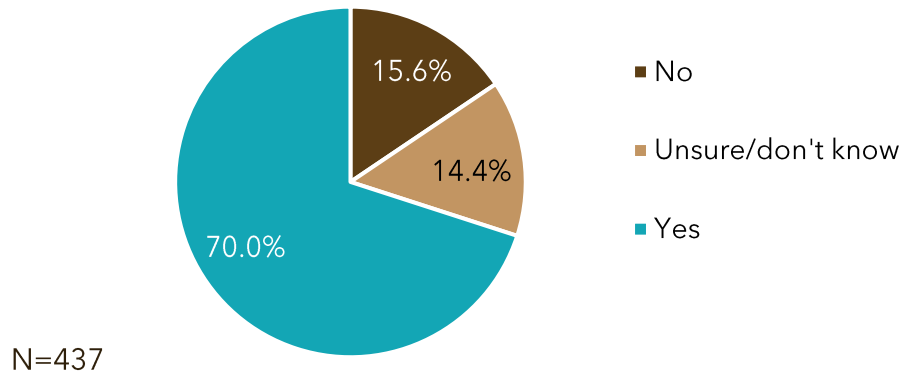


## Housing Policy

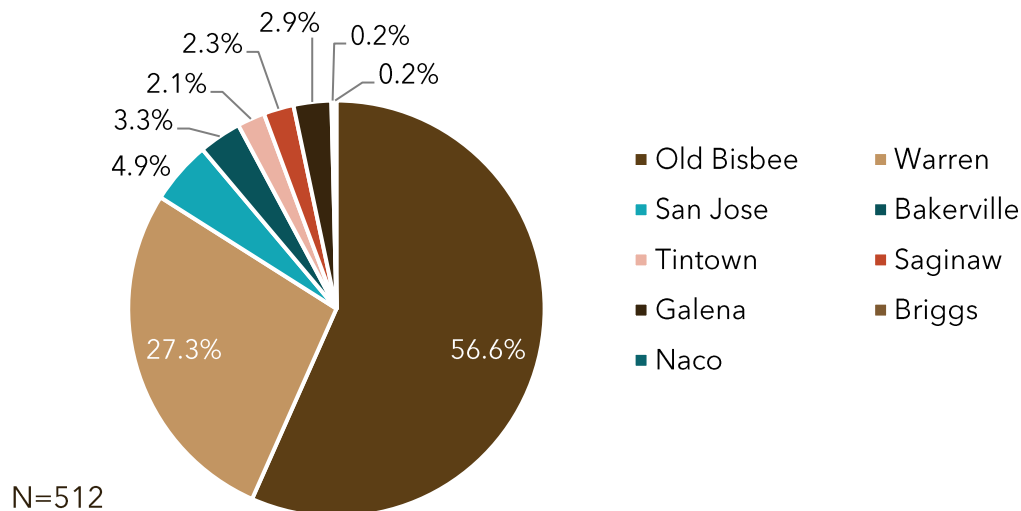
**Figure 8.18: What should the local government's role be in regulating the housing market?**



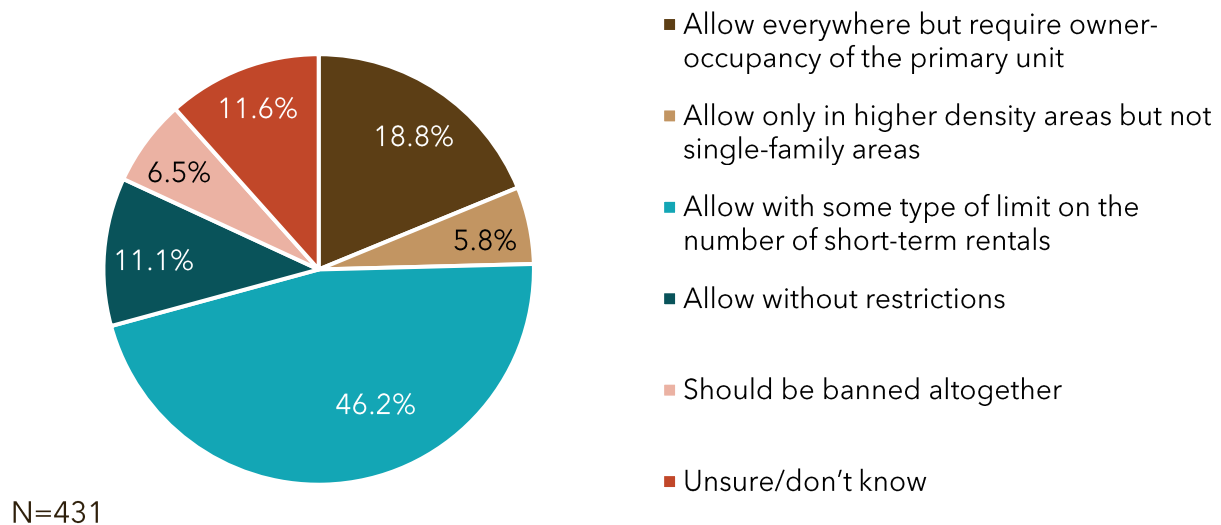
**Figure 8.19: Do you believe there are too many short-term rentals (such as Airbnb, VRBO, or vacation rentals) in Bisbee?**



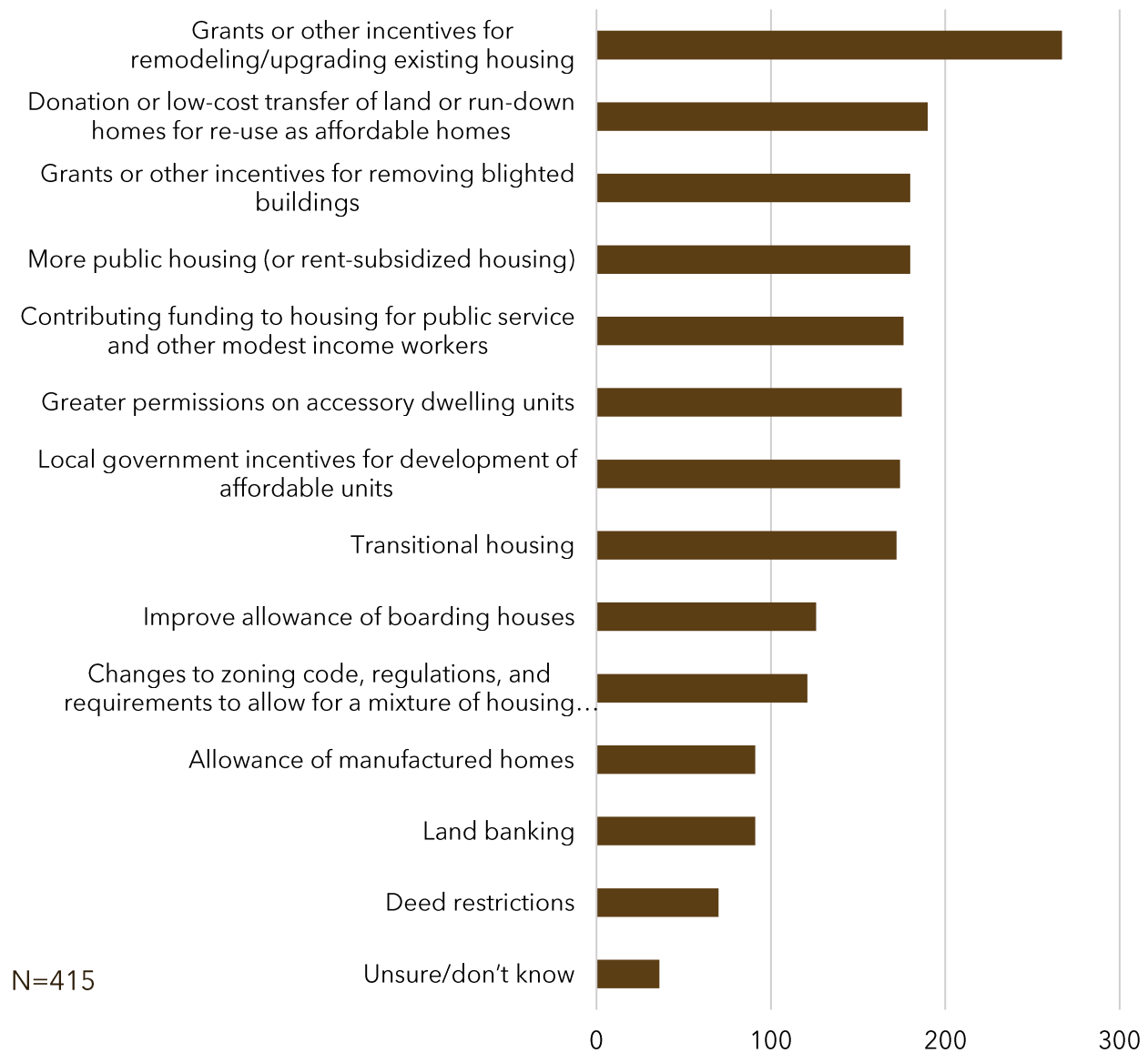
**Figure 8.20: What areas of town?**



**Figure 8.21: What do you believe the local government should do related to short-term rentals in the City?**

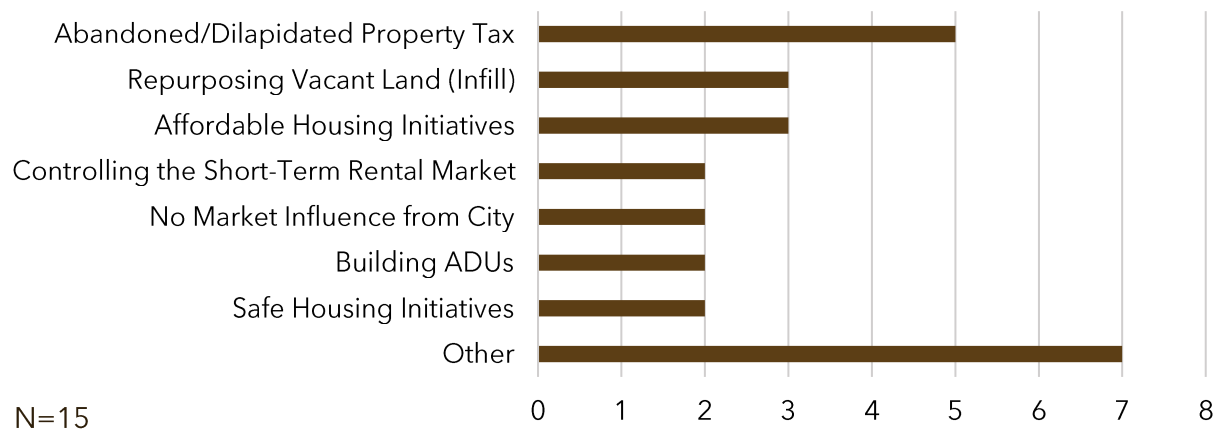


**Figure 8.22: What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing?<sup>71</sup>**



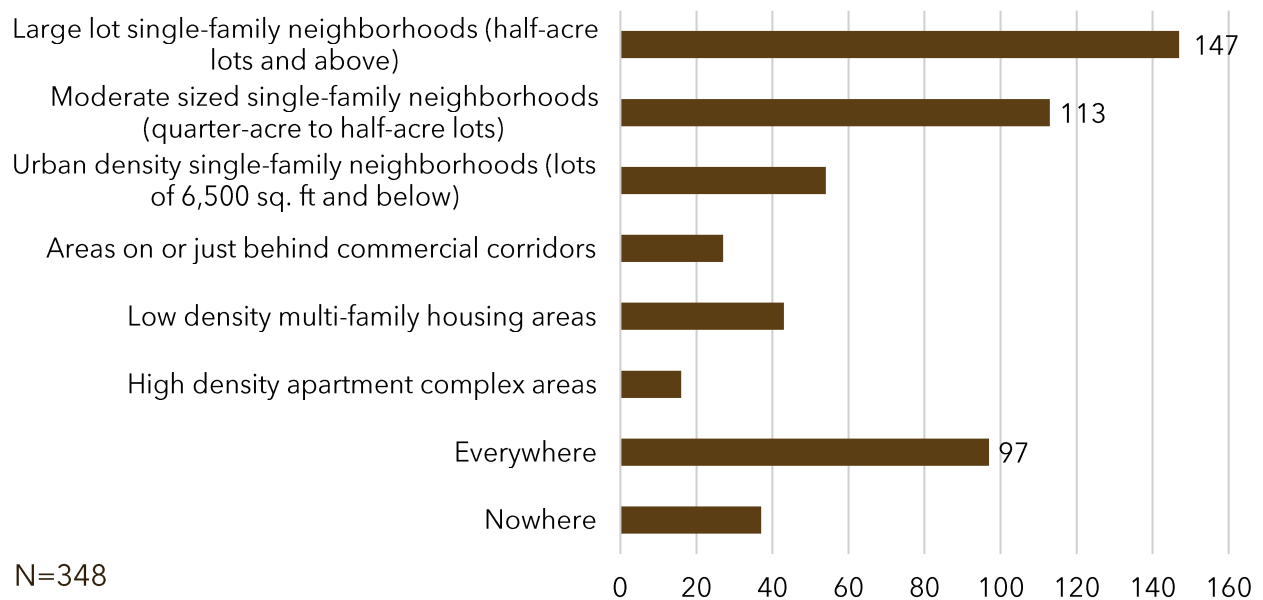
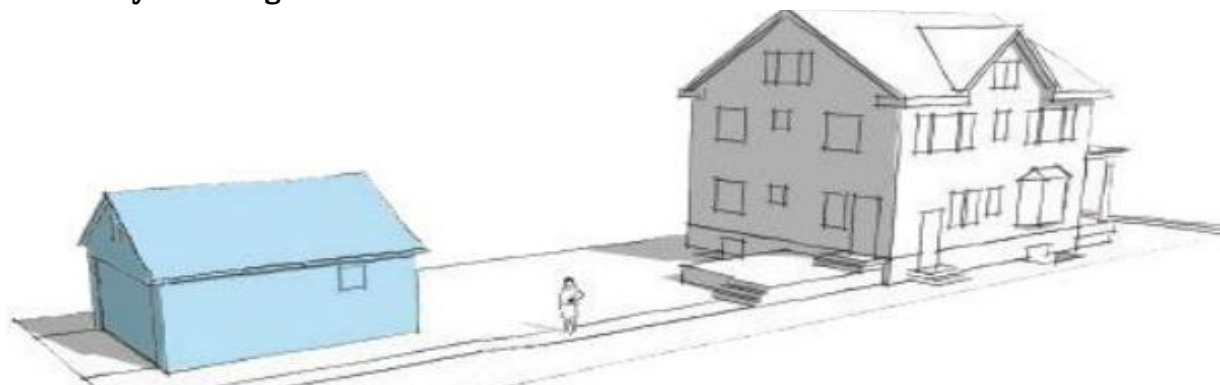
<sup>71</sup> Several response option labels were abbreviated in Figure 8.22 for space. “Deed Restrictions” was originally defined as “ensuring long-term affordability of particular homes after subsequent resales”; “Land banking” as “obtaining and preserving certain lots for future available housing”; “Transitional housing” as “supportive, temporary housing that transitions individuals from homelessness to more permanent housing”; “Improve allowance of boarding houses” as “housing buildings with individual bedrooms and some shared living spaces”; and “Greater permissions on accessory dwelling units” as “smaller residential dwelling located on the same lot as a primary unit.” Additionally, “Contributing funding to housing for public service and other modest income workers” was followed by “such as teachers, healthcare workers, and service workers.”

**Figure 8.23: What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing? (Other)**

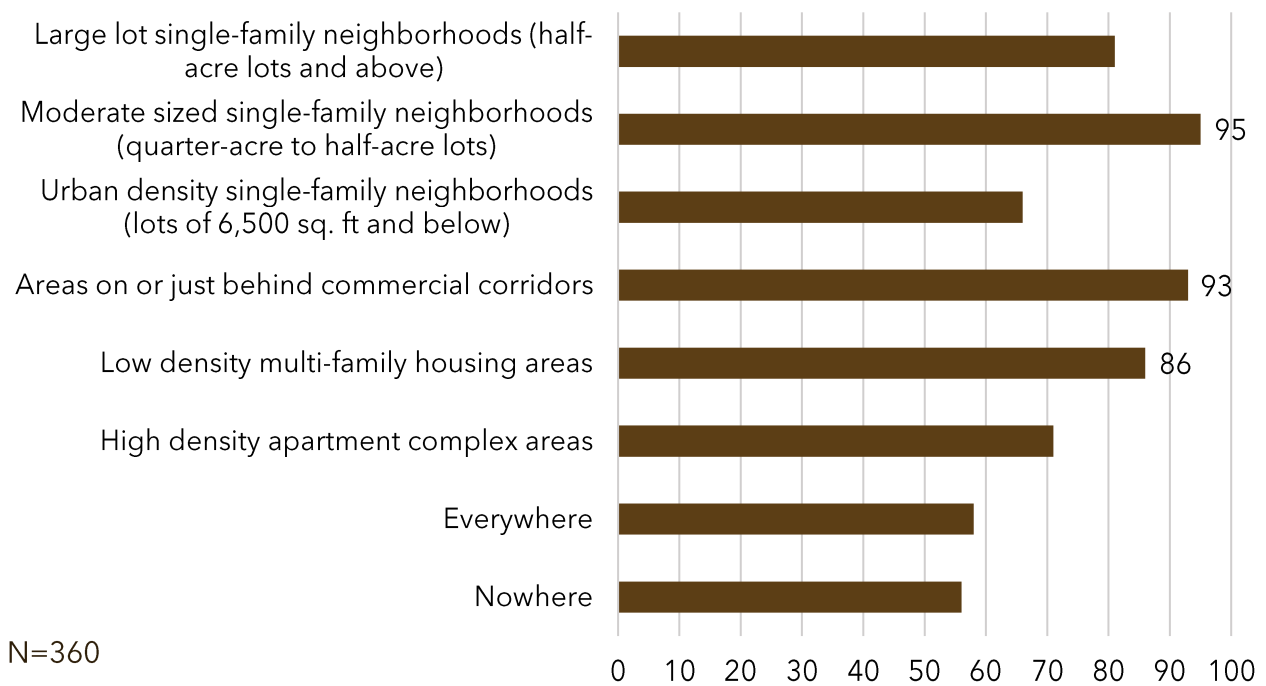


### Locational Preference

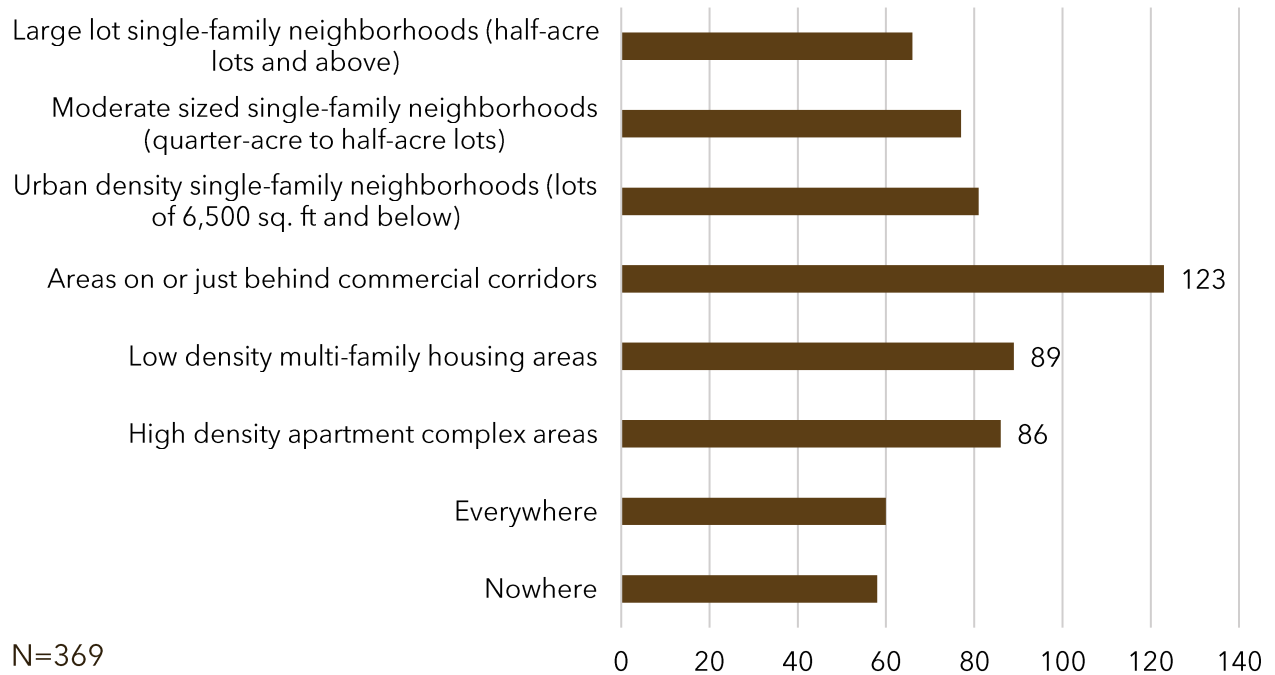
**Figure 8.24: What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?**



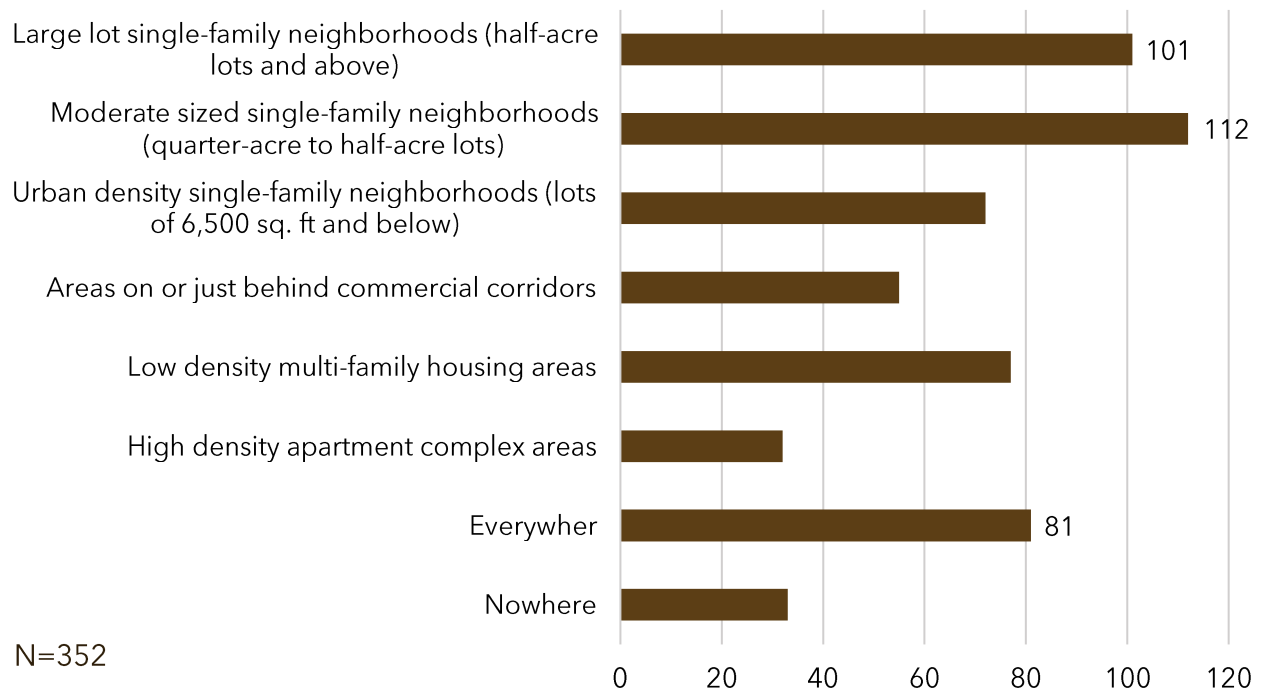
**Figure 8.25: What type of neighborhoods in Bisbee would be the most suitable for the duplex/triplex housing type?**



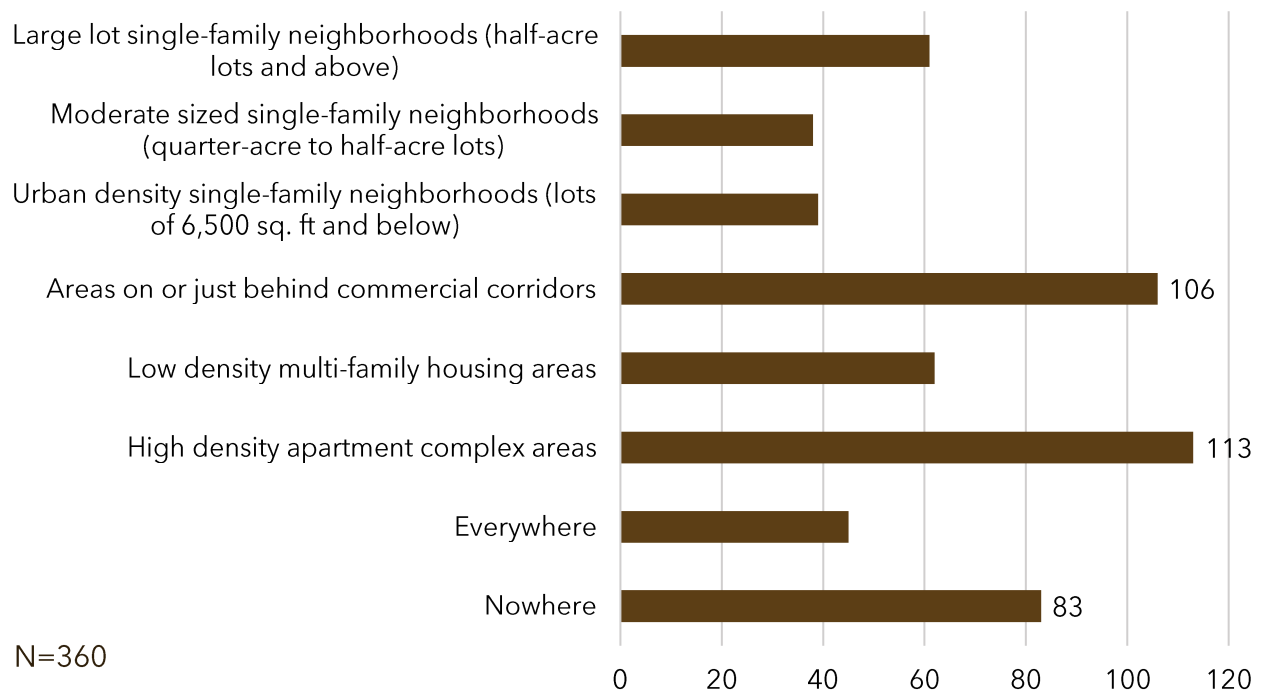
**Figure 8.26: What type of neighborhoods in Bisbee would be the most suitable for the townhome housing type?**



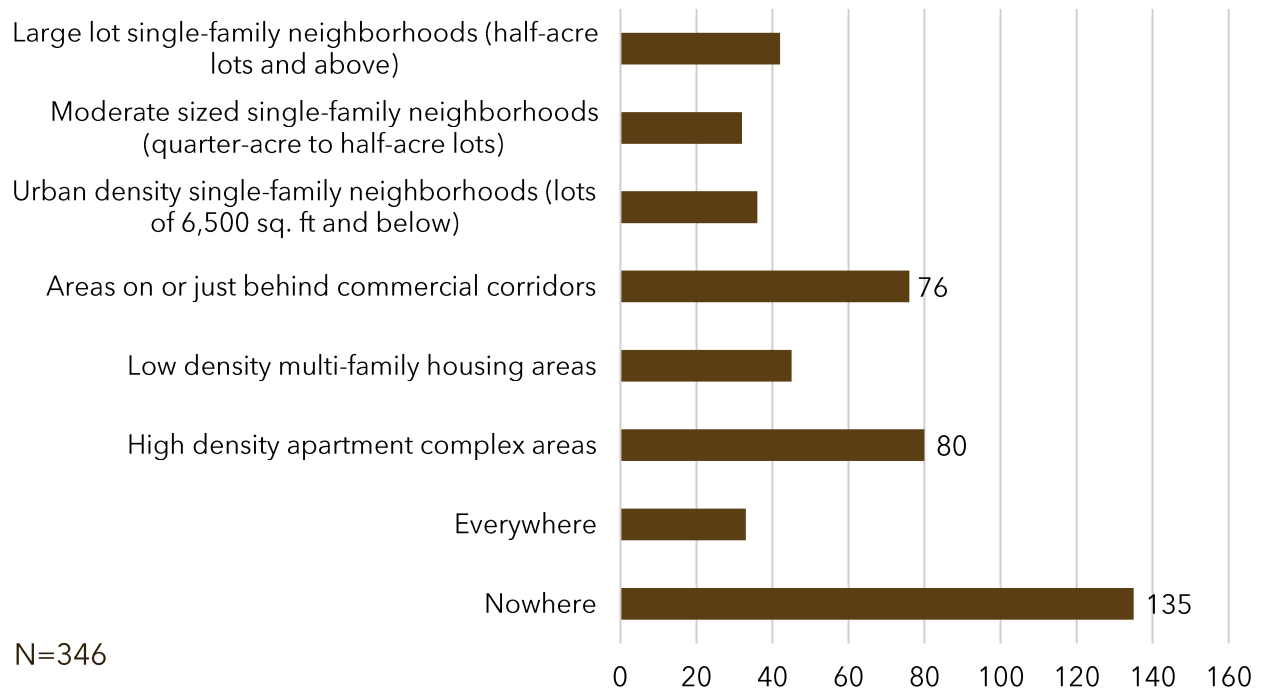
**Figure 8.27: What type of neighborhoods in Bisbee would be the most suitable for the cottage housing type?**



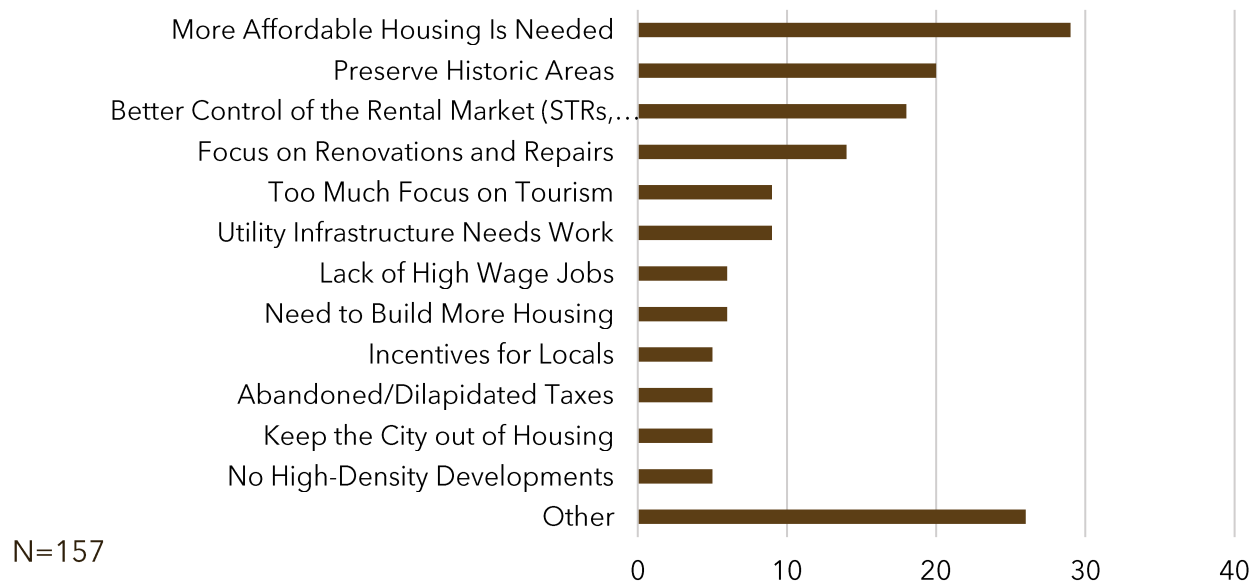
**Figure 8.28: What type of neighborhoods in Bisbee would be the most suitable for the multifamily/apartment housing type?**



**Figure 8.29: What type of neighborhoods in Bisbee would be the most suitable for the condominium housing type?**

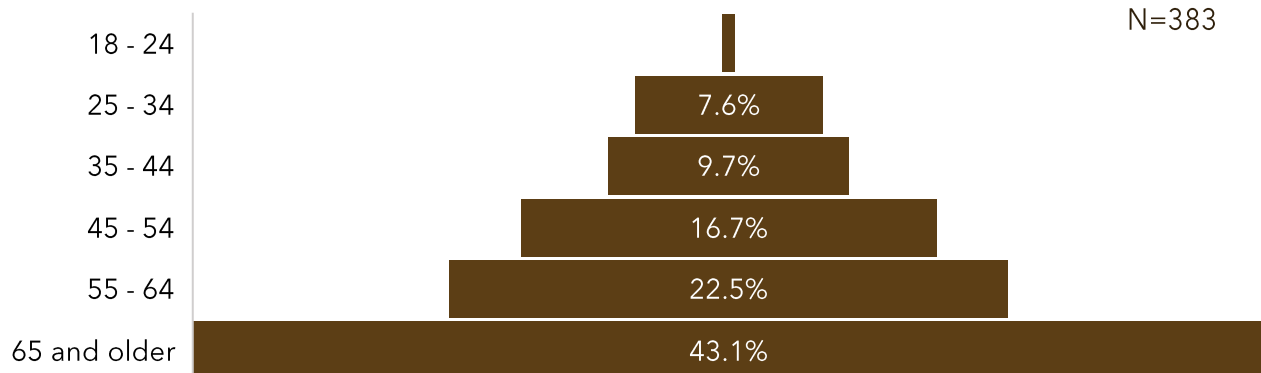


**Figure 8.30: Please share any additional thoughts or comments related to housing in the City of Bisbee**

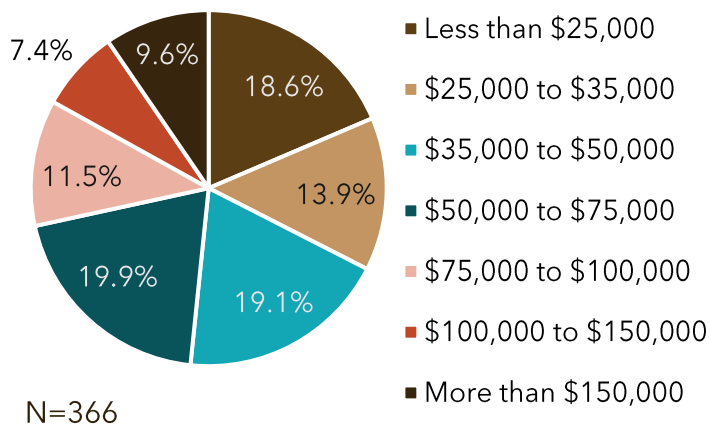


## Demographics

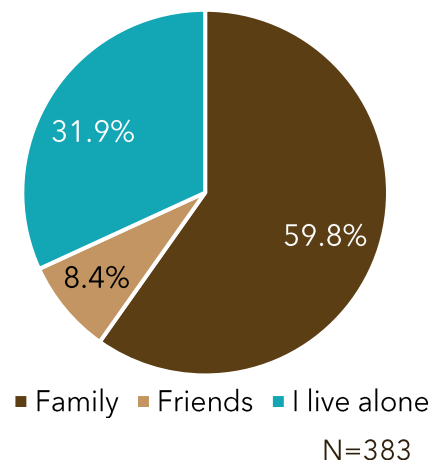
**Figure 8.31: What is your age?**



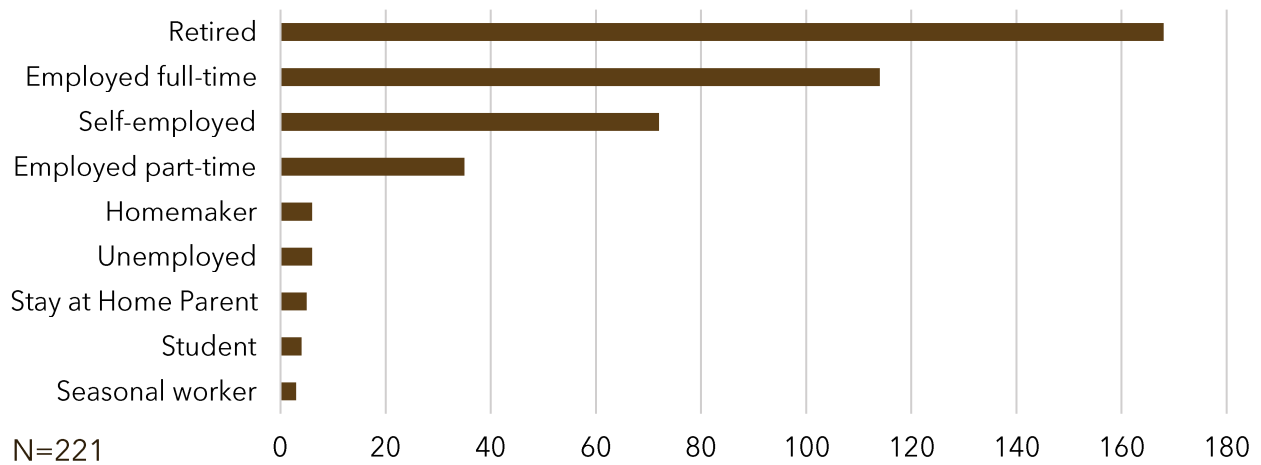
**Figure 8.32: What is your household's gross annual income?**



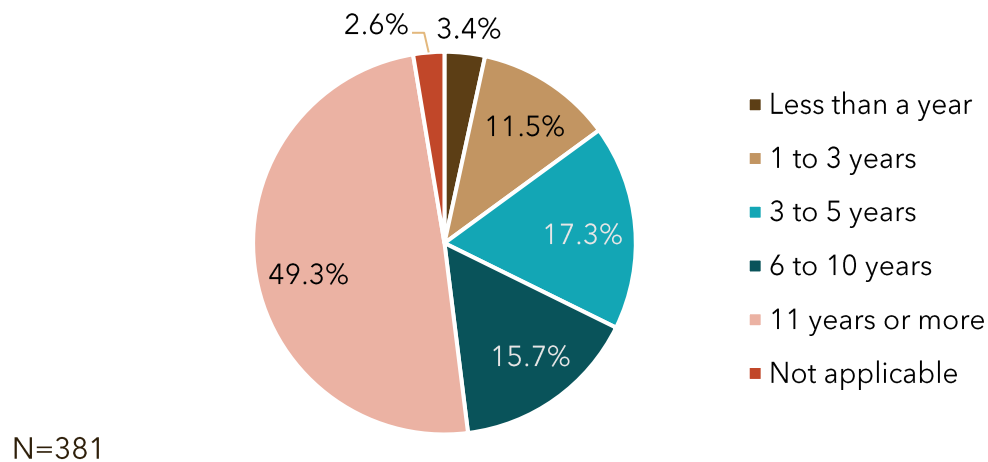
**Figure 8.33: Who else resides in your residence?**



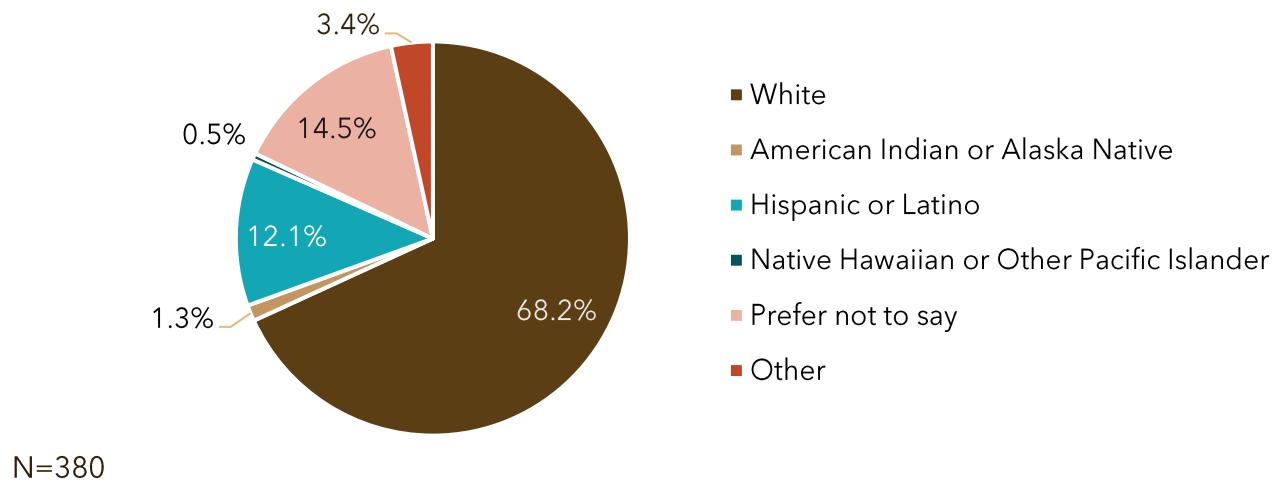
**Figure 8.34: What is your employment situation?**



**Figure 8.35: How long have you lived in Bisbee?**



**Figure 8.36: What is your race/ethnicity?**





## 9. Literature Review

### **Bisbee General Plan, 2015**

The City of Bisbee's General Plan is equivalent to Comprehensive Plans for municipalities across the country. The most recent version of the plan was adopted in 2015, but the General Plan is being updated during Points Consulting's housing study and is expected to be completed in late 2025.

The plan provides an overall direction for the City regarding future growth and facilitates redevelopment and historic preservation efforts. It also offers strategic, specific, neighborhood area, and development plans. Another crucial aspect of the General Plan is its assessment of Bisbee's physical characteristics. This assessment identifies both opportunities and constraints.

The General Plan is divided into Volumes I and II. Volume I provides data analysis of existing land uses and current infrastructure supporting development, as well as projections for future land use needs. Volume II outlines the implementation of the City's General Plan update, including development precepts, land use plans, and broad policies for growth management.

One unique aspect of Bisbee is its geography, which is divided into three distinct neighborhood clusters: the historic districts of Old Bisbee and Warren, and the growth area of San Jose. Historic Warren includes Lowell, Galena, Briggs, Bakerville, and Tintown. Saginaw has its own neighborhood area plan due to the relocation of structures from the Lavender Pit area and its broad need for rehabilitation.

Bisbee's current infrastructure limits development in Old Bisbee and Warren. The pipes serving Old Bisbee were originally installed in the early 1900s, and much of the lateral sewer system is heavily deteriorated and undersized to meet existing requirements. The system serving Warren consists mainly of piping that is too small to meet Arizona Department of Environmental Quality requirements. Additionally, about 25% of the system has water mains placed over the top of sanitary sewer lines. This poses potential health hazards, maintenance difficulties, and an additional source of inflow/infiltration.

San Jose stands out as a bright spot in terms of infrastructure. A new wastewater treatment facility (WWTF) was completed in 2006 and is sized to treat about 1.2 million gallons of sewage per day. As of the 2015 update to the General Plan, the San Jose WWTF operates at approximately one-third capacity, treating around 400,000 gallons of sewage per day.

The General Plan's land use needs analysis identified development trends in Bisbee from the early 2000s to the mid-2010s. Unfortunately, single-family home (SFH) permits in the City were nearly nonexistent from 2003 to 2012, and only three commercial construction permits were issued from 2008 to 2013.

According to the 2015 plan update, the top four land uses are:

- 1. Vacant/Undeveloped:** 61.2% of land
- 2. Residential:** 20.2% of land
- 3. Public/Quasi-Public Owned:** 12.5% of land
- 4. Commercial:** 5.4% of land

Recreational, industrial, mining, and agricultural land uses account for approximately 26 acres in Bisbee. The remaining acreage from these four land uses is less than 1% of the City's total land. Regarding residential land in Bisbee, the estimated average density is four dwelling units per acre. Recommended broad planning approaches for each area of Bisbee are as follows:

- Saginaw should follow its Saginaw Neighborhood Revitalization Plan to guide redevelopment efforts.
- Old Bisbee should establish an area plan and prioritize infill/mixed-use development, particularly in the northwestern area where most vacant land is on steep slopes.
- The Warren area should also develop an area plan. The largest amount of land is southeast of Bisbee High School, which is primarily single-family with some multifamily zoning. Development should align with the historic "City Beautiful" layout and image.
- San Jose, as one of Bisbee's growth areas, is expected to become the City's residential, commercial, and employment hub due to its infrastructure capacity. This area should also adopt an area plan.

### **Cochise County Comprehensive Plan, 2015**

The Cochise County Comprehensive Plan, similar to Bisbee's General Plan, provides the official long-range planning vision and framework for the County's land use and development policies. Cochise County is updating its Comprehensive Plan during PC's housing assessment (the most recent iteration was adopted in 2015). Examining Cochise County's planning goals ensures that we provide the City of Bisbee recommendations that align with the County's objectives.

The project team reviewed three main sections of the Comprehensive Plan:

- 1. Land Use**
- 2. Affordable Housing, Neighborhood Rehabilitation, and Enterprise Redevelopment**
- 3. Economic Development**

Each reviewed section outlines goals and policy objectives to support its planning priorities. We focused on goals and policies relevant to Bisbee and our Comprehensive Housing Study.

### **Land Use Element**

The land use element forms the foundation of the Comprehensive Plan. Its first goal is to ensure that development in Cochise County's unincorporated areas aligns with the established Growth Categories and Plan Designations. Policy "b" of Goal 1 states that

Cochise County should collaborate with incorporated municipalities to upgrade and expand water and sewer utilities. This supports new compact development on adjacent lands, particularly in Category A and B Growth Areas. The Growth Areas are defined as follows:

- **Category A:** Urban Growth Areas – Areas adjacent to or surrounded by incorporated cities, with necessary facilities and services to support growth.
- **Category B:** Community Growth Areas – Areas adjacent to Category A regions or larger unincorporated communities experiencing growth.

The second goal of the land use element is to promote development while preserving open space, agricultural and ranching resources, and historic sites. In the near future, Bisbee will have two federally recognized historic neighborhoods in Old Bisbee and Warren, and Goal 2 of the plan aims to preserve their historic character.

Goal 3 focuses on ensuring that zoning regulations, subdivision regulations, light pollution codes, building codes, and other regulatory ordinances align with the County's land use policies. Policy "e" supports this goal by allowing landowners or Cochise County to propose overlay zoning districts in areas that require adjustments to site development standards.

### **Affordable Housing, Neighborhood Rehabilitation, and Enterprise Redevelopment**

This element acknowledges that certain groups in Cochise County face unmet housing needs due to market limitations. As such, direct housing provision or government subsidies may be required to meet affordable housing demand.

The first goal is to revitalize and redevelop economically distressed areas within the County. Relevant policies include:

- **Policy "a"** – Residential neighborhoods with a high percentage of substandard lots or uses, but with potential for improvement, should be designated for rehabilitation.
- **Policy "c"** – The development of area or neighborhood plans should be encouraged and supported for distressed communities, such as colonias neighborhoods.

The second goal is to promote safe and affordable housing. Policy "c" for this goal recommends creating mechanisms to allow for flexible standards and codes that facilitate affordable housing while ensuring public health and safety. Goal 3 states that the County should work with developers and agencies to encourage the development of safe and affordable housing for all residents.

### **Economic Development Element**

The economic development element outlines strategies to expand tourism, technology, agriculture, and renewable energy efforts for a more vibrant economy.

The first goal is to support the preservation and expansion of Cochise County's tourism, technology, agriculture, security, renewable energy, and transportation sectors. The second goal is to promote and support Cochise College, the University of Arizona-Sierra Vista, and other institutions as providers of a skilled workforce and quality employment opportunities.

## SEAGO CEDS, 2021-2025

The Southeastern Arizona Governments Organization (SEAGO) is one of six planning regions in Arizona and includes Cochise County as one of its jurisdictional members. SEAGO's mission is to promote collaboration among federal, state, and regional entities to enhance economic and social progress across its four-county region. As an economic planning organization, SEAGO developed a Comprehensive Economic Development Strategy (CEDS) for the years 2021–2025. While housing needs are sometimes considered adjacent to economic development, they are often vital complements to one another. This makes SEAGO's CEDS a valuable resource for understanding the region's overall economic health.

A unique challenge for the SEAGO region is its high proportion of publicly owned land. Specifically, the State of Arizona owns 24.3% of the region's land, while 37.6% is federally owned, and 11.3% falls under Tribal ownership. This limited availability of usable land significantly impacts economic development opportunities. This challenge is also reflected in Bisbee, where Freeport McMoRan Inc. owns a substantial amount of land surrounding the City.

The SEAGO region is relatively remote, with no direct proximity to major metropolitan markets. The region's economic vitality depends on:

- U.S. Department of Defense (DOD) activities at Fort Huachuca Army Base in Cochise County
- International trade at the ports of entry in Nogales and Douglas
- Agriculture and agribusiness, which are heavily dependent on water availability
- Tourism, driven by the region's significant geographical and historical sites

SEAGO's member counties rely heavily on government employment, with 29.1% of total nonfarm jobs in the public sector. Cochise County has an even higher share at 31.1%. SEAGO's economy is predominantly service based, with 83.4% of all jobs in the service sector, compared to 88.0% in Cochise County. In 2018, the average annual wage in the SEAGO region was \$48,000, slightly higher in Cochise County at \$49,000. Additionally, the mean family income in Cochise County was \$71,000.

SEAGO benefits from being part of the Sun Corridor Mega-Region, one of the nation's emerging economic hubs. The region is strategically positioned to capitalize on trade flows through Santa Cruz and Cochise Counties. By 2050, the Sun Corridor is expected to double in size, containing 85% of Arizona's population and jobs. Cochise and Santa Cruz Counties are well-positioned to benefit from this growth due to their primary U.S./Mexico import and export points.

The CEDS also provides insights specific to Cochise County. Bisbee and Tombstone are recognized as major tourist attractions. Direct travel spending in Cochise County saw continuous growth from 2016 through 2019, reaching \$345.4 million in 2019. However, the report also highlighted several economic weaknesses in the County:

- Inadequate labor pool of qualified workers for employers' needs
- Bank closures in border communities
- Lack of a Community Development Department, Economic Development Authority (EDA), or Chamber of Commerce in Bisbee
- Limited business incentives for growth and attraction
- Scarcity of land with infrastructure in place

The CEDS also identified key focus areas and strategic goals for the region:

- Workforce and education
- Infrastructure development, including broadband, water, and transportation
- Business development
- Enhancing economic advantages as a border region

SEAGO's CEDS includes a regionally ranked list of local projects for each jurisdiction. The following projects were prioritized for Bisbee:

- Old Bisbee Fire Suppression System (DEMA/FEMA) – Focus Area 2
- Old Bisbee Sewer Rebuild (WIFA) – Focus Area 2
- Fire Truck Grant Application (Assistance to Firefighters) – Focus Area 2
- Housing Initiative (Colonias Designation, Workforce, Affordable Housing, and CDBG funding) – Focus Area 3
- San Pedro Recharge Project (providing water for border area recharge) – Focus Area 4

### **Senior Care Facility Feasibility Study, 2014**

The project team considered all forms of housing studies and analyses, including specialized ones such as the Senior Care Facility Feasibility Study conducted for the Bisbee area in 2014. This study was commissioned by the City of Bisbee and Copper Queen Community Hospital. The study area extended from near Sierra Vista to the New Mexico border, encompassing the southeasternmost corner of Cochise County.

At the time of the study, there were over 5,750 residents in the study area aged 75 or older, accounting for more than 15% of the population. Given recent demographic trends and Bisbee's appeal to retirees, this figure has likely increased since the study was completed.

Assuming a market capture of 5% of the target demographic, demand for senior care facilities would exceed 280 beds. This is more than double the capacity at the time (excluding Sierra Vista). However, a key challenge in the senior care market was median income. According to the study, 57% of residents aged 75 and older had annual incomes below \$25,000, posing affordability concerns.

Despite this, a planned senior care development in Sierra Vista at the time indicated that demand was outpacing supply. Additionally, scale was a core issue in service differentiation. Most existing facilities were small, accommodating five to ten residents. This suggested that a slightly larger, multi-service facility could have been well-suited to the region. Specialty care (such as skilled nursing, dementia, and Alzheimer's care) was

particularly underserved, but the study found that a stand-alone specialty facility would likely not be financially viable due to the limited population base.

On the other hand, the study noted that Cochise College of Nursing had an excellent program, producing highly qualified nurses to support the labor pool in the region. Additionally, a significant portion of the population had the financial means to afford the average cost of care, based on median income and net worth statistics. Overall, the study concluded that developing a senior care facility in the area was both feasible and financially viable.

### **Greenlee County Housing Feasibility Study, 2019**

In 2019, a housing feasibility study was completed for another SEAGO county: Greenlee County. Though five years old, this study is the closest report we've found to a previous housing study completed within the SEAGO region. PC identified both similarities and differences between the housing situations in Greenlee County and the City of Bisbee.

The purpose of the Greenlee County Housing Feasibility Study was to assess housing demand, particularly in response to a perceived shortage related to the Morenci Mine operations. Because the study concluded that housing shortages existed, it also included pro forma analyses for multiple potential housing development locations within the County.

At the time of the study, Greenlee County's median household income was higher than the statewide median. This is an unusual trend for rural areas in Arizona. The highest incomes were observed in Clifton and Morenci. The study also found that employment in the County was highly cyclical, heavily reliant on goods-producing jobs tied to the Morenci Mine. In fact, 70% of jobs in Greenlee County are in goods production, compared to just 12% statewide. This stands in stark contrast to Bisbee and the SEAGO region as a whole.

Regarding housing demand, the study argued that data from the U.S. Census Bureau did not fully capture the "true demand" for adequate housing in the County, nor did it explain the lack of suitable housing available to residents. Additionally, forecasting future demand was challenging, as Greenlee County's population was projected to remain around 9,500 through 2050. However, at the time of the study, there was a significant waitlist of approximately 800 households for housing provided by Freeport McMoRan Inc. (FMI) for Morenci Mine workers.

FMI's role in housing heavily influences Greenlee County's housing statistics. For example, at the time of the study, only 47.1% of housing units in the County were owner-occupied. For reference national levels for this figure typically hover around 60–65%. This lower owner-occupancy rate was largely due to FMI-owned housing rented to employees. Additionally, the County had very few apartment complexes, and new housing production had been nonexistent. Median rents were exceptionally low at around \$400 per month, largely due to FMI housing subsidies.

## Appendix A: Statistically Significant Survey Responses by Area

For the following tables asterisk are used to identify statistical significance levels, where “\*\*\*” is significant at the 99% level and “\*” is significant at the 95% level.

**Table A.1: Statistically Significant Survey Responses for Old Bisbee Respondents**

Question	Response	Overall Survey %	Old Bisbee Respondents %	Difference
Bisbee has thoughtfully balanced the priorities of economic growth and retention of its historic and artistic character**	Somewhat agree or Strongly agree	63.7%	73.6%	+9.9 points
What type of neighborhoods in Bisbee would be the most suitable for the townhome housing type?*	High-density apartment complex areas	23.3%	32.0%	+8.7 points
What type of neighborhoods in Bisbee would be the most suitable for the duplex/triplex housing type?	Areas on or just behind commercial corridors	25.8%	34.3%	+8.5 points
What is your race/ethnicity?	White	68.2%	76.4%	+8.2 points
In what ways do you think the cost and availability of housing is negatively affecting the economy in Bisbee?	Contributes to talent leaving the area	51.2%	59.3%	+8.1 points
Housing in Bisbee has adapted to meet community needs	Somewhat agree or Strongly agree	49.7%	54.8%	+5.2 points
Bisbee remains largely a community for artistic-types, retirees, and visitors	Somewhat agree or Strongly agree	63.2%	71.4%	+8.2 points
What areas of town have too many STRs?	Warren	47.3%	28.4%	-18.9 points
What areas of town have too many STRs?	San Jose	8.4%	2.3%	-6.2 points
Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community?	Too many homeless persons in the community	37.6%	27.4%	-10.2 points
What is your race/ethnicity?	Non-white	31.8%	23.6%	-8.2 point
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing?	Allowance of manufactured homes	22.2%	14.8%	-7.4 points
What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?	Urban density single-family neighborhoods (lots of 6,500 sq. ft and below)	15.5%	9.2%	-6.3 points

In what ways do you think the cost and availability of housing is negatively affecting the economy in Bisbee?	Contributes to disrepair of existing units	30.8%	23.0%	-7.9 points
Within the past 3 years, have you had difficulty finding suitable housing within your budget in Bisbee?	Not applicable to my situation	42.2%	34.9%	-7.3 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

**Table A.2: Statistically Significant Survey Responses for Warren Respondents**

Question	Response	Overall Survey %	Warren Respondents %	Difference
What type of housing do you reside in?**	Single-family home	83.0%	95.0%	+12.0 points
What is your current living situation?**	Own	74.8%	85.8%	+11.0 points
Please rate your perceptions of purchasing a home in Bisbee**	Somewhat affordable or Very affordable	14.5%	23.2%	+8.7 points
What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?*	Moderate sized single-family neighborhoods (quarter-acre to half-acre lots)	32.5%	42.4%	+10.0 points
What type of neighborhoods in Bisbee would be the most suitable for the owner-occupied condominium housing type?*	Urban density single-family neighborhoods (lots of 6,500 sq. ft and below)	10.4%	16.3%	+5.9 points
In what ways do you think the cost and availability of housing is positively affecting the economy in Bisbee?*	Brings in higher income households who contribute positively to the economy	24.0%	31.6%	+7.6 points
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing? *	Grants or other incentives for removing blighted buildings	43.9%	52.7%	+8.8 points
What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?*	Large lot single-family neighborhoods (half-acre lots and above)	42.2%	50.5%	+8.3 points
In what ways do you think the cost and availability of housing is positively affecting the economy in Bisbee?*	Increased property values help funding for local schools	25.9%	33.3%	+7.5 points

What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing?*	Greater permissions on accessory dwelling units (smaller residential dwelling located on the same lot as a primary unit)	42.7%	50.9%	+8.2 points
Within the past 3 years, have you had difficulty finding suitable housing within your budget in Bisbee?*	No	29.7%	36.2%	+6.6 points
What type of housing do you reside in?*	All other housing types besides single-family homes	13.8%	5.0%	-8.8 points
Please rate your perceptions of purchasing a home in Bisbee**	Somewhat expensive or Too expensive	76.1%	67.4%	-8.7 points
Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community?*	Existing homes are too expensive	50.5%	41.2%	-9.3 points
What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?*	Areas on or just behind commercial corridors	7.8%	3.0%	-4.7 points
What type of neighborhoods in Bisbee would be the most suitable for the townhome housing type?*	High-density apartment complex areas	23.3%	16.2%	-7.1 points
In what ways do you think the cost and availability of housing is negatively affecting the economy in Bisbee?*	Contributes to reduced hours and services for local businesses	29.6%	21.7%	-7.9 points
Within the past 3 years, have you or anyone you know been displaced from their home in the past year due to rising housing costs?*	Me or Me and others	10.9%	5.8%	-5.1 points
Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community?*	Overdevelopment of areas that should be conserved for public use	5.7%	2.3%	-3.5 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

**Table A.3: Statistically Significant Survey Responses for San Jose Respondents**

Question	Response	Overall Survey %	San Jose Respondents %	Difference
What is your race/ethnicity?**	Non-white	31.8%	50.0%	+18.2 points
What areas of town have too many STRs?**	Warren	47.3%	61.9%	+14.6 points
Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community?**	Overdevelopment of areas that should be conserved for public use	5.7%	11.2%	+5.5 points
Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community?**	Existing homes are too expensive	50.5%	61.7%	+11.2 points
Please rate your perceptions of purchasing a home in Bisbee*	Somewhat expensive or Too expensive	76.1%	85.1%	+9.0 points
Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community?**	Too many homeless persons in the community	37.6%	47.7%	+10.1 points
Bisbee has grown rapidly*	Somewhat agree or Strongly agree	19.3%	23.5%	+4.2 points
In what ways do you think the cost and availability of housing is negatively affecting the economy in Bisbee?*	Contributes to disrepair of existing units	30.8%	38.8%	+8.0 points
Within the past 3 years, have you had difficulty finding suitable housing within your budget in Bisbee?*	Yes	28.1%	35.3%	+7.2 points
What is your race/ethnicity?**	White	68.2%	50.0%	-18.2 points
Please rate your perceptions of purchasing a home in Bisbee**	Somewhat affordable or Very affordable	14.5%	5.3%	-9.2 points
What type of neighborhoods in Bisbee would be the most suitable for the multifamily/apartment housing type?*	Areas on or just behind commercial corridors	29.4%	18.2%	-11.3 points
In what ways do you think the cost and availability of housing is positively affecting the economy in Bisbee?**	Brings in higher income households who contribute positively to the economy	24.0%	13.8%	-10.2 points

What type of neighborhoods in Bisbee would be the most suitable for the owner-occupied condominium housing type?*	Urban density single-family neighborhoods (lots of 6,500 sq. ft and below)	10.4%	4.1%	-6.4 points
What is your current living situation?*	Own	74.8%	67.2%	-7.6 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

**Table A.4: Statistically Significant Survey Responses for Galena Respondents**

Question	Response	Overall Survey %	Galena Respondents %	Difference
What areas of town have too many STRs?**	Galena	5.1%	30.0%	+24.9 points
What type of neighborhoods in Bisbee would be the most suitable for the duplex/triplex housing type?*	Nowhere	15.6%	38.5%	+22.9 points
Please rate your perceptions of purchasing a home in Bisbee*	Don't know/not sure	5.0%	15.8%	+10.8 points
Which, if any, of the following housing aspects are you dissatisfied with in the Bisbee community?*	Existing homes are too expensive	50.5%	75.0%	+24.5 points
What type of housing do you reside in?*	Single-family home	83.0%	100.0%	+17.0 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

**Table A.5: Statistically Significant Survey Responses for Saginaw Respondents**

Question	Response	Overall Survey %	Saginaw Respondents %	Difference
What is your household's gross annual income?**	\$35,000 - \$50,000	19.1%	60.0%	+40.9 points
What should the local government's role be in regulating the housing market?**	Unsure/Don't know	7.5%	28.6%	+21.0 points
What type of neighborhoods in Bisbee would be the most suitable for the cottage housing type?**	Large lot single-family neighborhoods (half-acre lots and above)	28.7%	61.5%	+32.8 points
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing? *	Improve allowance of boarding houses (housing buildings with individual bedrooms and some shared living spaces)	30.7%	61.5%	+30.8 points

What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?*	Areas on or just behind commercial corridors	7.8%	23.1%	+15.3 points
What is your age?*	18 - 34	8.1%	25.0%	+16.9 points
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing? *	Land banking (i.e. obtaining and preserving certain lots for future affordable housing)	22.2%	46.2%	+24.0 points
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing? *	Allowance of manufactured homes	22.2%	46.2%	+24.0 points
What type of neighborhoods in Bisbee would be the most suitable for the multifamily/apartment housing type?*	Areas on or just behind commercial corridors	29.4%	53.8%	+24.4 points
Please rate your perceptions of purchasing a home in Bisbee*	Somewhat affordable or Very affordable	14.5%	33.3%	+18.9 points
Would you like to see housing stock increase in Bisbee?*	Yes, with a focus on low-density, single-family homes	13.2%	31.3%	+18.1 points
Within the past 3 years, have you had difficulty finding suitable housing within your budget in Bisbee?*	Not applicable to my situation	42.2%	66.7%	+24.5 points
Bisbee has really focused on providing better jobs closer to home*	Somewhat agree or Strongly agree	47.2%	26.7%	-20.5 points
What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?*	Large lot single-family neighborhoods (half-acre lots and above)	42.2%	15.4%	-26.9 points
What is your household's gross annual income?***	\$75,000+	28.4%	0.0%	-28.4 points
Bisbee has managed growth by focusing on infill of vacant lots rather than urban sprawl*	Somewhat agree or Strongly agree	55.3%	46.7%	-8.7 points
Please rate your perceptions of purchasing a home in Bisbee*	Somewhat expensive or Too expensive	76.1%	55.6%	-20.6 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

**Table A.6: Statistically Significant Survey Responses for Bakerville Respondents**

Questions	Response	Overall Survey %	Bakerville Respondents %	Difference
What areas of town have too many STRs?**	Bakerville	5.7%	26.7%	+20.9 points
What type of neighborhoods in Bisbee would be the most suitable for the cottage housing type?**	Urban density single-family neighborhoods (lots of 6,500 sq. ft and below)	20.5%	52.6%	+32.2 points
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing? **	Local government incentives for development of affordable units	42.4%	68.0%	+25.6 points
What should the local government's role be in regulating the housing market?**	Should intervene to help the most disadvantaged citizens	14.4%	32.0%	+17.6 points
What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?*	Nowhere	10.6%	26.3%	+15.7 points
What type of neighborhoods in Bisbee would be the most suitable for the Accessory Dwelling Units?*	Areas on or just behind commercial corridors	7.8%	21.1%	+13.3 points
Bisbee remains largely a community for artistic-types, retirees, and visitors*	Somewhat agree or Strongly agree	63.2%	76.0%	+12.8 points
Would you like to see housing stock increase in Bisbee?*	Yes, with a focus on low-density, single-family homes	13.2%	26.9%	+13.8 points
What do you believe the local government should do related to short-term rentals in the City?*	Unsure/don't know	11.6%	24.0%	+12.4 points
Please rate your perceptions of renting in Bisbee*	At the right price	3.7%	11.1%	+7.5 points
What should the local government's role be in regulating the housing market?*	Should proactively plan for land and community development	28.8%	8.0%	-20.8 points
Please rate your perceptions of purchasing a home in Bisbee*	Somewhat expensive or Too expensive	76.1%	59.3%	-16.8 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

**Table A.7: Statistically Significant Survey Responses for Tintown Respondents**

Questions	Response	Overall Survey %	Tintown Respondents %	Difference
Within the past 3 years, have you or anyone you know been displaced from their home in the past year due to rising housing costs?*	Me/Me and Others	10.9%	75.0%	+64.1 points
What areas of town have too many STRs?*	Tintown	3.7%	33.3%	+29.6 points
What areas of town have too many STRs?*	Saginaw	4.1%	33.3%	+29.3 points
What areas of town have too many STRs?*	Galena	5.1%	33.3%	+28.3 points
What areas of town have too many STRs?*	Bakerville	5.7%	33.3%	+27.6 points
What do you believe the local government should do related to short-term rentals in the City?*	Allow without restrictions	11.1%	50.0%	+38.9 points
In what ways do you think the cost and availability of housing is negatively affecting the economy in Bisbee?*	Contributes to overcrowding of rental units	14.5%	50.0%	+35.5 points
Within the past 3 years, have you had difficulty finding suitable housing within your budget in Bisbee?*	Yes	28.1%	75.0%	+46.9 points
In what ways do you think the cost and availability of housing is negatively affecting the economy in Bisbee?*	Increases homelessness	51.2%	100.0%	+48.8 points
What type of housing do you reside in?*	Single-family home	83.0%	25.0%	-58.0 points
What is your current living situation?*	Own	74.8%	25.0%	-49.8 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

**Table A.8: Statistically Significant Survey Responses for Respondents Reporting to live in Bisbee but not in noted neighborhoods**

Questions	Response	Overall Survey %	Elsewhere Respondents %	Difference
What should the local government do related to short-term rentals in the City?	Allow only in higher density areas but not single-family areas	5.8%	22.2%	+16.4 points
What type of neighborhoods in Bisbee would be the most suitable for the cottage housing type?	High-density apartment complex areas	9.1%	33.3%	+24.2 points
What should the local government's role be in regulating the housing market?	Should oversee development by enforcing building code and zoning regulations	16.2%	35.0%	+18.8 points
Within the past 3 years, have you had difficulty finding suitable housing within your budget in Bisbee?	Not applicable to my situation	42.2%	66.7%	+24.5 points
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing?	Changes to zoning code, regulations, and requirements that allow for a mixture of housing types	29.5%	0.0%	-29.5 points
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing?	Local government incentives for development of affordable units	42.4%	11.8%	-30.7 points
What type of housing do you reside in?	Single-family home	83.0%	63.6%	-19.4 points
What tools would you be in favor of local government or non-profit partners using in order to facilitate more housing?	Transitional housing (supportive, temporary housing that transitions individuals from homelessness to more permanent housing)	42.0%	17.6%	-24.3 points
What should the local government do related to short-term rentals in the City?	Allow everywhere but require owner-occupancy of the primary unit	18.8%	0.0%	-18.8 points
Bisbee has managed growth by focusing on infill of vacant lots rather than urban sprawl	Somewhat agree or Strongly agree	55.3%	28.6%	-26.8 points
Housing in Bisbee has adapted to meet community needs	Somewhat agree or Strongly agree	49.7%	23.8%	-25.9 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

**Table A.9: Statistically Significant Survey Responses for Respondents Reporting to live outside of Bisbee but in Cochise County**

Questions	Response	Overall Survey %	Cochise Respondents %	Difference
What areas of town have too many STRs?**	Bakerville	5.7%	25.0%	+19.3 points
What type of neighborhoods in Bisbee would be the most suitable for the cottage housing type?**	Low-density multifamily areas	21.9%	38.2%	+16.4 points
What do you believe the local government should do related to short-term rentals in the City?*	Allow without restrictions	11.1%	15.4%	+4.2 points
What type of neighborhoods in Bisbee would be the most suitable for the duplex/triplex housing type?*	High-density apartment complex areas	19.7%	33.3%	+13.6 points
What type of housing do you reside in?*	All other housing types besides single-family homes	13.8%	38.2%	+24.4 points
What should the local government's role be in regulating the housing market?*	Should oversee development by enforcing building code and zoning regulations	16.2%	3.8%	-12.4 points
What type of housing do you reside in?*	Single-family home	83.0%	58.8%	-24.2 points

Source: Points Consulting's Comprehensive Housing Study Community Survey

## Appendix B: Detailed Data

This appendix presents in-depth data not explicitly included in the main body of the report. The information here reflects findings from the housing needs forecast, including housing needs by income level for both owner- and renter-occupied units. It also includes changes in Area Median Income (AMI) distribution and total housing needs by AMI.

PC's analysis of housing needs by income level analysis revealed that some AMI categories resulted in a "negative" housing need. These numbers represent the net housing need, as opposed to the gross housing need shown in Figure 3.5. To clarify, this does suggest that we expect or recommend the removal of existing housing units. Rather these units need to be redistributed to lower AMI levels to align with growth projections.

The negative net outcomes reflect a mismatch between current housing supply and the needs of lower-income households, particularly those experiencing cost burdens. Moreover, our overall housing needs forecast (based on projected population growth) does not call for as many new units as are currently needed to address cost-burden status alone. Thus, this led to AMI-level needs that do not necessarily fit with what is supported by population projections.

It would be ideal if all cost-burdened households could be served simply by building more housing, that assumption does not hold up empirically and would be an irresponsible basis for planning. Therefore, we aligned AMI-level housing needs with the total housing need forecasts to ensure internal consistency in our projections.

**Table B.1: Status Quo Net Housing Needs by Income Level by Tenure**

AMI Category	Existing Housing	Projected Housing Needs	New Units Needed by 2043
<b>Rentals</b>			
0-30% AMI	382	401	19
30-50% AMI	77	93	15
50-80% AMI	88	96	8
80-100% AMI	31	27	(5)
100-120% AMI	79	59	(20)
120%+ AMI	164	120	(44)
<b>Ownership</b>			
0-30% AMI	0	0	0
30-50% AMI	207	248	41
50-80% AMI	428	467	39
80-100% AMI	208	178	(30)
100-120% AMI	195	145	(50)
120%+ AMI	984	719	(265)

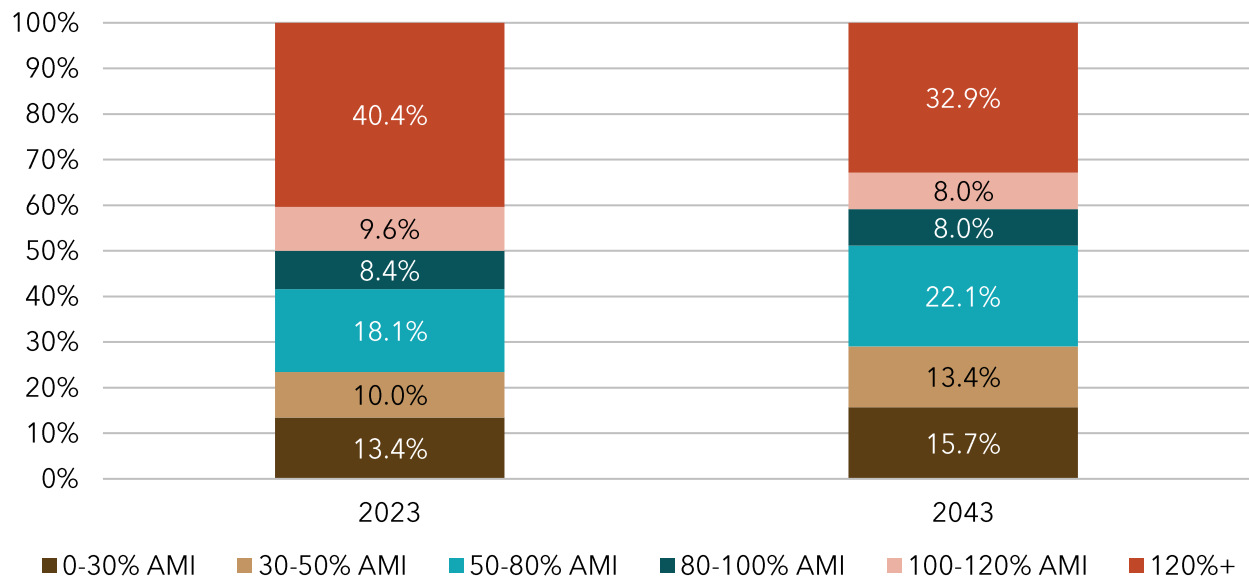
Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; U.S. Census Bureau, 2023 5-Year Estimates, Table S2503

**Table B.2: Equitable Net Housing Needs by Income Level by Tenure**

AMI Category	Existing Housing	Projected Housing Needs	New Units Needed by 2043
<b>Rentals</b>			
0-30% AMI	382	476	94
30-50% AMI	77	110	33
50-80% AMI	88	114	26
80-100% AMI	31	32	1
100-120% AMI	79	70	(9)
120%+ AMI	164	142	(22)
<b>Ownership</b>			
0-30% AMI	0	0	0
30-50% AMI	207	295	88
50-80% AMI	428	555	127
80-100% AMI	208	212	3
100-120% AMI	195	172	(23)
120%+ AMI	984	854	(130)

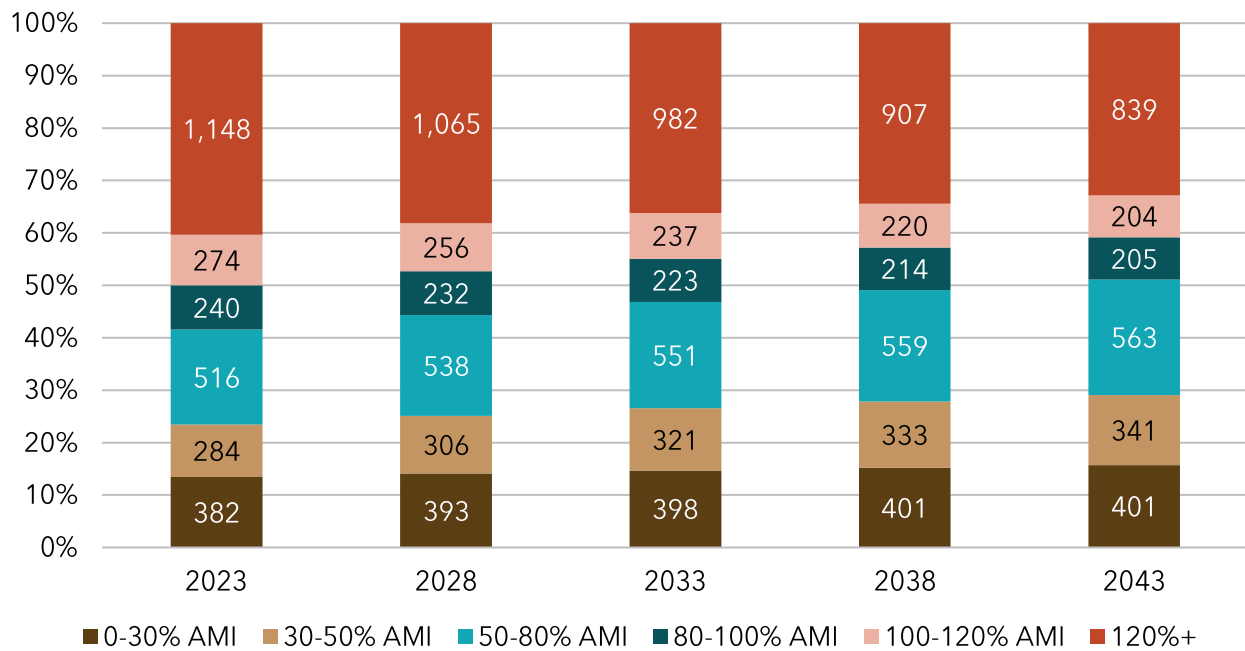
Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; U.S. Census Bureau, 2023 5-Year Estimates, Table S2503

**Figure B.1: Target 2043 AMI Unit Distribution Compared to Current 2023 AMI Distribution**



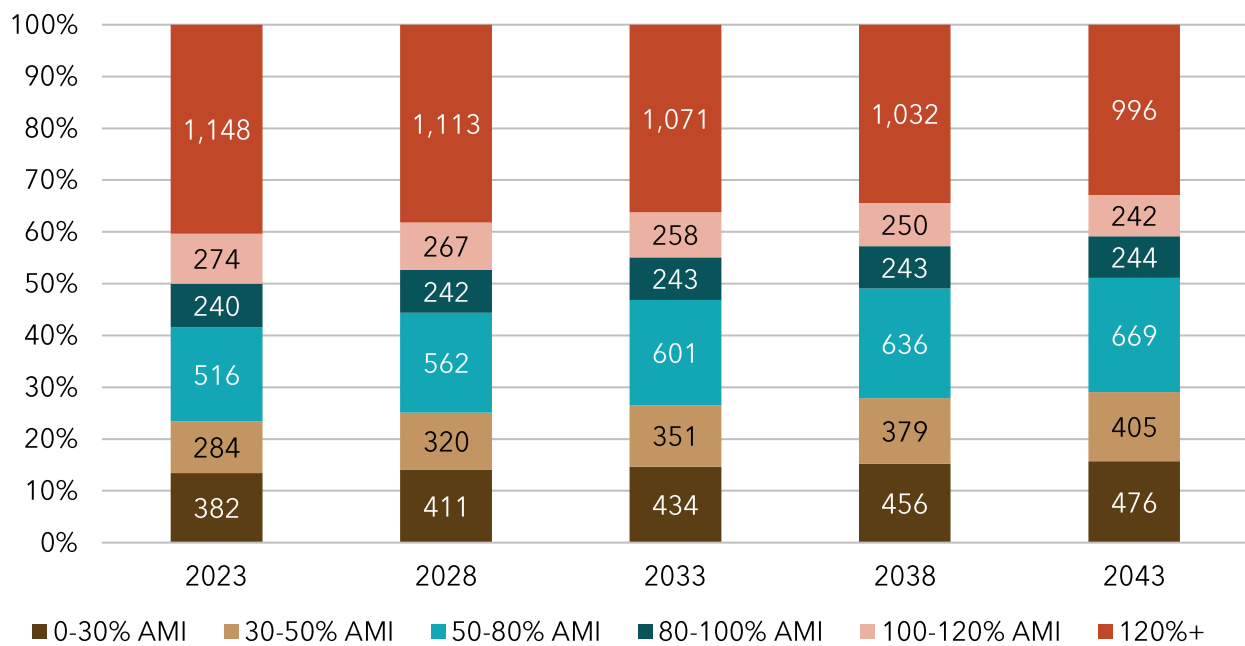
Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

**Figure B.2: Status Quo Distribution of Housing Needs by AMI Level, 2023-2043**



Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

**Figure B.3: Equitable Distribution of Housing needs by AMI Level, 2023-2043**



Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

**Table B.3: Status Quo AMI Forecast, 5-Year Counts and Net Changes**

Income Level	2023	2028	2033	2038	2043	Net Change	Net % Change
0-30% AMI	382	393	398	401	401	19	4.9%
30-50% AMI	284	306	321	333	341	57	20.0%
50-80% AMI	516	538	551	559	563	47	9.2%
80-100% AMI	240	232	223	214	205	(35)	(14.4%)
100-120% AMI	274	256	237	220	204	(70)	(25.6%)
120%+ AMI	1,148	1,065	982	907	839	(309)	(26.9%)
Total	2,844	2,790	2,712	2,632	2,553	(291)	(10.2%)

Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

**Table B.4: Equitable AMI Forecast, 5-Year Counts and Net Changes**

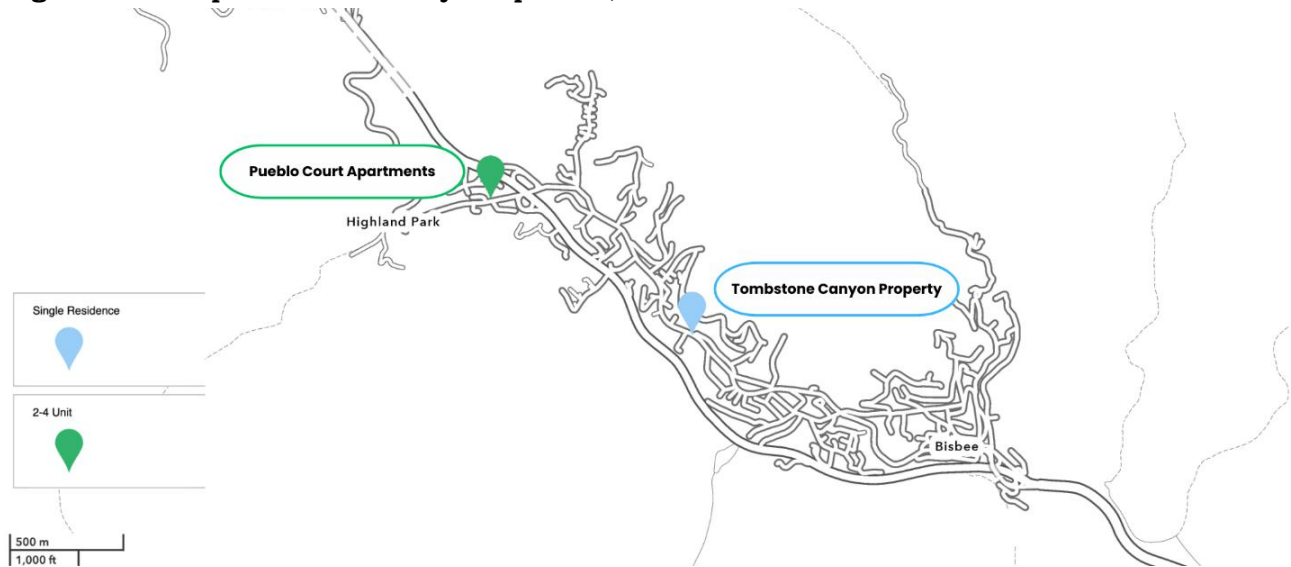
Income Level	2023	2028	2033	2038	2043	Net Change	Net % Change
0-30% AMI	382	411	434	456	476	94	24.6%
30-50% AMI	284	320	351	379	405	121	42.5%
50-80% AMI	516	562	601	636	669	153	29.7%
80-100% AMI	240	242	243	243	244	4	1.6%
100-120% AMI	274	267	258	250	242	(32)	(11.7%)
120%+ AMI	1,148	1,113	1,071	1,032	996	(151)	(13.2%)
Total	2,844	2,915	2,957	2,996	3,033	188	6.6%

Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021

## Appendix C: Low-Income Housing Market Data

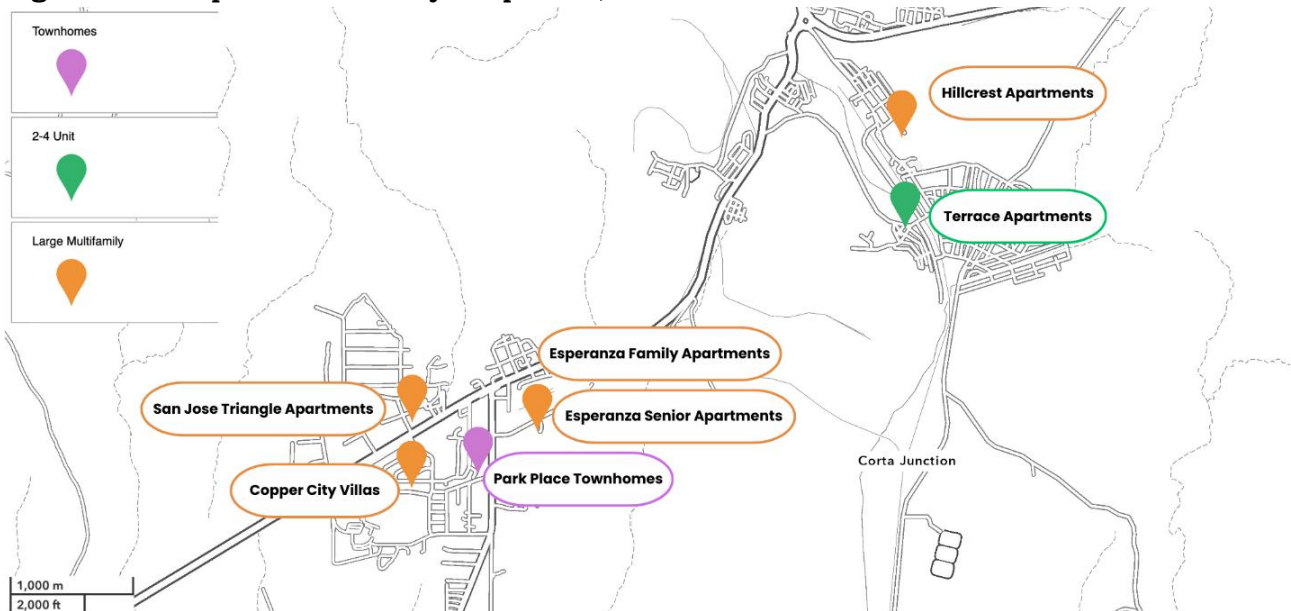
PC's comprehensive analysis included the investigation of the multifamily rental market. On average, households in Bisbee earn less than households in the County, Arizona, and the United States. As a result, residents could benefit from more rent-subsidized units. One way these units are developed is through low-income housing tax credits (LIHTCs). Market studies are often required for LIHTC projects to secure funding. To help streamline this process, we have compiled commonly used market study data. Figures C.1 and C.2 both depict verified multifamily properties.

**Figure C.1: Map of Multi-Family Properties, Old Bisbee**



Source: Points Consulting using Esri Business Analyst, 2025

**Figure C.2: Map of MultiFamily Properties, Warren and San Jose**



Source: Points Consulting using Esri Business Analyst, 2025

During on-site visits, we interviewed the manager of each LIHTC property in Bisbee, along with conducting a general review of the properties themselves. Through this process, we noted unit numbers, sizes, income-limit splits (by AMI), and included amenities. Table C.1 reports the rent per square foot of each unit by income restriction at each property.

**Table C.1: Rent-Subsidized Units, Rent per Square Foot**

Rent per SF	Esperanza Senior	Esperanza Family	San Jose Triangle	Copper City Villas
<b>1-Bedroom Units</b>				
40% AMI	\$0.83	--	--	--
50% AMI	\$1.04	--	--	\$1.03
60% AMI	\$1.24	--	--	--
80% AMI	--	--	\$1.69	--
<b>2 Bed/1 Bath Units</b>				
50% AMI	--	\$0.77	--	\$0.74
60% AMI	--	\$0.93	--	--
80% AMI	--	--	\$1.23	--
<b>3 Bed/2 Bath Units</b>				
50% AMI	--	\$0.77	--	--
60% AMI	--	\$0.78	--	--

Source: Points Consulting On-site Interviews, 2025

LIHTC market studies must often determine the capture rate of the current market to assess how much demand remains for a proposed development. With no units under construction or proposed, Table C.2 shows the current unit capture rate and demand for potential future units. According to our analysis, there are notable gaps in supply at both the 0-30% AMI and 50-80% AMI levels.

**Table C.2: Unit Capture Rate of Rent-Subsidized Units by AMI Level**

Type	0-30% AMI	30-50% AMI	50-80% AMI	Total
Income Qualifying HH In Bisbee	382	284	516	1,182
Existing Units	0	65	26	91
Existing Units Capture Rate	0.0%	22.9%	5.0%	7.7%
Demand Less Existing Units	382	219	490	1,091

Source: U.S. Census Bureau, 2014-2023 5-Year Estimates, Table S1901; Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2017-2021; Points Consulting On-site Interviews, 2025

The following figures depict all four of the existing, low-income multifamily properties: Esperanza Senior Apartments, Esperanza Family Apartments, San Jose Triangle Apartments, and the Copper City Villas.

**Figure C.3: Esperanza Senior Apartments**



Source: Points Consulting On-site Visit, March 2025

**Figure C.4: Esperanza Family Apartments**



Source: Points Consulting On-site Visit, March 2025

**Figure C.5: San Jose Triangle Apartments**



*Source: Points Consulting On-site Visit, March 2025*

**Figure C.6: Copper City Villas**



*Source: Google Maps, Street View, November 2024*

The features and amenities of the LIHTC properties at the time of our assessment are reported in Table C.3.

**Table C.3: Features/Amenities of Rent-Subsidized Properties in Bisbee, AZ**

<b>Feature/Amenity</b>	<b>Esp. Senior</b>	<b>Esp. Family</b>	<b>San Jose Triangle</b>	<b>Copper City</b>
Elevators	N	N	Y	N
Cooking	Y	Y	Y	Y
Water Heat	Y	Y	Y	Y
Heat	Y	Y	Y	Y
AC	N	N	N	Y
Other Electric	N/A	N/A	N/A	N/A
Water incl.	Y	Y	Y	Y
Sewer incl.	Y	Y	Y	Y
Trash incl.	Y	Y	Y	Y
Balcony/Patio	Y	Y	N	N
Carpeting	Y	Y	Y	N/A
Hardwood	N	N	N/A	N/A
Ceiling Fan	N/A	N/A	N/A	N/A
Coat closet	N/A	N/A	N/A	N/A
Exterior Storage	Y	N	Y	N/A
Walk-In Closet	N/A	N/A	Y	N/A
W/D hookup	N	N	N	N
Dishwasher	N/A	N/A	N	N
Disposal	Y	Y	N/A	N/A
Microwave	N/A	N/A	N	Y
Oven	Y	Y	Y	Y
Refrigerator	Y	Y	Y	Y
Business Center	N	N	N	N
Community Room	N	N	Y	N
Central Laundry	Y	Y	Y	Y
On-site Mgmt	Y	Y	Y	Y
Playground	Y	Y	N	Y
Picnic Area	Y	Y	Y	Y
Recreational Area	N/A	N/A	N/A	N/A
Service Coordination	N/A	N/A	N/A	N/A
Intercom	N/A	N/A	Y	N/A
Limited Access	N/A	N/A	Y	N
Video Surveillance	N/A	N/A	Y	N
Carport	N	N	N	N
Carport Fee	N/A	N/A	N/A	N/A
Off-Street Parking	Y	Y	Y	Y
Security	N	N	N	N
Parking Spots	~24	~42	~32	~64
Parking % Used Daytime	~40%	~25%	~10%	~10%
Parking % Used Night	~80%	~75%	~30%	~20%

Source: Points Consulting On-site Interviews, 2025

The full LIHTC supply stock in Bisbee is outlined in Table C.4 below. The San Jose Triangle Apartments and Copper City Villas do not include traditional unit splits. Due to United States Department of Agriculture (USDA) Rural Development (RD) tax credits, these properties were not required to split their units across varying AMI levels. Instead, the Copper City Villas restrict all units to households earning up to 50% AMI, while San Jose Triangle Apartments cap all units at 80% of AMI.

Additionally, one unit in the San Jose Triangle was extensively renovated after severe deterioration and is now listed at market rate. As shown in Table C.4, all properties currently have waiting lists, no vacant units, and a vacancy rate of 0%.

**Table C.4: Rent-Subsidized Properties Unit Matrix in Bisbee, AZ**

Property Name Address	Type/Built	Rent Structure	Unit Size	#	%	Size (SF)	Restriction	Rent	Max Rent?
Esperanza Senior Apartments 100 Esperanza Ln Bisbee, AZ 85603	1-Story 1987 Senior	LIHTC/USDA RD	1bd/1ba	4	20.0%	598	40% AMI	\$495	Y
			1bd/1ba	12	60.0%	598	50% AMI	\$619	Y
			1bd/1ba	4	20.0%	598	60% AMI	\$743	Y
				Total 20					
Esperanza Family Apartments 102 Esperanza Ln Bisbee, AZ 85603	2-Stories 1987 Family	LIHTC/USDA RD	2bd/1ba	7	29.2%	799	50% AMI	\$619	Y
			2bd/1ba	4	16.7%	799	60% AMI	\$743	
			3bd/2bth	6	25.0%	947	50% AMI	\$619	
			3bd/2bth	6	25.0%	947	60% AMI	\$743	
			3bd/2bth (NR)	1	4.2%				
				Total 24					
San Jose Triangle 100 Navajo Drive Bisbee, AZ 85603	2-Stories 1987 Senior	LIHTC/USDA RD	1bd/1ba	2	8.3%	587	80% AMI	\$990	Y
			2bd/1ba	20	83.3%	804			
			2bd/1ba (NR)	1	4.7%	804			
			2bd/1ba (MR)	1	4.7%	804		\$1,075	
				Total 24					
Copper City Villas 508 W Melody Ln Bisbee, AZ 85603	2-Stories 1987 Family	LIHTC/USDA RD	1bed/1bath	8	22.2%	600	50% AMI	\$619	Y
			2bed/1bath	27	75.0%	832			
			2bed/1bath	1	2.8%	832			
			(NR)	Total 36					

Source: Points Consulting On-site Interviews, 2025; PolicyMap based on HUD data