



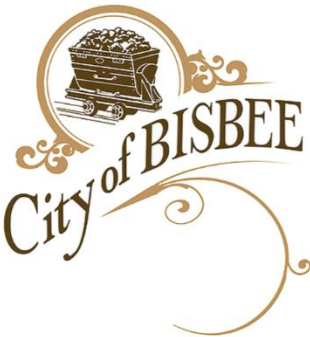
Prepared by
Points Consulting

Bisbee Continuing Care Retirement Community Feasibility Study

May 22, 2026



Prepared for:



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HEALTH FOR ALL



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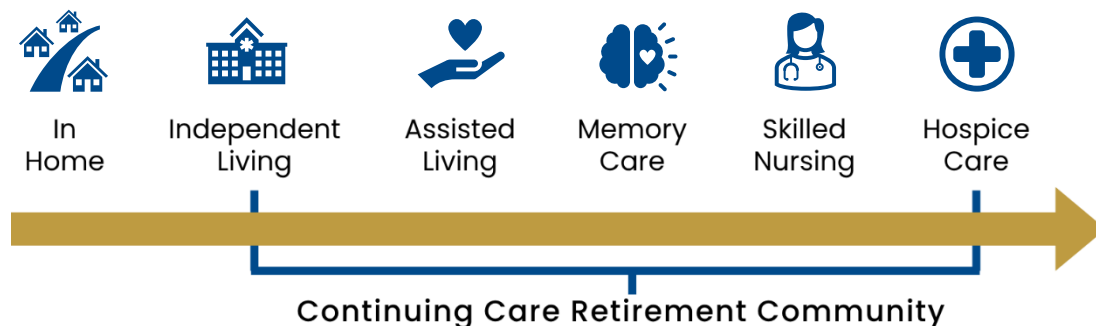
1. Executive Summary

In March 2026, Points Consulting (PC) was hired by a stakeholder group in Southern Cochise County, Arizona to complete a market feasibility study for a Continuing Care Retirement Community (CCRC). A previous study was completed in December 2014, and the stakeholder group sought to update and expand upon that work with PC's assistance.¹

One aspect of the previous study that has changed is the facility type under consideration. The 2014 study aimed to gauge demand for a senior care facility. However, a CCRC differs in that it offers a range of living options across the care continuum. Stages along the continuum include:

- **Senior housing:** Traditional single-family housing development restricted to residents aged 55 and older
- **Independent living (IL):** Apartment and group-style living with no in-home assistance
- **Assisted living (AL):** Similar to IL, but with staff providing assistance with activities of daily living (ADLs)
- **Memory care (MC):** Similar to IL and AL, but specifically designed for residents with dementia, Alzheimer's disease, and other neurodegenerative conditions
- **Skilled nursing (SN):** 24-hour care providing full ADL support, including nursing and physical therapy for injury recovery and rehabilitation
- **Hospice and palliative care:** End-of-life care, typically focused on the final weeks of life (not primarily considered in this project)

Figure 1.1: Continuing Care Retirement Community Infographic

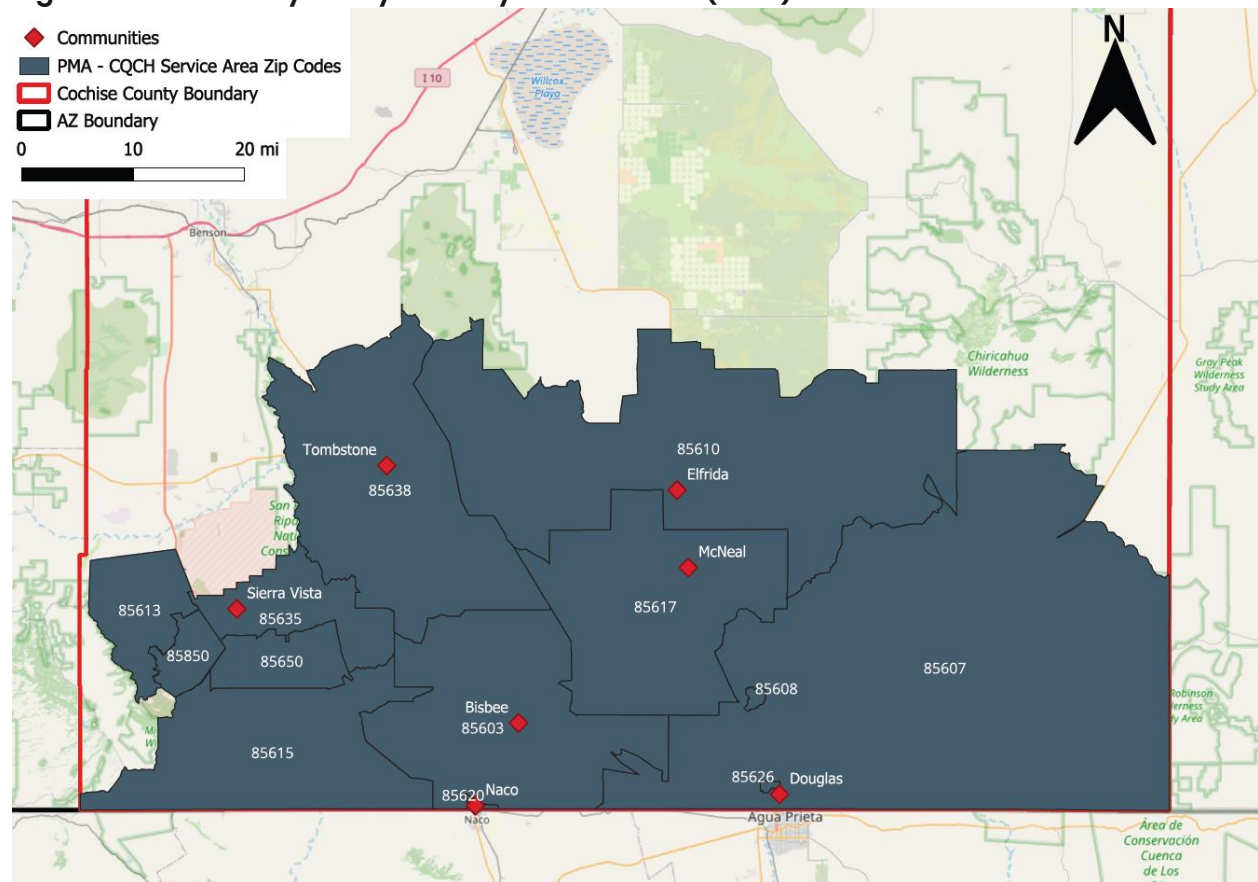


Source: Points Consulting, 2026

¹ "Plans, Studies, Reports & Comprehensive Documents: Senior Care Facility Feasibility Study 12/22/2014," City of Bisbee, Arizona, accessed March 26, 2026, <https://www.bisbeeaz.gov/2259/Plans-Studies-Reports-Comprehensive-Docu>.

Our feasibility study aimed to measure the supply and potential demand across the care continuum. Additionally, we have considered a different Primary Market Area (PMA) than the 2014 study. The PMA represents the primary geographic area of interest, within which we have evaluated measures of demand as well as existing and emerging supply of units. For this study, the PMA is defined by the service area of Copper Queen Community Hospital (CQCH), encompassing the ZIP Codes it serves, as shown in Figure 1.2.

Figure 1.2: Feasibility Study Primary Market Area (PMA)



Source: Points Consulting using U.S. Census Bureau TIGER/Line Shapefiles; Copper Queen Community Hospital

Our market analysis resulted in the finding that there is unmet demand for a CCRC in the PMA. For market demand, our team primarily reviewed regional demographics, paying particular attention to the population growth trends of senior age groups. We also examined the ability to pay of households in the PMA through income levels, non-labor income, home equity, and Medicaid. With a growing population of individuals aged 65+, a significant share of the population being income qualified, and with strong growth of non-labor income in the PMA, our team determined that there is strong demand for a CCRC facility.

For market supply, our team analyzed existing regional facilities through the use of licensing data from the Arizona Department of Health Services (ADHS), comparable facilities, healthcare access, and labor supply. Ultimately, our team found about 373 active IL/AL units and 330 SN units in the PMA at the time of our assessment. We also found that the number of IL/AL units has been growing since about 2019, indicating a healthy market for these units in the PMA.

Our team also reviewed three separate site options in the Bisbee area for potential CCRC development. Through this process and the assistance of the steering committee, we determined that the Sierra Cobre property was most beneficial for a CCRC development. Given the available land, a facility with a capacity of 60 was proposed for analysis.

Our team also determined the required capture rate for a 60-unit facility. Beginning with the total number of individuals aged 65+ within the PMA, we controlled for income qualification, the percentage of seniors living alone, the percentage of seniors reporting some type of disability, and adjusting based on the percentage of seniors living with non-spousal family members.

With these adjustments, we determined the market demand for a CCRC facility was approximately 863 units. Accounting for current market supply (373 units), we found the total unmet market demand to be 490 individuals. With a 60-unit facility, the required capture rate would be approximately 12.2%, very reasonable for a development of this scale in the region.

Following the facility size proposal, the project team constructed three different development scenarios to determine financial viability. After considering different unit mixes, pricing strategies, and development costs, our analysis resulted in three financially viable scenarios. As reported in Table 1.1, several different styles of development are options to consider. Ultimately, a development in the style of Model 1 would likely suit the community best, given demand context, supply context, and community feedback.

Table 1.1: Development Scenario Financial Summary

Development	Net Present Value	Internal Rate of Return	Payback Period
Model 1: Senior Cottage Community	\$40.2M	43.5%	4 Years
Model 2: Hybrid Village Model	\$12.6M	11.4%	15 Years
Model 3: Centralized Facility	\$13.0M	12.5%	14 Years

Source: Points Consulting Calculations, 2026

2. Demand Assessment

In the market, the demand side of the equation reflects the overall need for CCRC units. In this study, we will show demand in the PMA by examining senior housing trends, regional demographics, and the ability to pay for CCRC services, including on-site amenities and care. Ultimately, this analysis will produce an estimate of the number of senior households that may require care services and are able to finance them through private pay, subsidies, or other funding sources.

Throughout the Demand Assessment, we present data for the 55+, 65+, and 75+ age cohorts. An important component of the feasibility study is identifying the demographic groups most likely to utilize the facility. The 55+ cohort is included to a lesser extent, as individuals in this group are generally only eligible for senior housing and are far less likely to require assisted living services, particularly if they are still physically independent. The 65+ cohort is emphasized most prominently due to the availability of income data, which is a critical factor in assessing demand. The 75+ cohort is included where data allows. However, income data is less consistently available at this level of detail.

General Demand Context

Anecdotally, a significant portion of residents in the PMA would prefer a CCRC in the Bisbee area over existing facilities in areas such as Sierra Vista. Bisbee is a unique place for many reasons, and it has a distinct appeal that other areas in Arizona do not. For example, Bisbee is located primarily in the Mule Mountains at a higher elevation, allowing it to experience some seasonality while rarely dropping below freezing in the winter due to Arizona's location in the Southwest. While many choose to retire in Arizona for its climate, others find it can become too hot. Bisbee offers a solution to that concern.

Furthermore, there are limited senior housing units (and a severe shortage of IL and AL units) in the 85603 ZIP Code area, despite more than 35% of Bisbee's population being aged 65 or older. Our team has heard numerous accounts of residents in Bisbee and Douglas needing to send aging family members to Sierra Vista or as far as Tucson or even Phoenix to access the level of assisted care required. These same residents indicate that, if a facility existed in Bisbee, they would have chosen that option instead. Given the strong sense of community they have built, it is unsurprising that both longtime and "transplanted" residents prefer to use a facility in the Bisbee area.

Community Focus Group

On April 1, 2026, the PC project team conducted a community focus group at the Bisbee Senior Center to gather broader public input on a potential CCRC facility in the City. Approximately 30 individuals interested in the facility participated. The team provided a brief introduction, explained the project and the CCRC model, and then facilitated a guided discussion on the proposed facility.

Overall, a number of important themes emerged throughout the session:

- **Cost-consciousness:** The group largely agreed that a fully private facility would be unaffordable for many local residents and could therefore limit access.
- **Community feel:** A CCRC facility in Bisbee, rather than in Sierra Vista or elsewhere, was strongly preferred by the group. This preference was largely driven by the desire to remain close to friends with whom they have built strong, long-standing relationships in Bisbee.
- **Ease of transition:** The concept of multiple levels of care within a single facility resonated strongly with the group. Participants agreed that it would be beneficial to move their belongings only once and then transition through the care continuum without having to relocate again.
- **Potential for further investment:** The group broadly viewed the facility as a strong economic development opportunity. It was seen as a potential source of new jobs in the community, with additional interest in the possibility of mixed-use commercial and residential development alongside the facility.

Considering the themes together, the community generally feels there is demand for the proposed facility. However, careful consideration will need to be given to the financial structure to ensure it can serve a broad range of residents.

National Senior Age Demographic Trends

The 65-and-older age group in the United States has grown rapidly and is expected to continue expanding, as all Baby Boomers will be part of this cohort by 2030.² This will result in a projected population of 71 million people aged 65 or older (a 12% increase compared to 2025). Additionally, seven out of 10 seniors will need senior care services at some point, meaning 70% of this population will require care, whether through at-home services, assisted living, or nursing facility options.³

² PwC & Urban Land Institute, "Senior Housing," Emerging Trends in Real Estate®, accessed March 16, 2026, <https://www.pwc.com/us/en/industries/financial-services/asset-wealth-management/real-estate/emerging-trends-in-real-estate-pwc-uli/property-type-outlook/senior-housing.html>.

³ Shuman, Taylor, "2026 Nursing Home Demand Statistics: The 'Silver Tsunami,'" SeniorLiving.org, November 17, 2025, <https://www.seniorliving.org/nursing-homes/nursing-home-demand-projections/>.

According to data from the U.S. Census Bureau and the Kaiser Family Foundation, Arizona is projected to experience one of the largest increases in its population aged 65 and older among all 50 states, potentially rising 22.2% between 2025 and 2030.⁴ This growth is driven both by the aging of current residents and the in-migration of retirees, who tend to relocate to sunnier states. As a result, Arizona would need about 3,574 new skilled nursing facility beds by 2030 to maintain the current ratio of seniors to nursing facility capacity. However, despite a 64.2% increase in the 65-and-older population since 2015, the number of nursing home beds in Arizona has declined over the same period.^{5 6}

Regional Demographics

While Arizona's population has increased 20.6% since 2010, both Bisbee and Cochise County have experienced population declines over the same period (-10.7% and -1.7%, respectively).⁷ Although Cochise County has rebounded since 2017, Bisbee's population has continued to decline over the past two years. However, the senior populations in Bisbee and Cochise County tell a different story. The population of residents aged 55 and older has increased 18.8% in Bisbee and 13.8% in Cochise County since 2010, growing not only in concentration, as shown in Figure 2.1, but also in total number.⁸

Table 2.1 & Table 2.2 display a summary of the region's overall population compared to state and national averages. Cochise County has a median age three years higher than that of the United States, while Bisbee's median age is nearly 20 years higher than the national average. As expected in areas with larger retiree and senior populations, Bisbee and Cochise County have comparatively lower median household incomes and significantly higher disability rates than state and national averages.

⁴ Ibid.

⁵ Kaiser Family Foundation, "Average Number of Certified Nursing Facility Beds," KFF analysis of Nursing Home Compare, accessed on March 18, 2026, <https://www.kff.org/other-health/state-indicator/average-number-of-certified-nursing-facility-beds/>.

⁶ U.S. Census Bureau, U.S. Department of Commerce, "United States, 2004–2030, by State, Age, and Sex," CDC Wonder Online Database, accessed on March 18, 2026, <http://wonder.cdc.gov/population-projections.html>.

⁷ Arizona Office of Economic Opportunity, "Population Estimates," 1980–2025, *Population Estimates Program*, accessed March 12, 2026, <https://oeo.az.gov/population/estimates>.

⁸ U.S. Census Bureau, U.S. Department of Commerce, "ACS Demographic and Housing Estimates," 2024, *American Community Survey, ACS 5-Year Estimates Detailed Tables, Table DP05*, accessed March 26, 2026, <https://data.census.gov/table?q=DP05>.

Table 2.1: Key Socioeconomic Statistics Comparison

Metric	Bisbee	Cochise County	Arizona	United States
Total 2025 Population	4,954	129,042	7.7M	334.9M
Households	2,683	50,982	2.9M	129.2M
Median Household Income	\$47,613	\$59,742	\$79,964	\$80,734
Median Age	58.7	43.0	39.0	38.9
Poverty Rate	15.2%	15.4%	12.5%	12.5%
Disability Rate	23.5%	19.2%	13.8%	13.3%

Source: Arizona Office of Economic Opportunity, 2025 & U.S. Census Bureau 2024 ACS 5-Year Estimates

Table 2.2: Key Housing Statistics Comparison, 2024

Metrics	Bisbee	Cochise County	Arizona	United States
Housing Units	3,256	59,666	3.2M	143.8M
Avg. Persons per Household	1.73	2.35	2.53	2.53
Renter-Occupied Percentage	29.4%	29.0%	32.6%	34.8%

Source: U.S. Census Bureau ACS 5-Year Estimates, Tables DP05 & S1101

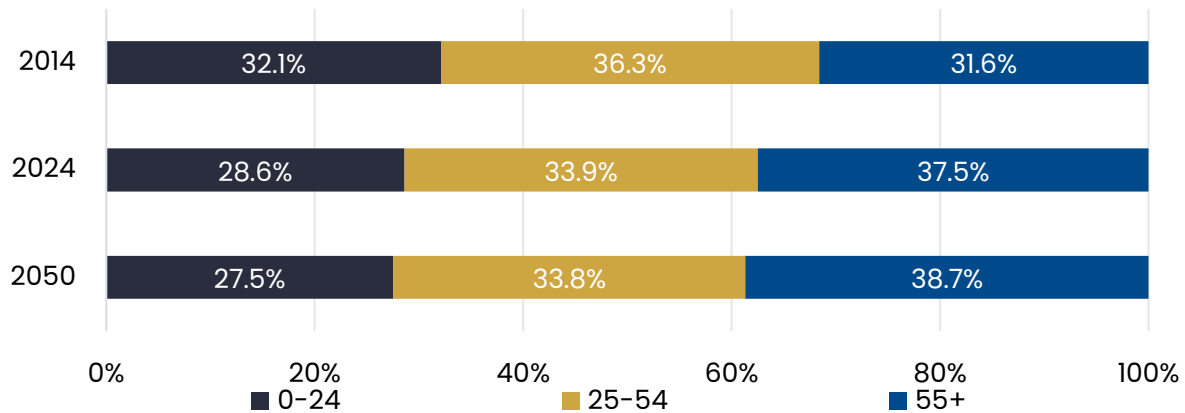
As noted above, the senior population in Cochise County has increased significantly despite an overall population decline over the past decade. Table 2.3 illustrates the expected change in population over the next 10 years, both overall and among older age groups. Figure 2.1 shows the shifting age demographics in the County from 2014 to 2024, as well as the projected distribution in 2050. As Cochise County evolves over the next 25 years, total population may not grow but we expect the number of seniors to increase. This demographic shift warrants careful consideration of how the County will need to adapt to meet the needs of its population, which could include a CCRC.

Table 2.3: Projected 10-Year Population Change by Age Group, 2025–2035

	Cochise County		Arizona		United States	
	#	%	#	%	#	%
Population Change	(2,215)	(1.7%)	812,444	10.5%	12.8M	3.8%
Population Change, Age 45+	46	0.1%	704,474	20.3%	14.2M	9.8%
Population Change, Age 65+	2,839	8.0%	550,445	32.6%	12.5M	19.7%
Population Change, Age 75+	2,296	62.3%	179,936	96.8%	4.1M	58.6%

Source: Arizona Office of Economic Opportunity, Population Projections, Medium Series

Figure 2.1: Population Age Composition, Cochise County

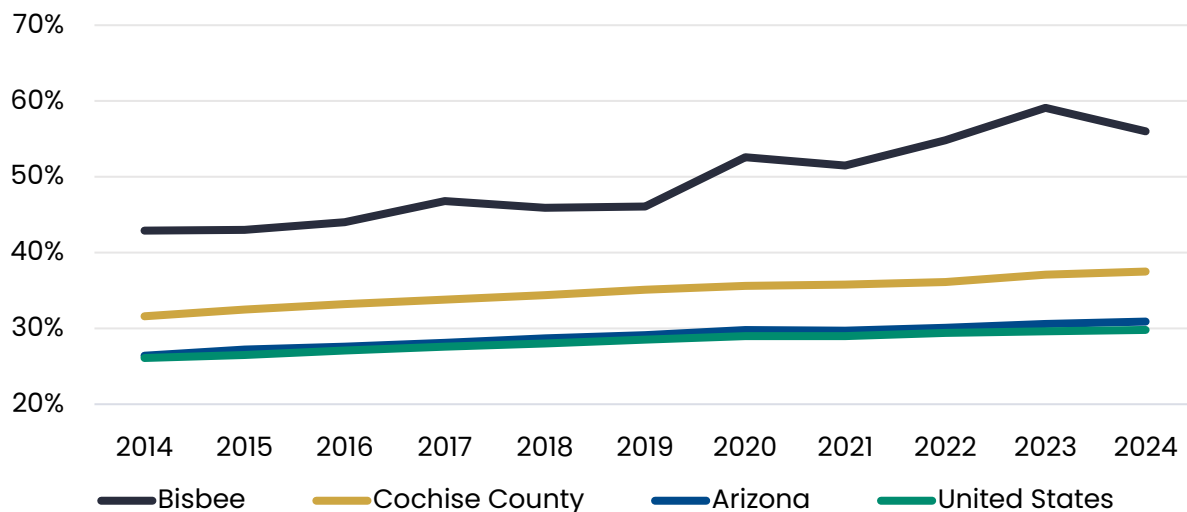


Source: U.S. Census Bureau, ACS 5-Year Estimates, Table DP05 2014-2024 & Arizona Office of Economic Opportunity, Population Projections

Figure 2.2 illustrates the comparatively large population aged 55 and older in Bisbee relative to Arizona and the United States. The national average is approximately 29.8 percent, while Bisbee exceeds this by 26.2 percentage points, with well over half (56.0 percent) of its population aged 55 and older.

While the U.S. Census Bureau does its best to calculate estimates for all communities each year, there are imperfections and those typically show up in smaller communities. Potentially lower response rates and smaller populations lead to larger margins of error and are reflected in fluctuating estimates. As shown in Figure 2.2, the estimates for Bisbee fluctuate over time, however, it is clear that the percentage of Bisbee's population aged 55+ is increasing over time.

Figure 2.2: Percent of Population 55+, 2014–2024



Source: U.S. Census Bureau, ACS 5-Year Estimates, Table DP05 2014 & 2024

The U.S. Census Bureau collects certain metrics for households with householders aged 65 and older. Table 2.4 presents some of these metrics. The percentage of seniors living alone in Bisbee is substantially higher than the national average, at 53.2%. This population would be a likely demographic to benefit from a CCRC, as such a facility would provide both social engagement and assistance with medical or daily living needs. It is worth noting that Bisbee has a significantly larger proportion of seniors who rent their homes rather than own them.

An important note on the socioeconomic statistics among senior households in Bisbee is that they are actually impoverished at a lower rate than Cochise County at large. Additionally, the Bisbee senior community is largely similar to rates at the national level.

Table 2.4: Socioeconomic Statistics for Householders 65+

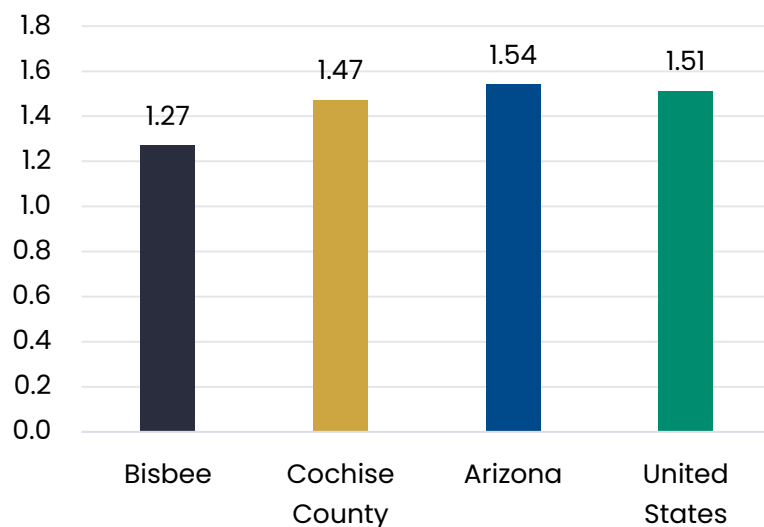
Metric	Bisbee	Cochise County	Arizona	U.S.
Percent Households with one or more 65+	53.8%	44.4%	34.6%	31.8%
Percent of Seniors That Live Alone	53.2%	30.5%	24.8%	26.6%
Poverty Rate	11.7%	13.6%	10.3%	10.8%
Disability Rate	33.1%	36.5%	32.0%	32.9%
Percent Renter-Occupied	29.5%	17.7%	17.4%	21.7%

Source: U.S. Census Bureau ACS 5-Year Estimates, Tables S1101, S1701, S1810, & B25011

Not only is the concentration of seniors in Bisbee much higher than at the state and national levels, but the average household size among seniors is also smaller (Figure 2.5). PC estimated senior household sizes in Bisbee, Cochise County, Arizona, and the United States using data from HUD's Comprehensive Housing Affordability Strategy (CHAS). On average, senior households in Bisbee have 0.24 fewer people than senior households nationwide, largely due to the large proportion of seniors living alone in the City.

Anecdotally, community stakeholders have indicated that many seniors move to Bisbee as singles with the intention of remaining there. This trend departs slightly from that of other retirement

Figure 2.3: Senior Average Household Size

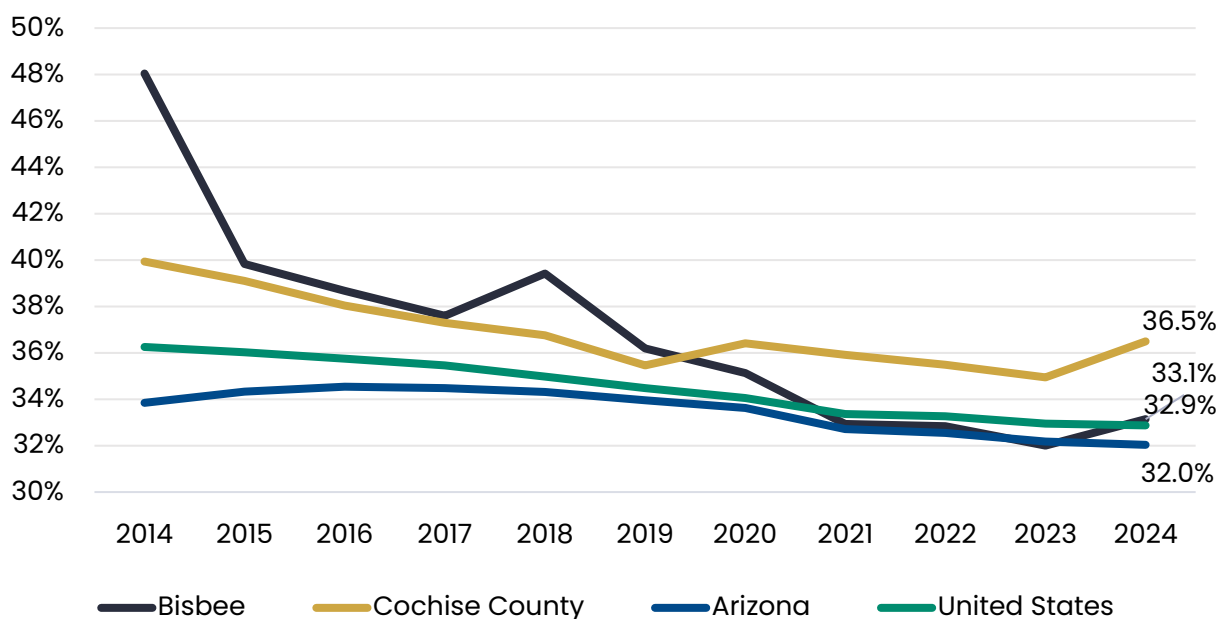


Source: Points Consulting using HUD Comprehensive Housing Affordability Strategy, 2018-2022

communities. Many residents create lasting relationships and thus prefer to remain in Bisbee long-term.

Seniors in Bisbee and Cochise County are slightly more likely to have a disability than the national average. In Bisbee, the disability rate among seniors has declined significantly over the past 10 years, from 48.0% in 2014 to 33.1% in 2024. This is just 0.3 percentage points above the national rate. In contrast, Cochise County's senior disability rate has remained relatively constant, a few percentage points higher than the national average since 2014, and as of 2024 is approximately 3.6 percentage points above the national rate.

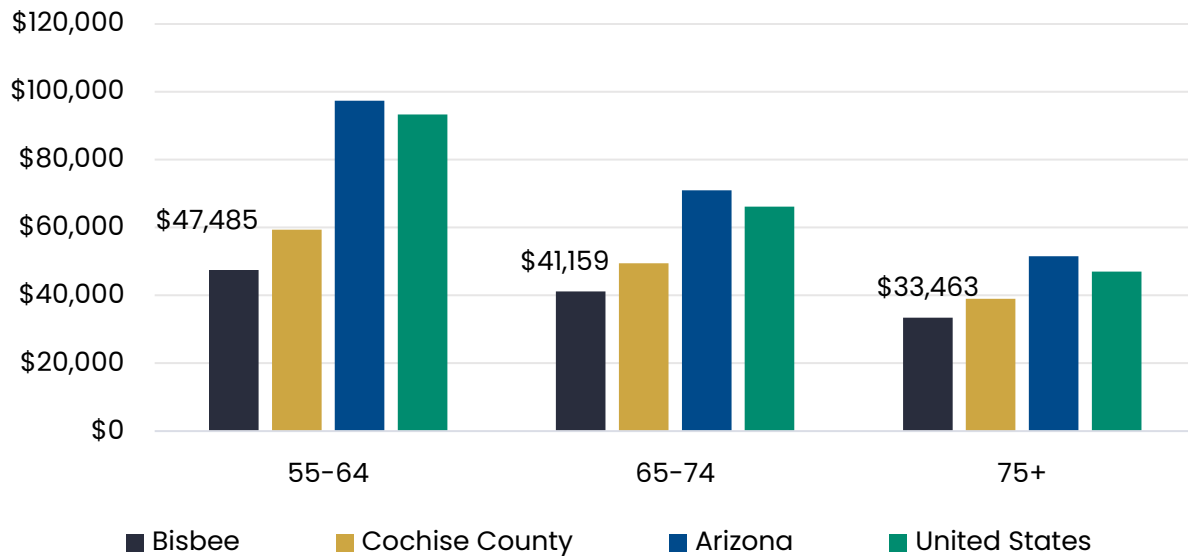
Figure 2.4: Disability Rate 65+, 2014–2024



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

Consistent with overall median household income, seniors in Bisbee and Cochise County have median household incomes lower than the state and national averages, as shown in Figure 2.5. Especially notable, among residents aged 55–64, those in Bisbee earn just over half of the U.S. average and less than half of the Arizona average for this age group. Although this gap persists in older age groups, it narrows somewhat with increasing age.

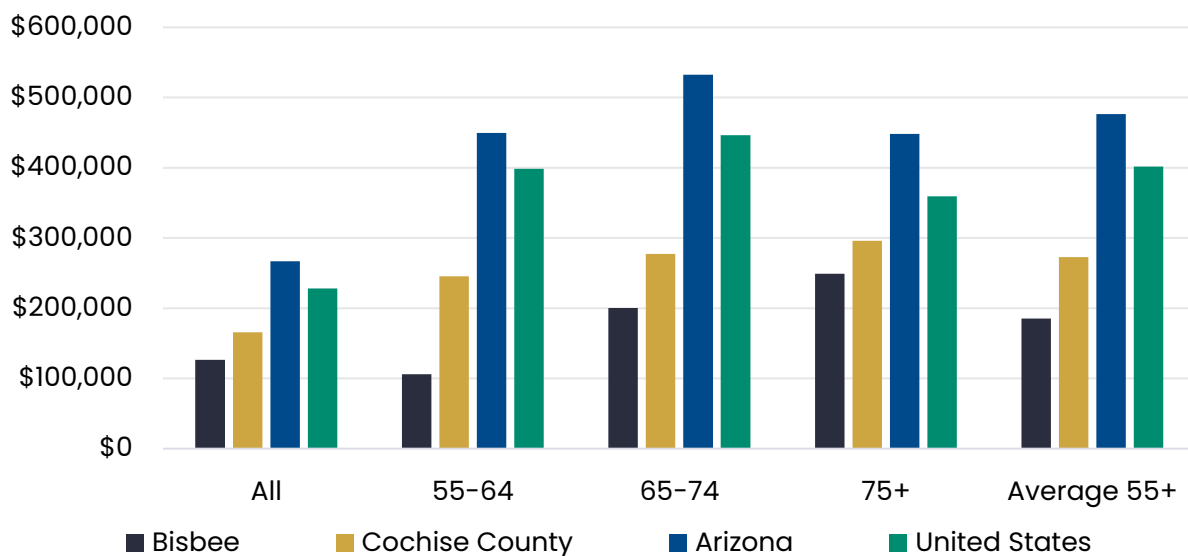
Figure 2.5: Median Household Income by Age, 55+



Source: Esri Business Analyst, 2025

Net worth follows a similar pattern to income. In Bisbee, the overall median net worth is more than \$100,000 lower than the state and national averages. This gap increases to nearly \$300,000 for residents aged 55–64 and is just over \$200,000 for those aged 55 and older, as shown in Figure 2.6.

Figure 2.6: Median Net Worth by Age, 2025



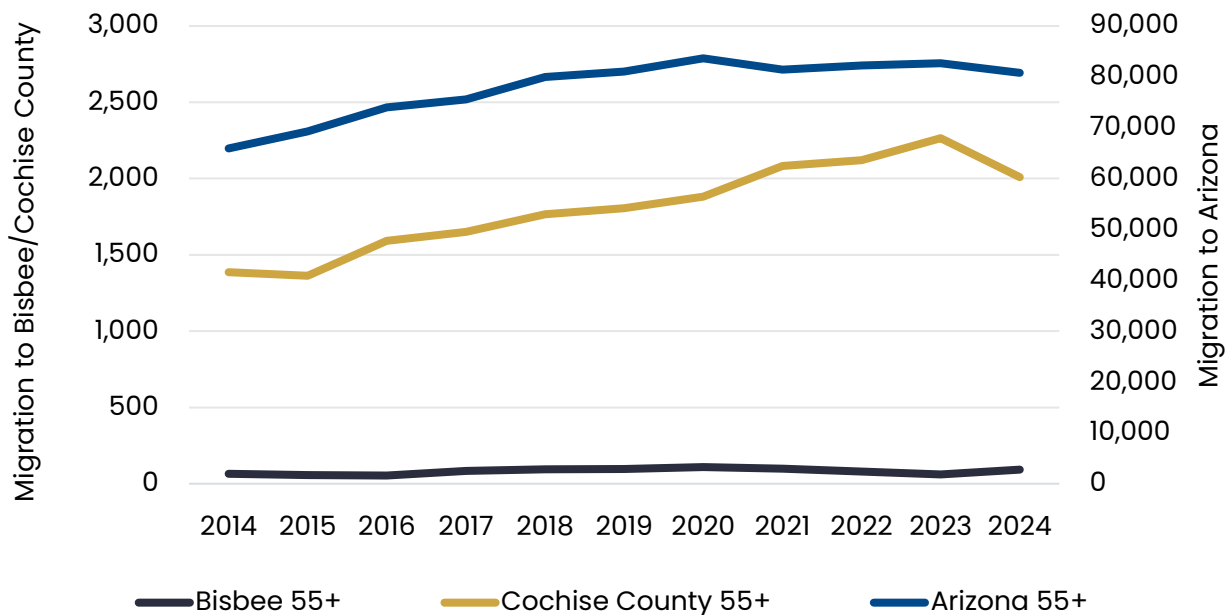
Source: Esri Business Analyst, 2025

Migration Trends

From 2014 to 2024, in-migration of residents aged 55 and older has increased in Cochise County, peaking in 2023 and remaining relatively high in 2024. Figure 2.7 shows this trend compared to Bisbee and Arizona as a whole. Bisbee has also experienced growth in in-migration, though at a slower rate, with a dip in 2023 followed by a rise in 2024.

Many regions experienced a “COVID boost” in 2020 and 2021. Many workers were given opportunities to work remotely during these years, and several employers kept these policies in place. This boost is evident in Cochise County overall, and the County even sustained the boost in 2022 and 2023. However, 2024 saw a reversal of this trend.

Figure 2.7: In-Migration of Population Aged 55+, 2014–2024



Source: U.S. Census Bureau, ACS 5-Year Estimates 2014–2024, Table S0701

Table 2.5 presents this trend for Cochise County, broken down by age group. Overall, since 2014, the 55–64 age group has accounted for the largest share of in-migration. However, beginning in 2023, the 65–74 age group has become the largest.

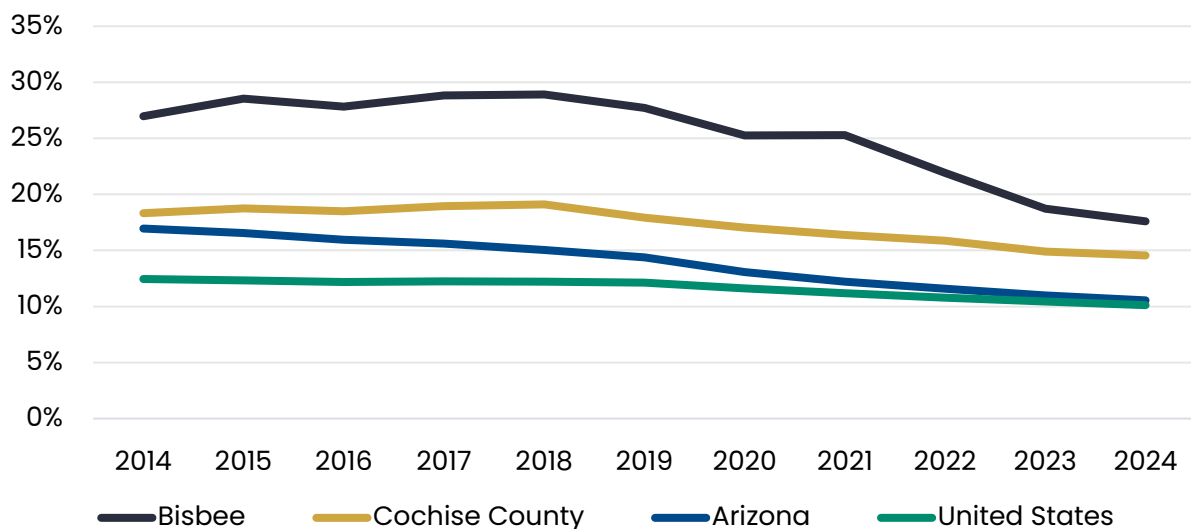
Table 2.5: Cochise County Senior Net In-Migration by Age

Year	55-64	65-74	75+	Total 55+
2014	680	546	160	1,386
2015	761	489	113	1,363
2016	806	617	170	1,593
2017	849	584	217	1,650
2018	864	689	214	1,767
2019	792	643	371	1,806
2020	761	672	448	1,881
2021	878	731	474	2,084
2022	828	780	513	2,121
2023	764	963	538	2,265
2024	656	876	478	2,010

Source: U.S. Census Bureau, ACS 5-Year Estimates 2014-2024, Table S0701

Vacancy Rates

Vacancy rates indicate the balance of supply and demand in a real estate market. As shown in Figure 2.8, vacancy rates in Bisbee and Cochise County rose slightly from 2014 to 2018. This contrasts with statewide and national trends, which have generally declined since 2014. However, since 2018, vacancy rates in both Bisbee and Cochise County have been decreasing. This decline is likely attributable, in part, to residential property rehabilitation efforts.

Figure 2.8: Vacancy Rates Over Time, 2014-2024

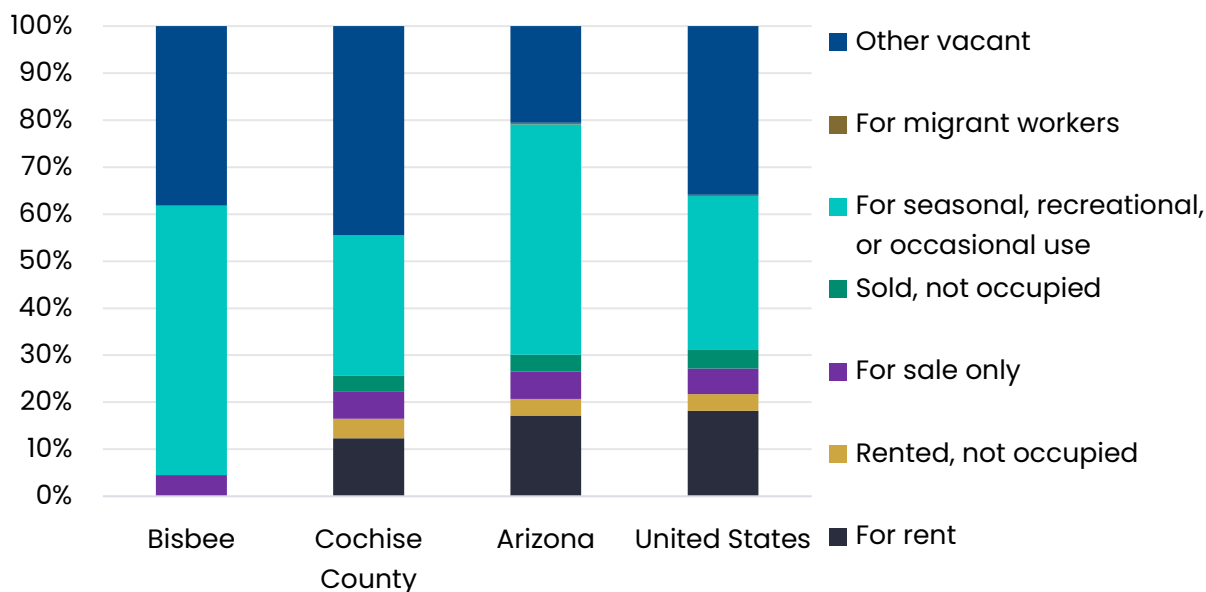
Source: U.S. Census Bureau, ACS 5-Year Estimates, 2014-2024, Table B25002

There are many different reasons for residential vacancies. Figure 2.9 compares vacancy status in Bisbee, Cochise County, Arizona, and the nation. In Bisbee the two

most common categories of vacant units are “Other vacant” and “For seasonal, recreational, or occasional use.”

The “Other vacant” category includes dilapidated or uninhabitable homes, which pose a significant housing challenge in Bisbee. These homes account for 38.2% of vacant units in the City. Meanwhile, units classified as “For seasonal, recreational, or occasional use” represent 57.2% of vacant housing. Since the closure of the mine in the 1970s, Bisbee has evolved into a tourist destination, and many properties have been converted into short-term rentals (STRs) to capitalize on tourism demand. Together, these trends contribute to elevated vacancy rates.

Figure 2.9: Vacancy Status, 2024



Source: U.S. Census Bureau, ACS 5-Year Estimates, 2024, Table B25004

Ability to Pay

Senior housing trends and regional demographics provide insight into the potential demand for a CCRC in the region. However, the most crucial aspect of the demand side of the equation is a household's or individual's ability and willingness to pay for the facility. For a transaction to occur in the market, an individual must both be willing and able to pay the cost set by the provider. While willingness is reflected in actual market transactions, ability can be assessed by analyzing income levels and income growth.

We can use several metrics to evaluate an individual's or household's ability to pay. The most common of these are household income and household income relative to Area Median Income (AMI). In the absence of consistent employment income, senior households typically fill the gap with returns from personal retirement accounts and

pensions, Social Security benefits, or veterans' pensions. Collectively, these sources are referred to as non-labor income, or income not earned through employment.

In addition, Medicaid and long-term care insurance (LTCI) provide seniors and retirees with supplemental funding to offset the lack of employment earnings. Data on LTCI are limited, but we have made our best effort to estimate utilization of this funding source. Measuring demand via Medicaid is more complex, as consistent data are not always available. As discussed later, we address Medicaid as a funding source by analyzing the population's eligibility to use it.

Income Levels

To match the Census Bureau's 2024 vintage-year data, PC referenced HUD's 2024 AMI for the Cochise County region (which falls under the Sierra Vista-Douglas, AZ MSA) to tabulate household income by AMI level.⁹ To be clear, the data shown here reflect total "money income" reported by the region to the U.S. Census Bureau. Put simply, these income levels include all sources of income, such as employment income and transfer payments, but do not include medical benefits or assets retained by a household.

In 2024, the regional AMI was \$70,700.¹⁰ Table 2.6 below reports the number of households aged 65 and older within each AMI level, ranging from 0-30% AMI to 120%+ AMI. To align with our study's Primary Market Area (PMA), we have tabulated these households by AMI level at the ZIP Code level.

As shown, a sizable number of low-income households exist in the PMA (over 6,000 at the 0-50% AMI levels). At the same time, a substantial number of households fall into higher-income categories, with nearly 4,000 at the 120%+ AMI level. Higher-income households are more likely to afford the costs associated with the CCRC, while low-income households may be eligible to receive Medicaid benefits to help fund their stay.

⁹ "Income Limits," Office of Policy Development and Research (PD&R), Housing and Urban Development, accessed March 13, 2026, <https://www.huduser.gov/portal/datasets/il.html>.

¹⁰ Area median income (AMI) is a measure utilized by Housing and Urban Development (HUD) to target housing subsidy funds. As calculated by the Census Bureau, the AMI is defined as the median income earned by families in a region and does not reflect the overall median household income in the same region.

Table 2.6: Households Aged 65+ by AMI Level, 2024 (HUD Regional AMI)¹¹

Region	0–30%	30–50%	50–80%	80–100%	100–120%	120%+
Cochise County	4,239	3,377	4,153	2,085	1,493	5,244
Bisbee	334	265	342	108	98	230
ZIP 85635 (Sierra Vista)	1,154	1,065	1,138	551	346	1,308
ZIP 85650 (Fort Huachuca)	337	236	465	307	290	1,291
ZIP 85607 (Douglas)	502	387	376	142	112	309
ZIP 85615 (Hereford)	190	188	422	283	145	583
ZIP 85603 (Bisbee)	416	293	415	149	125	342
ZIP 85638 (Tombstone)	99	123	93	52	40	87
ZIP 85617 (McNeal)	66	58	53	11	17	31
ZIP 85610 (Elfrida)	31	33	17	31	12	21
ZIP 85620 (Naco area)	86	0	10	0	0	25
ZIP 85626 (Pirtleville)	73	5	16	13	2	8
Total (Zip Codes)	2,954	2,388	3,005	1,539	1,089	4,005

Source: U.S. Census Bureau 2024 5-Year Estimates, Table B19037; HUD Income Limits

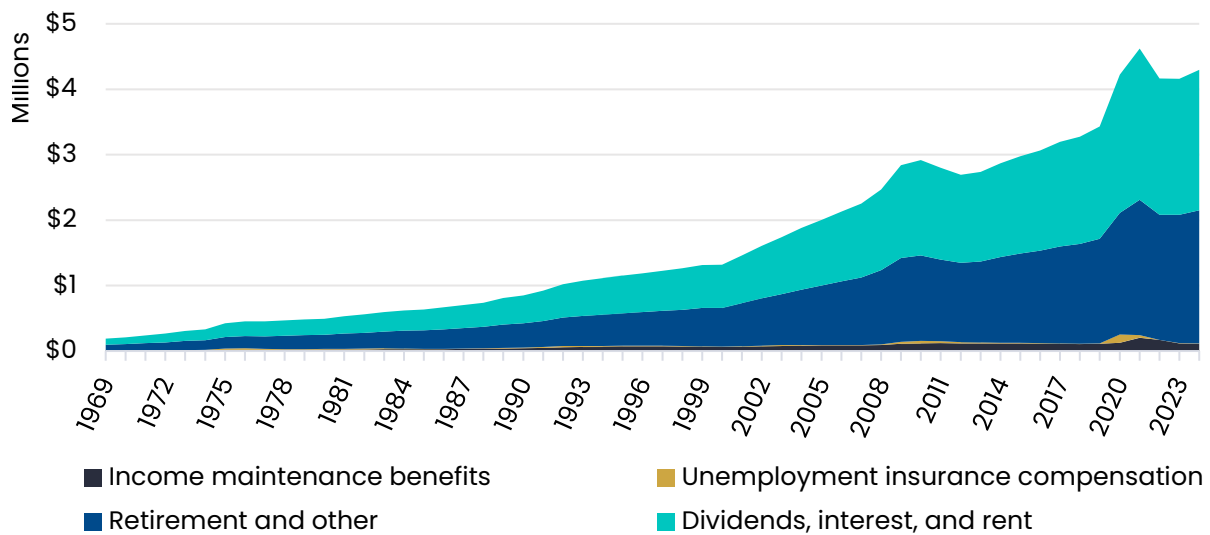
Non-Labor Income & Transfer Payments

As mentioned earlier, non-labor income is a crucial component of income for seniors and retirees, particularly in the absence of consistent employment earnings. Figure 2.10 shows the long-term trend of non-labor income in Cochise County by type (adjusted for inflation).¹² Retirement and other payments, along with dividends, interest, and rent, have accounted for a significant and growing share of non-labor income since around the turn of the century. Income maintenance benefits and unemployment insurance have consistently represented only a limited portion of non-labor income in Cochise County since 1969, when data tracking began. By 2024, total non-labor income in the County reached \$4.3 million.

¹¹ U.S. Census Data did not report any households in the 65+ age cohorts in ZIP Code 85613. For this reason, we excluded the ZIP Code from our analysis.

¹² Dollar values are indexed to the year 2017.

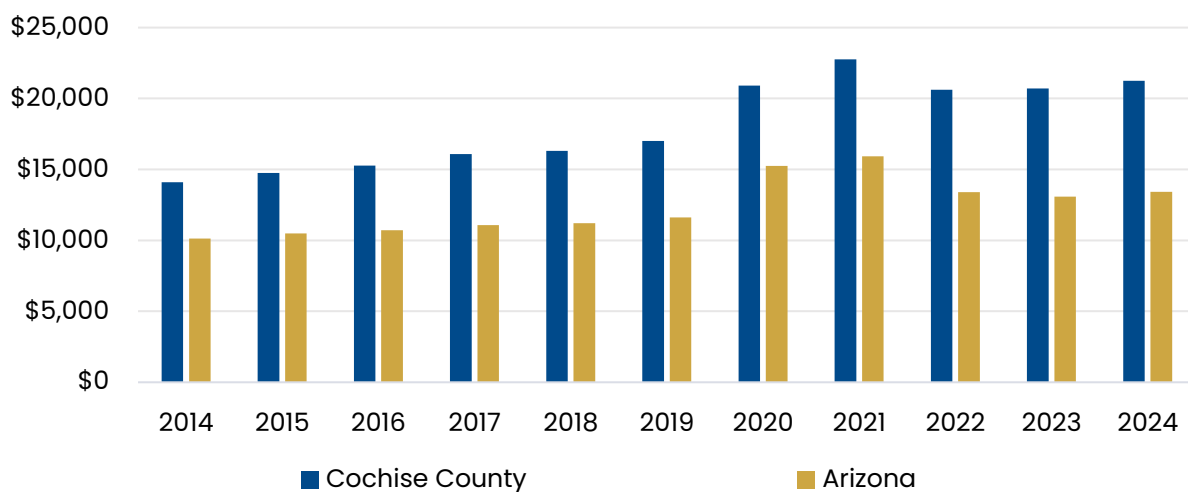
Figure 2.10: Long-Term Trend in Non-Labor Income in Cochise County, 1969–2024



Source: BEA Regional Economic Accounts, CAINC30

Figure 2.11 compares per capita transfer payments (average transfer payments per person) between Cochise County and the State of Arizona over the past 10 years. Transfer payments are a subset of non-labor income, typically including retirement, unemployment compensation, and Social Security income. Notably, per capita transfer payments in Cochise County have exceeded the Arizona state average every year since 2014. In 2024, per capita transfer payments reached just over \$21,000 in Cochise County, compared with approximately \$13,500 statewide. Growth in transfer payments, both in total and per capita terms, signals this funding source is contributing to increased demand in the region.

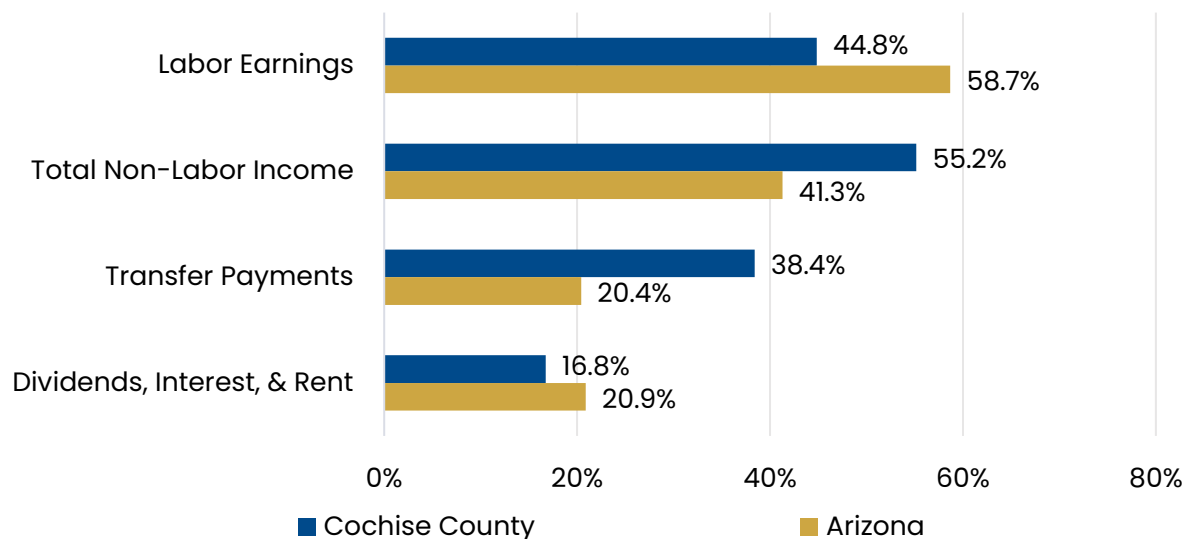
Figure 2.11: Per Capita Transfer Payments Comparison, 2014–2024



Source: BEA Regional Economic Accounts, CAINC30

Figure 2.12 compares the shares of non-labor income in Cochise County and Arizona. In the figure, labor earnings and non-labor income (along with its components) are presented as a percentage of total income in each region. Total non-labor income (including transfer payments as well as dividends, interest, and rent) accounts for over half (55.2%) of Cochise County's total income. In contrast, non-labor income represents only 41.3% of total income in Arizona. This comparison suggests that non-labor income may be a more reliable source of funding in Cochise County than in the state overall.

Figure 2.12: Non-Labor Income Comparison, 2024

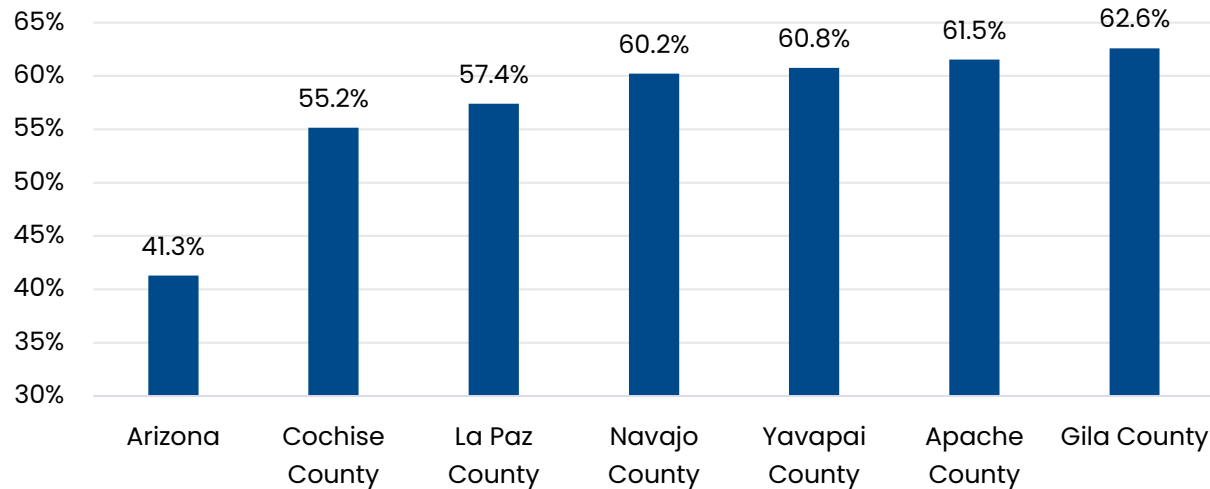


Source: BEA Regional Economic Accounts, CAINC30

Figure 2.13 displays a similar comparison as Figure 2.12, but now includes the five additional counties with the greatest reliance on non-labor income. According to the data, Cochise County ranks sixth out of 15 counties in Arizona in terms of non-labor income as a share of total income. More broadly, Arizona is a hotspot for seniors and retirees due to its warm climate. However, as discussed earlier, Cochise County has greater reliance on the key funding source of non-labor income than Arizona overall.

Further, counties with significant retirement communities are also missing from the list in Figure 2.13. For example, Maricopa County (with retirement communities such as Surprise, Gilbert, Sun City, Carefree, and Rio Verde) is not included among the counties with the highest shares of non-labor income. Similarly Pima County (with retirement communities such as Oro Valley and Catalina Foothills) is also not on the list. This analysis suggests that Cochise County demonstrates a level of reliance on non-labor income comparable to these well-known retirement areas and supports the case for strong demand for a CCRC.

Figure 2.13: Non-Labor Income Comparison Across Counties, 2024

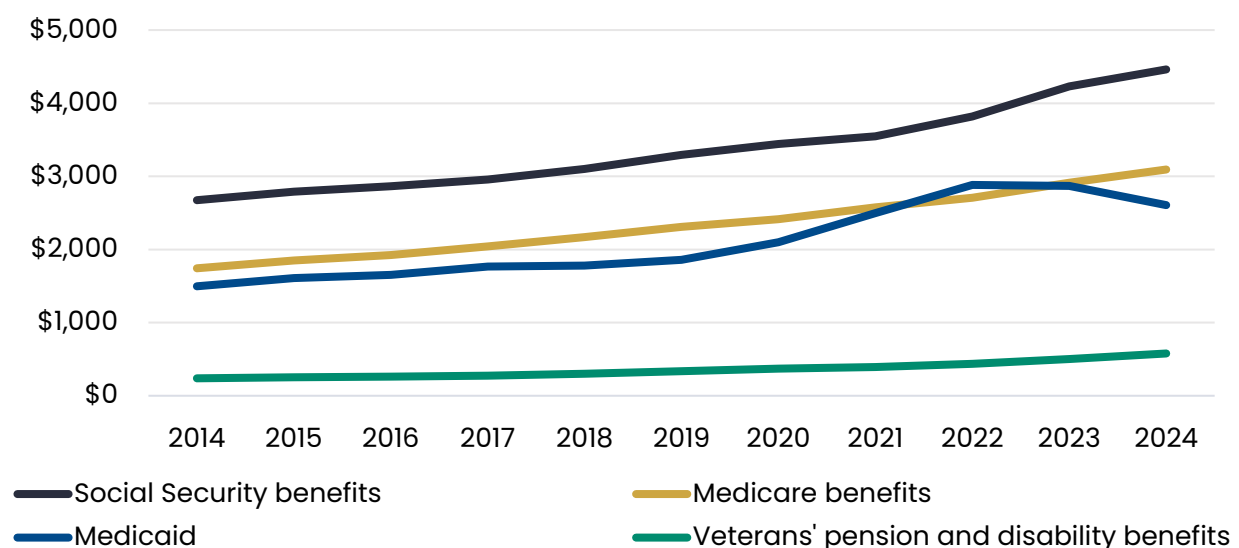


Source: BEA Regional Economic Accounts, CAINC30

Trends of transfer payments by detailed category in Arizona are illustrated in Figure 2.14. Unfortunately, the Bureau of Economic Analysis (BEA) does not collect these detailed data at the county level. We have compiled alternative data to reflect local trends, but these state-level statistics provide useful insight into broader patterns.

Most notably, per capita transfer payments from Social Security, Medicare, Medicaid, and veterans' pensions and benefits have all increased in the state over the past 10 years. These trends are likely similar at the local level, indicating growing demand for a CCRC.

Figure 2.14: Personal Current Transfer Payments Per Capita by Type, Arizona, 2014–2024



Source: BEA Regional Economic Accounts, SAINC35

OASDI Benefits

The Social Security Administration (SSA) collects and publishes data on Old-Age, Survivors, and Disability Insurance (OASDI) benefits at the county level. OASDI benefits are a specific type of transfer payment and therefore provide a detailed view of potential growth in demand for a CCRC in the PMA.

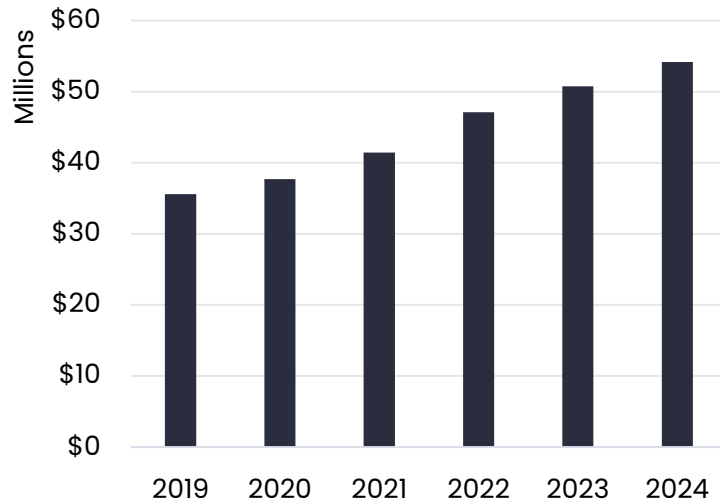
As shown in Figure 2.17, total OASDI benefits for those individuals aged 65 and older in Cochise County have increased every year since 2019. Specifically, the total amount of OASDI benefits in the County reached \$54.2 million in 2024.

Table 2.7 reports the total amount of OASDI benefits paid to those aged 65 and older in Cochise County, along with the total number of beneficiaries in this age group and the average annual payment per

beneficiary. Not only has the total amount of OASDI benefits for those aged 65 and older increased over increased over time, but the number of beneficiaries has also grown.

This could suggest that total benefits are rising simply due to an increase in the number of beneficiaries. However, the data also indicate that benefits per senior have increased over time. This trend signals growing demand in this respect. While OASDI benefits do not capture the full picture of demand or ability to pay, they represent an important piece of the puzzle and have shown consistent growth over time.

Figure 2.15: OASDI Benefits to Seniors (65+) in Cochise County, 2019–2024



Source: Social Security Administration, OASDI Beneficiaries by State and County, 2024

Table 2.7: OASDI Benefits & Beneficiaries 65+, Cochise County, 2019–2024

Year	OASDI Payments to 65+	Beneficiaries Aged 65+	OASDI Payments Per Senior
2019	\$35.6M	26,905	\$1,322
2020	\$37.7M	27,785	\$1,357
2021	\$41.4M	28,450	\$1,457
2022	\$47.1M	29,395	\$1,603
2023	\$50.8M	30,400	\$1,670
2024	\$54.2M	31,310	\$1,731

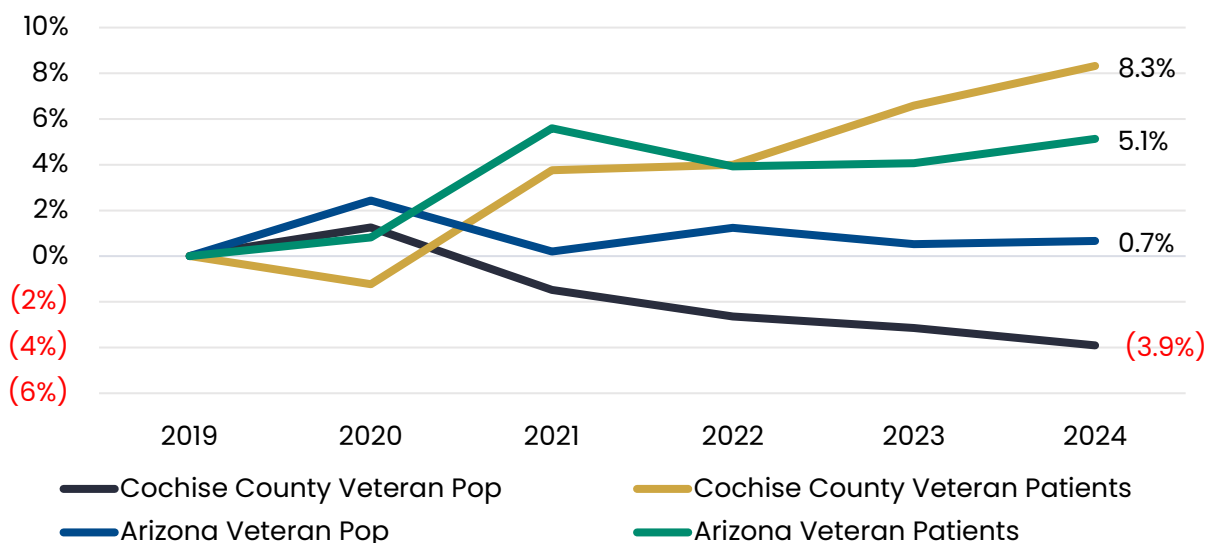
Source: Social Security Administration, OASDI Beneficiaries by State and County, 2024

Veterans' Benefits

Veterans and the benefits paid to them represent another important piece of the demand puzzle. Veterans have access to a transfer payment (through Veteran Affairs (VA) benefits) that other residents do not. As a result, communities with larger or more concentrated veteran populations may experience higher levels of demand for a CCRC. Fortunately, the VA collects and publishes county-level data on veterans' benefits.

Figure 2.16 compares Cochise County and Arizona in terms of their overall veteran populations and veteran patient populations. Distinguishing between the overall veteran population and veteran patients is important because a larger or growing number of patients may indicate increased need for the types of assistance provided in a CCRC. Since 2019, the overall veteran population in Cochise County has declined. However, the number of veteran patients has grown during the same period and has increased faster than in Arizona overall. This trend indicates growing demand for assistance among the local veteran population.

Figure 2.16: Veteran Population & Veteran Patients Growth Comparison, 2019–2024



Source: U.S. Department of Veterans Affairs, National Center for Veterans Analysis and Statistics

In terms of the ability to pay among these local veterans, Table 2.8 summarizes county- and state-level veteran expenditures. In 2024, total expenditures per veteran in Cochise County were approximately \$17,600, compared with \$14,300 in Arizona overall. Expenditures in Cochise County have also grown faster than in the state as a whole.

Veterans' compensation and pension amounts per veteran in Cochise County exceed the state average, although growth in these amounts has been slightly slower over the past five years. Medical care expenditures per veteran are also reported. These are lower in Cochise County than in Arizona overall.

Table 2.8: Veterans Expenditure Comparison Summary

Metric	Cochise County	Arizona
Expenditures Per Vet	\$17,644	\$14,342
Expenditures Growth	55.6%	51.5%
Compensation & Pension Per Vet	\$10,428	\$7,137
Compensation & Pension Growth	56.8%	58.8%
Medical Care Per Patient	\$15,592	\$18,957
Medical Care Growth	63.4%	62.9%

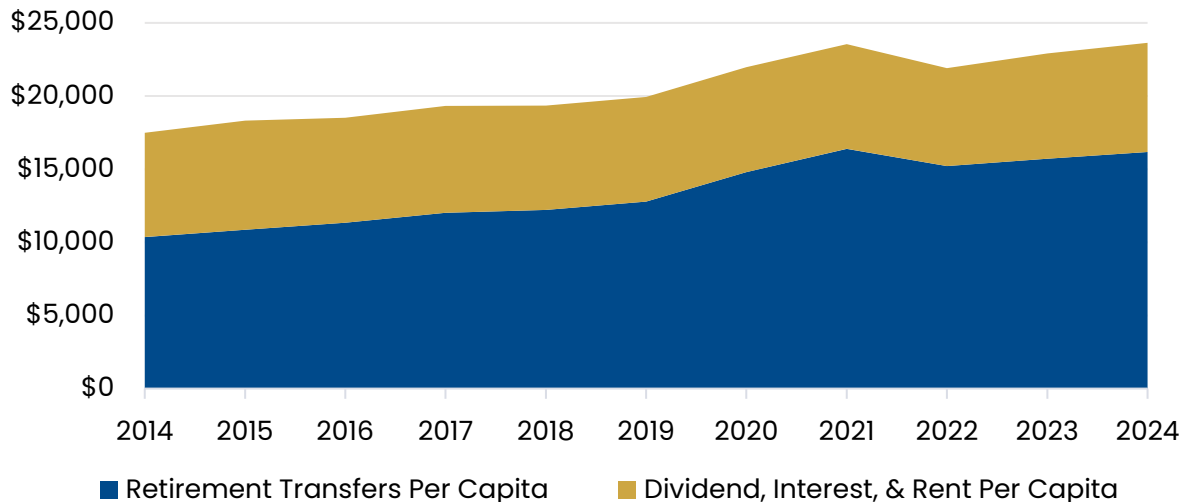
Source: U.S. Department of Veterans Affairs, National Center for Veterans Analysis and Statistics

Personal Benefits & Retirement

Another important consideration for potential demand for a CCRC is personal investment income and retirement accounts. Both of these sources are forms of non-labor income and support seniors in the absence of regular employment earnings.

Figure 2.17 trends in retirement transfers, along with dividends, interest, and rent per capita. The key takeaway is that total per-person benefits from these sources have been increasing over time.

Figure 2.17: Retirement Transfers & Dividend, Interest, & Rent Per Capita, Cochise County, 2014–2024



Source: BEA Regional Economic Accounts, CAINC30

The Internal Revenue Service (IRS) routinely publishes income statistics, and importantly, these data are available at the ZIP Code level, rather than only at the county or state level. This granularity allows us to align non-labor income amounts with the PMA. Table 2.9 reports distributions of individual retirement accounts, pensions, and annuities based on the most recent available data by ZIP Code.

In total, personal benefits and retirement account distributions in the PMA reached \$508.3 million in 2022. This represents a 23.5% increase since 2017.

Table 2.9: Total Retirement Distributions, Pensions, & Annuities to PMA ZIP Codes¹³

ZIP	2017	2018	2019	2020	2021	2022	Total 5-Yr Growth
85635 (Sierra Vista)	\$159.9M	\$166.6M	\$174.3M	\$172.7M	\$182.2M	\$187.4M	17.2%
85650 (Fort Huachuca)	\$130.2M	\$131.9M	\$137.1M	\$139.4M	\$151.7M	\$164M	25.9%
85615 (Hereford)	\$59.7M	\$62.8M	\$67.4M	\$66.4M	\$77.2M	\$81.3M	36.3%
85603 (Bisbee)	\$29.9M	\$31.9M	\$32M	\$31.2M	\$33.5M	\$35.3M	18.0%
85607 (Douglas)	\$20.3M	\$21.4M	\$21.9M	\$25.1M	\$23.1M	\$25.7M	26.9%
85638 (Tombstone)	\$8.4M	\$8.6M	\$8.5M	\$9.2M	\$9.7M	\$10.3M	22.6%
85617 (McNeal)	\$3.3M	\$4.1M	\$4M	\$3.9M	\$4.3M	\$4.4M	31.8%
Total (ZIP Codes in Service Area)	\$411.6M	\$427.3M	\$445.1M	\$447.7M	\$481.7M	\$508.3M	23.5%

Source: IRS Statistics of Income

Home Equity

Home equity is another important indicator of funds that could support the cost of a CCRC. A homeowner's equity is calculated as the value of the home minus any outstanding mortgage debt. For homeowners who have paid off their mortgages, equity is equal to the full home value. Many senior residents own their homes outright, and this secures significant asset value for the future. In theory, these residents could sell their homes and use the proceeds to help fund their stay in a CCRC.

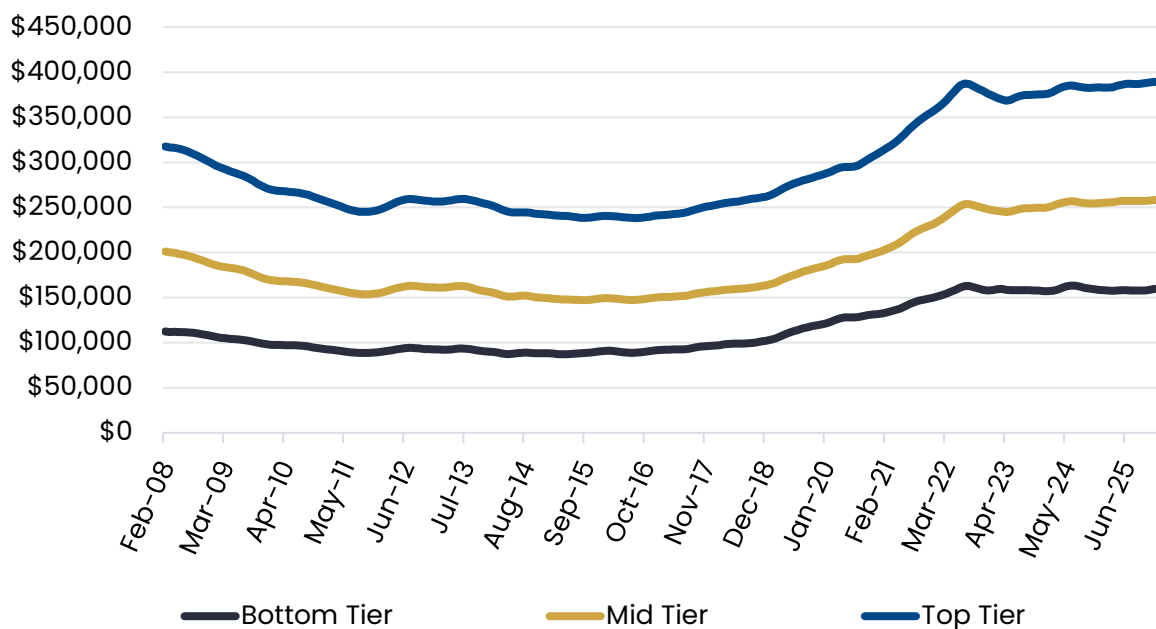
The Zillow Home Value Index (ZHVI) reflects the "typical" value of all homes in a market, including both homes for sale and not for sale. As such, it provides insight into potential equity that homeowners may have to support their next steps.

Figure 2.18 illustrates long-term trends in home values across Cochise County since 2008. The figure also shows the potential range of home values, from the lowest-value group (bottom tier) to the highest-value group (top tier). As of February 2026, home values in Cochise County range from approximately \$160,000 to \$390,000, according to the ZHVI. Additionally, a housing study conducted for the City of Bisbee reported a median home sale price of approximately \$246,000 in 2024.¹⁴

¹³ IRS SOI Data did not disclose data for ZIP Code 85613.

¹⁴ "Plans, Studies, Reports & Comprehensive Documents: Burnishing Bisbee – An Action Plan for Preserving & Enhancing Housing Opportunities," City of Bisbee, Arizona, accessed March 26, 2026, <https://www.bisbeeaz.gov/2259/Plans-Studies-Reports-Comprehensive-Docu>.

Figure 2.18: Home Value Trends in Cochise County, 2008–2025



Source: Zillow Home Value Index, March 2026

Medicaid

While Medicare is the most common form of health insurance for seniors without employer-based coverage, it does not cover long-term care.¹⁵ Low-income seniors may instead be eligible for coverage through Medicaid, the joint federal and state program that helps individuals with limited income and assets cover healthcare costs.¹⁶ Arizona's Medicaid program has specific income and asset limits, as well as required levels of care, to determine eligibility.

Table 2.10 through Table 2.12 summarize Medicaid eligibility by type of program and type of applicant (i.e., single or married).

In terms of potential demand for a CCRC, Medicaid programs for Home and Community-Based Services (HCBS) and Institutional/Nursing Home care are the specific programs that would be utilized. For HCBS, individuals must be at risk of institutionalization (meaning they are at risk of needing a skilled nursing facility) in order to qualify for services in an assisted living setting. To receive full-care services in the SN section of a CCRC, individuals must meet the required level of care for Medicaid

¹⁵ "Long-term care," Medicare.gov, accessed March 25, 2026, <https://www.medicare.gov/coverage/long-term-care>.

¹⁶ "What's the difference between Medicare and Medicaid?" U.S. Department of Health and Human Services, Medicare and Medicaid, accessed March 25, 2026, <https://www.hhs.gov/answers/medicare-and-medicaid/what-is-the-difference-between-medicare-medicaid/index.html>.

coverage. In both cases, these care-level requirements are in addition to the income and asset limits summarized below.

Table 2.10: Arizona Medicaid Eligibility Criteria for Single Applicants

Type of Medicaid	Income Limit	Asset Limit	Level of Care Required
Institutional / Nursing Home Medicaid	\$2,982/month	\$2,000	Nursing Home
Home and Community Based Services	\$2,982/month	\$2,000	At Risk of Institutionalization
Regular Medicaid / Aged Blind and Disabled	\$1,330/month (eff. 2/1/26–1/31/27)	No limit	Help with ADLs ¹⁷

Source: American Council on Aging, MedicaidPlanningAssistance.org

Table 2.11: Arizona Medicaid Eligibility Criteria, Married with Both Spouses Applying

Type of Medicaid	Income Limit	Asset Limit	Level of Care Required
Institutional / Nursing Home Medicaid	\$5,964/month (\$2,982/month per spouse)	\$4,000 (\$2,000 per spouse)	Nursing Home
Home and Community Based Services	\$5,964/month (\$2,982/month per spouse)	\$4,000 (\$2,000 per spouse)	At Risk of Institutionalization
Regular Medicaid / Aged Blind and Disabled	\$1,804/month (eff. 2/1/26–1/31/27)	No limit	Help with ADLs

Source: American Council on Aging, MedicaidPlanningAssistance.org

Table 2.12: Arizona Medicaid Eligibility Criteria, Married with One Spouse Applying

Type of Medicaid	Income Limit	Asset Limit	Level of Care Req.
Institutional / Nursing Home Medicaid	\$2,982/month for applicant	\$2,000 for applicant/ \$162,660 for non-applicant	Nursing Home
Home and Community Based Services	\$2,982/month for applicant	\$2,000 for applicant & \$162,660 for non-applicant	At Risk of Institutionalization
Regular Medicaid / Aged Blind and Disabled	\$1,804/month (eff. 2/1/26–1/31/27)	No limit	Help with ADLs

Source: American Council on Aging, MedicaidPlanningAssistance.org

The number of senior households potentially eligible for Medicaid can serve as an estimate of another part of demand for a CCRC. Table 2.13 reports these households by income group, excluding consideration of assets owned or the level of care they may require. In total, approximately 5,282 households could contribute to CCRC demand

¹⁷ Activities of Daily Living (ADLs) refer to different self-care tasks that an individual must perform daily to live independently.

based on Medicaid eligibility under the income restrictions. If we use the disability rate reported in Table 2.4 as an indicator of the need for assistance and meeting the required level of care, this number is closer to 1,748.

Table 2.13: PMA Households Aged 65+ Potentially Medicaid Eligible by ZIP Code, 2024¹⁸

Income Bracket	85603	85607	85610	85615	85617	85620	85626	85635	85638	85650
<\$10,000	36	192	0	0	12	19	35	368	29	74
\$10,000–\$14,999	182	213	8	139	14	63	18	356	51	70
\$15,000–\$19,999	173	75	22	17	31	4	19	342	11	175
\$20,000–\$24,999	102	90	4	140	36	0	6	365	33	75
\$25,000–\$29,999	110	216	19	31	15	0	0	370	59	91
\$30,000–\$34,999	99	92	11	43	16	0	0	392	36	83
Total	702	878	64	370	124	86	78	2,193	219	568

Source: U.S. Census Bureau 2024 5-Year Estimates, Table B19037

Long-Term Care Insurance

Long-term care insurance (LTCI) represents another potential source of funding that can contribute to demand for a CCRC. Like other types of insurance, LTCI requires the policyholder to pay a premium for the life of the policy and submit claims for covered services as needed. Unlike Medicare, LTCI covers services and stays in both assisted living and skilled nursing facilities. Similar to Medicaid, LTCI policies use activities of daily living (ADLs) to trigger benefits. There are no income or asset limits, however, as the policies are available to any qualified policyholder.

Data on LTCI trends are limited, and we have not identified any sources that provide county-level information. However, AARP's Long-Term Services and Supports (LTSS) dashboard does provide some statewide data for comparison. According to the LTSS dashboard, Arizona had approximately 23 private LTCI policies in effect per 1,000 people aged 40 and older as of 2023.¹⁹ This corresponds to roughly 78,200 total LTCI policies for individuals in this age group. Among all U.S. states, Arizona ranks 43rd in LTCI coverage.

¹⁸ U.S. Census Data did not report any households in the 65+ age cohorts in ZIP Code 85613. For this reason, we excluded the ZIP Code from our analysis.

¹⁹ "Arizona," LTSS Choices Scorecard, AARP, accessed March 19, 2026, <https://ltsschoices.aarp.org/scorecard-report/2023/states/arizona>.

3. Supply Assessment

The flip side of the market is the supply side. While market demand reflects overall need for continuing care retirement community (CCRC) units, supply represents current unit capacity in the primary market area (PMA). To determine feasibility, our team must measure the level of unmet demand in the market. This requires understanding current supply capacity, which reflects the portion of demand that is already being met. This section provides context for overall CCRC supply, examines existing regional and comparable facilities, and touches on the supply of labor and healthcare available to serve CCRC residents.

General Supply Context

Nationally, new development of senior housing has declined significantly over the past eight years, reaching a low growth rate of just 1% in 2025.²⁰ This slowdown is partly due to challenges in securing construction financing, which has made developers more cautious, as well as staffing shortages and high turnover that make it difficult to adequately staff facilities once they are developed.²¹ With senior housing occupancy expected to reach 90% in 2026 (its highest level since the National Investment Center began tracking occupancy data in 2006) it will be important to find new solutions to navigate these barriers.²²

With that said, the PMA has seen an increase in the number of assisted living (AL) units since 2013 (Figure 3.1). According to license data from the Arizona Department of Health Services (ADHS), a total of 373 units have come online over the 13-year period. No units are currently in development at the time of this assessment.

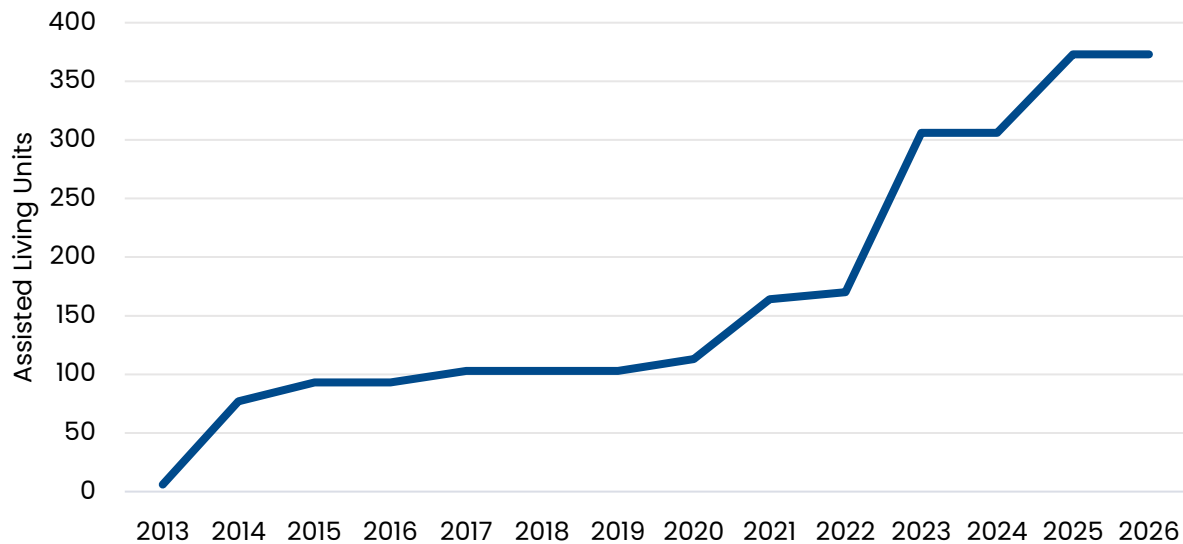
By 2015, AL capacity reached about 100 beds. Total capacity remained at that level until development activity picked up around 2020. Over the past five to six years, several larger facilities have been licensed. This has contributed to a noticeable increase in capacity.

²⁰ Omar Zahraoui, "Senior Housing Development Cycles: When Is the next One?" National Investment Center, January 28, 2026, <https://www.nic.org/blog/senior-housing-development-cycles-when-is-the-next-one/>.

²¹ Omar Zahraoui, "Senior Housing: A Sector Moving at Two Speeds Entering 2026," National Investment Center, January 12, 2026, <https://www.nic.org/blog/senior-housing-a-sector-moving-at-two-speeds-entering-2026/>.

²² PwC & Urban Land Institute, "Senior Housing," Emerging Trends in Real Estate®, accessed March 13, 2026, <https://www.pwc.com/us/en/industries/financial-services/asset-wealth-management/real-estate/emerging-trends-in-real-estate-pwc-uli/property-type-outlook/senior-housing.html>.

Figure 3.1: Assisted Living Supply Trends in PMA, 2013–2026



Source: Arizona Department of Health Services, Division of Licensing, AZ Care Check

Existing Regional Facilities

Table 3.1 and Table 3.2 report the active independent living (IL) and assisted living (AL) and skilled nursing (SN) facilities currently supplying capacity in the PMA as of 2026. One note regarding these facilities is that they are classified differently depending on their capacity. AL operations with up to 10 residents are typically classified as “homes,” with an example being Ever After Assisted Living. This facility has a capacity of six beds. Facilities with more than 10 residents are classified as “centers.” Hummingbird Senior Resort Living is an AL center, as its full capacity is 136 residents.

As shown in Table 3.1, there are 373 total beds contributing to IL/AL capacity across the PMA ZIP codes. A common theme raised at the outset of the project (and echoed in stakeholder discussions) is that there are many units in the Sierra Vista area (the largest population center in Cochise County) and very few in the Bisbee/Douglas area.

The data support this observation, with about 72.4% of IL/AL units concentrated in ZIP Code 85635 and another 16.4% in ZIP Code 85615 (both located in the Sierra Vista area). There are exactly zero IL/AL or SN units in ZIP Code 85603 (Bisbee).

Table 3.1: Independent/Assisted Living Facilities & Capacity in PMA, 2026

Facility	ZIP Code	Size Class	Capacity
Hummingbird Senior Resort Living	85635	Center	136
Vista Pointe at Sierra Vista	85635	Center	67
Via Elegante, Sierra Vista Canyons	85615	Center	61
Via Elegante, Sierra Vista Highlands	85635	Center	42
Healing Hearts Assisted Living ²³	85635	Home	19
Beehive Homes of Sierra Vista	85650	Center	16
Lesan Assisted Living	85607	Home	10
Esther Adult Care Home	85607	Home	10
Ever After Assisted Living	85635	Home	6
Valley Vista Assisted Living	85617	Home	6
Total	-	-	373

Source: Arizona Department of Health Services, Division of Licensing, AZ Care Check

As reported in Table 3.2, there are 330 beds of capacity in SN facilities. These units are in addition to the 373 IL/AL units in the PMA as of 2026. This brings total CCRC market supply to 703 beds. Please note that not all of these facilities include an IL component. In fact, our team assumes that SN facilities serve the SN level of care specifically and do not include IL or AL options.

The ADHS licensing data also do not indicate whether AL facilities include IL, though this is more common. AL facilities also typically include some memory care (MC) units, but those are not necessarily included. For the purposes of this feasibility study, we assume that the 703-bed capacity represents the total across all levels of the CCRC. However, it is possible that there is greater unmet demand for IL and MC units, since they are not distinguished separately from AL.

Table 3.2: Skilled Nursing Facilities & Capacity in PMA, 2026

Facility	ZIP Code	Size Class	Capacity
Life Care Center of Sierra Vista	85635	SN Facility	152
Haven of Sierra Vista	85635	SN Facility	120
Haven of Douglas	85607	SN Facility	58
Total	-	-	330

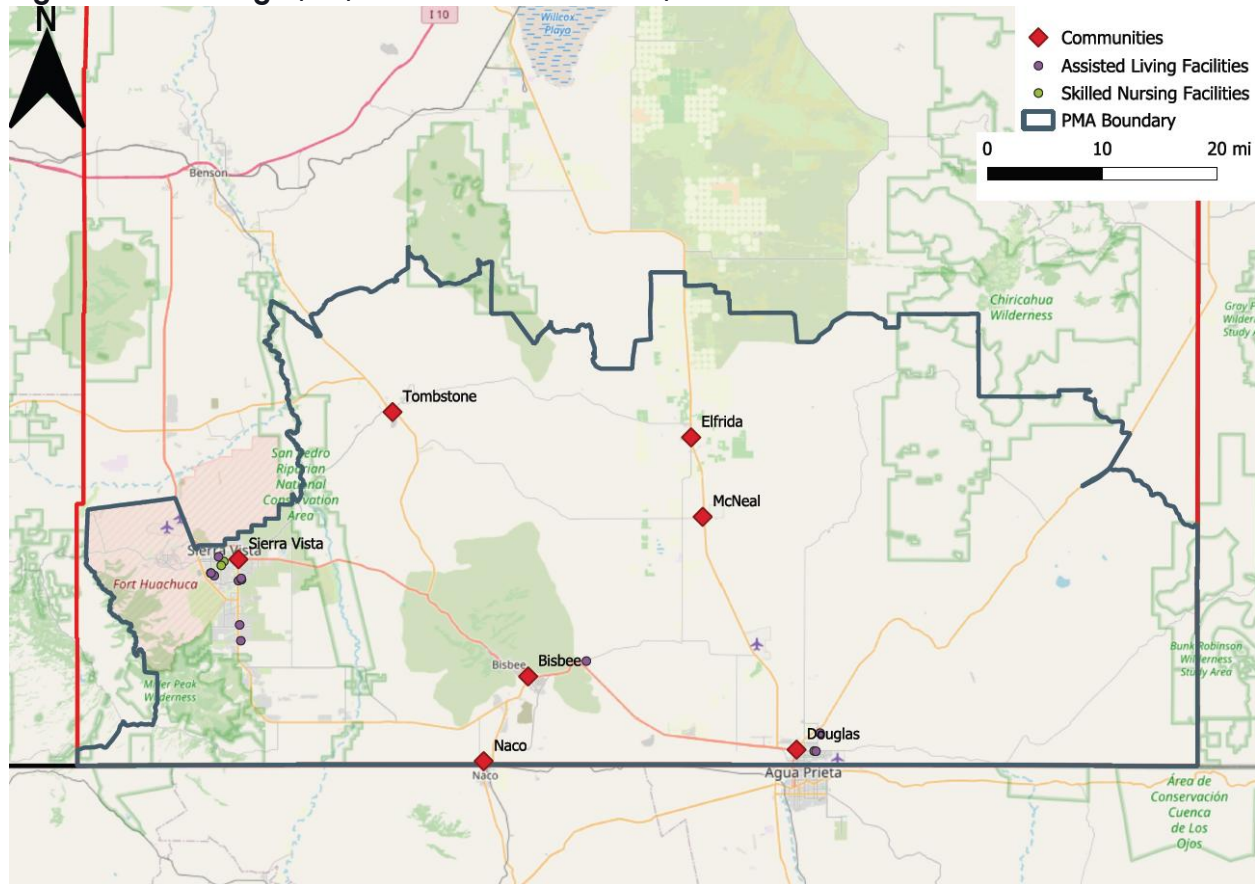
Source: Arizona Department of Health Services, Division of Licensing, AZ Care Check

Figure 3.2 illustrates the geographic location of each existing facility. As mentioned previously, there are no units in the Bisbee area (ZIP Code 85603). Most are

²³ Healing Hearts Assisted Living is actually two separate AL home facilities. For simplicity, our team consolidated each home into one line item and aggregated the capacity of each.

concentrated in the Sierra Vista area. However, there are two AL facilities and one SN facility in Douglas.

Figure 3.2: Existing IL, AL, & SN Facilities in PMA, 2026



Source: Arizona Department of Health Services, Division of Licensing, AZ Care Check

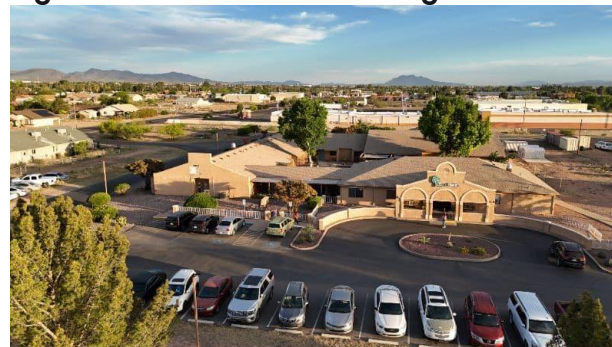
Comparable Facilities

Another important component of the supply-side analysis is identifying facilities comparable to the proposed development. Because the proposed facility is a CCRC and ideally spans multiple levels of care, our team surveyed three facilities to illustrate the types of comparable sites that exist in the PMA. This review also helps inform feasible operating models based on what is already operating successfully in the region.

Haven Health

Haven Health is a skilled nursing provider with 23 locations throughout

Figure 3.3: Haven Health Douglas



Source: [havenhealthaz.com](https://www.havenhealthaz.com)

Arizona. Two of these, Douglas and Sierra Vista, are in the market area for this study.²⁴ The Douglas facility was built in 1985 and has 58 beds while the Sierra Vista location was built slightly earlier in 1982 and has 120 beds.^{25 26}

The scale, success, and geographic relevance of Haven Health Douglas reveal that there is demand for skilled nursing and that it is sufficient to support such a facility, potentially in Bisbee. Combined with the [demand](#) data, these findings imply that SN beds at a new CCRC facility in the PMA would likely be used.

Figure 3.4: Hummingbird Senior Resort



Source: hummingbirdseniorliving.com

Hummingbird Senior Resort Living

Hummingbird is an example of a CCRC similar to the proposed facility in Bisbee. It includes levels of care such as independent living, assisted living, and memory care all under one roof. The facility has been operating since 2023 and has a total capacity of 136 beds.²⁷

Reviewing Hummingbird brought about several important notions, the first of which is that there is a CCRC facility in the PMA that is quite comparable to

what is proposed in Bisbee. The goal for the proposed facility of our study is to have multiple levels of care in one spot such that residents may move between them as their required assistance for activities of daily life (ADLs) increases. This exact model is utilized at Hummingbird, where the vast majority of units are both IL/AL inclusive, and the facility has the option to move into MC when needed.

Reviewing Hummingbird brought forward several important findings, the first of which is that there is a CCRC facility in the PMA that is highly comparable to what is proposed in Bisbee. The goal of the proposed facility in this study is to offer multiple levels of care in one location so that residents can transition between them as their need for assistance with ADLs increases. This model is implemented at Hummingbird, where the vast

²⁴ "Our Locations," Haven Health, accessed April 6, 2026, <https://www.havenhealthaz.com/>.

²⁵ "Find an AHCA Care Facility," Arizona Health Care Association, accessed April 6, 2026, <https://www.azhca.org/facility-finder/>.

²⁶ "Assessor: Property Records Search," Cochise County Arizona, accessed April 6, 2026, <https://www.cochise.az.gov/178/Assessor>.

²⁷ "Assisted Living Facilities Report," Arizona Department of Health Services, accessed April 6, 2026, <https://hsapps.azdhs.gov/ls/sod/Facility.aspx?FacId=AL12445>.

majority of units accommodate both independent living and assisted living, with the option to transition into memory care as needed.

Additionally, staff communicated that there was some vacancy at the facility at the time of the study. Given relatively high demand levels and existing supply constraints, this vacancy at Hummingbird may be attributable to the presence of multiple unit types (such as AL units) and a resulting preference among prospective residents for certain unit configurations over others. This may suggest that larger AL settings (such as the 136-bed apartment-style configuration at Hummingbird) may be less preferred than facilities with lower overall capacities.

Healing Hearts Assisted Living

Healing Hearts is an assisted living (AL) option in Sierra Vista. It consists of two homes located adjacent to one another with a combined capacity of 19 beds. Although it operates at a much smaller scale than Hummingbird, it still provides care along a continuum from independent living to assisted living, including memory care.²⁸

Healing Hearts is a useful example of the diversity of unit types available across the care continuum. As noted above, demand for large facilities such as Hummingbird may be relatively lower due to the presence of, and preference for, smaller-scale options such as Healing Hearts. There has also been considerable discussion regarding the types of units that would be most beneficial for the proposed CCRC facility in Bisbee. Local residents conveyed a preference for a facility that includes AL homes as an option. Healing Hearts demonstrates that a CCRC model incorporating these types of units does exist and can be successful in the PMA.

Figure 3.5: Healing Hearts Assisted Living



Source: [Healinghearts.care](https://healinghearts.care)

Healthcare Access & Quality

An important factor influencing supply, in addition to bed capacity, is access to healthcare and the quality of that care. For a CCRC to be feasible, residents must have access to healthcare for routine checkups as well as potential emergencies. The quality of that care can also positively impact the feasibility of a CCRC. In terms of access, Copper Queen Community Hospital (CQCH) is located in ZIP Code 85603 within the

²⁸ "Home," Healing Hearts Assisted Living, accessed April 6, 2026, <https://healinghearts.care/>.

PMA. As noted earlier in the study, the PMA for this analysis is defined as the service area of CQCH.

In terms of quality, CQCH has provided us with a range of data points demonstrating the standard of care at the hospital. According to CQCH, its emergency departments rank in the 90th percentile nationally for patient satisfaction. The hospital maintains a similarly strong performance for inpatient care, ranking in the 86th percentile nationally. In an era when access to high-quality healthcare services can be challenging, our team has heard consistently positive feedback regarding both the quality and availability of care. This level of performance is especially notable for a rural area.

Additional information further illustrates the services available at CQCH. The hospital is fully accredited by DNV Healthcare and the International Accreditation Organization for quality. Copper Queen is also a Level IV trauma center, providing 24-hour emergency care at both locations (Bisbee and Douglas). Additionally, the Bisbee Emergency Department has an average door-to-doctor time of 15 minutes, while the Douglas Emergency Department averages 10 minutes. Both metrics outperform the national average of approximately 20 minutes among high-performing emergency departments.²⁹

In addition to these quality indicators, the hospital offers state-of-the-art radiology equipment, including CT scanners, mobile MRI, ultrasound, DEXA scanning, and general X-rays. The list below details the specialist services available at CQCH:

- General surgery
- Gastroenterology
- Cardiology
- Pulmonology
- Podiatry
- Hepatology
- Urology
- Gynecology
- Pain management
- Physical therapy
- Mental health services

A geographic view of where these services are located in relation to potential CCRC development site options is included in [Section 4](#).

²⁹ James Augustine, "A Sobering Year for Emergency Departments and Their Patients," ACEP Now, December 11, 2023, <https://www.acepnow.com/article/a-sobering-year-for-emergency-departments-and-their-patients/>.

Chiricahua Community Health Centers (Chiricahua) is also a key healthcare provider in the PMA. Chiricahua is the largest care provider in Cochise County, serving more than 35,000 patients annually. They have clinics and offices throughout the region, including Zip Code 85603 (Bisbee). Chiricahua takes all insurances – including Medicare and Medicare Advantage plans, and offers a full suite of primary care providers.

Chiricahua offers a full range of primary care services in the Bisbee area, including a primary medical care clinic, pediatric dentistry, and integrated behavioral health services. They also offer a full-service pharmacy, which includes home delivery.

Chiricahua is recognized by the Health Resources Services Administration (HRSA) as a Patient-Centered Medical Home (PCMH). This recognition assesses health center quality and patient safety. Specifically, HRSA evaluates health centers against standards of quality improvement, quality assurance, risk management, and performance improvement. The PCMH recognition certifies Chiricahua's approach to quality patient-centered care and certifies the health center meets and exceeds national standards for primary care that emphasize care coordination and on-going quality improvement.

In the Warren District, Chiricahua's Bisbee Family Health Center offers comprehensive care for the entire family. Experienced clinicians offer comprehensive pediatric, adult, and women's health care. Lab services are also available. Additionally, Chiricahua offers integrated behavioral health and substance use counseling. They also offer support services and insurance eligibility/enrollment assistance.

Labor Supply

Another important factor for feasibility is the availability of labor to serve the CCRC. In particular, healthcare labor supply is important to service seniors and their increasing need for health services, including prescriptions, routine check-ups, and surgeries. Table 3.3 and Table 3.4 give a brief review of healthcare labor supply.

The Health Care and Social Assistance sector can help evaluate the capacity of healthcare in Cochise County. Table 3.3 reports employment levels and growth by industry sector in Cochise County over the last five years. Health Care and Social Assistance is key to the Cochise County economy, accounting for over 4,700 jobs which is the highest share of employment (13.7%). Additionally, overall employment has slightly decreased in the County, but employment in Health Care and Social Services has grown at a steady rate of 5.5%. This is significant given its overall contribution to Countywide employment, suggests that healthcare labor is in sufficient supply, and that it can continue to grow to serve increasing demand.

Table 3.3: Employment Levels & Growth by Sector in Cochise County, 2025

Industry	2025 Employment	Share of Employment	Job Growth	% Growth
Agriculture, Forestry, Fishing and Hunting	1,212	3.5%	181	17.6%
Mining, Quarrying, and Oil and Gas Extraction	35	0.1%	(66)	(65.3%)
Construction	2,195	6.3%	(667)	(23.3%)
Manufacturing	614	1.8%	(11)	(1.8%)
Utilities	625	1.8%	325	108.3%
Wholesale Trade	504	1.5%	94	22.9%
Retail Trade	4,546	13.1%	(183)	(3.9%)
Transportation and Warehousing	1,052	3.0%	(152)	(12.6%)
Information	803	2.3%	398	98.3%
Finance and Insurance	623	1.8%	120	23.9%
Real Estate and Rental and Leasing	387	1.1%	62	19.1%
Professional, Scientific, and Technical Services	2,256	6.5%	(288)	(11.3%)
Management of Companies and Enterprises	117	0.3%	79	207.9%
Administrative and Support and Waste Management and Remediation Services	1,226	3.5%	(731)	(37.4%)
Educational Services	3,446	10.0%	98	2.9%
Health Care and Social Assistance	4,758	13.7%	248	5.5%
Arts, Entertainment, and Recreation	562	1.6%	14	2.6%
Accommodation and Food Services	3,266	9.4%	341	11.7%
Other Services	651	1.9%	101	18.4%
Public Administration	5,747	16.6%	(167)	(2.8%)
Total	34,625	100.0%	(204)	(0.6%)

Source: Data Tactical Group, 2026

Table 3.4 reports employment by occupation in Cochise County, another important measure of labor supply. The analysis by occupation shows what types of jobs employees work within industry sectors. For healthcare, the analysis can give a more detailed view of labor supply and availability.

For this feasibility study, the occupations of particular importance are Healthcare practitioners and technical occupations (such as physicians and nurses) and Healthcare support occupations (like nursing assistants and home health aides). These two occupation types together account for approximately 3,000 jobs in the County and about 8.4% of total employment. Overall, levels here and by industry sector point to healthy levels and a healthy outlook for healthcare labor supply in Cochise County.

Table 3.4: Employment by Occupation in Cochise County, 2025

Occupation Type	2025 Employment	Share of Employment
Management occupations	2,455	7.1%
Business and financial operations occupations	2,404	6.9%
Computer and mathematical occupations	1,856	5.4%
Architecture and engineering occupations	421	1.2%
Life, physical, and social science occupations	402	1.2%
Community and social service occupations	546	1.6%
Legal occupations	190	0.5%
Educational instruction and library occupations	2,415	7.0%
Arts, design, entertainment, sports, and media occupations	353	1.0%
Healthcare practitioners and technical occupations	1,813	5.2%
Healthcare support occupations	1,093	3.2%
Protective service occupations	2,500	7.2%
Food preparation and serving related occupations	2,973	8.6%
Building and grounds cleaning and maintenance occupations	947	2.7%
Personal care and service occupations	411	1.2%
Sales and related occupations	3,225	9.3%
Office and administrative support occupations	3,963	11.4%
Farming, fishing, and forestry occupations	285	0.8%
Construction and extraction occupations	1,561	4.5%
Installation, maintenance, and repair occupations	1,727	5.0%
Production occupations	704	2.0%
Transportation and material moving occupations	2,407	6.9%
Total	34,650	100.0%

Source: Data Tactical Group, 2026

To pair with these quantitative measures of labor supply, Cochise College supports an excellent nursing program within the PMA.³⁰ The program is accredited by both the

³⁰ "Nursing: Associate of Applied Science Certificate," Cochise College, <https://www.cochise.edu/programs/nursing.html>.

Accreditation Commission for Education in Nursing (ACEN) and the Arizona State Board of Nursing (AZBN). Cochise College's nursing program is a representation of the ability of the region to continue training and providing skilled labor to the market place, ensuring the availability of healthcare workers to serve a potential CCRC.

4. Facility Assessment

The final component of the feasibility study is assessing the proposed facility itself. Specifically, our team reviewed several potential sites for development, physical assets surrounding the sites themselves, and the financial viability of the facility. The facility assessment was completed under the assumption that there is sufficient market demand for the facility. Ultimately, we reviewed three potential sites and three development scenarios for financial viability.

Site Options

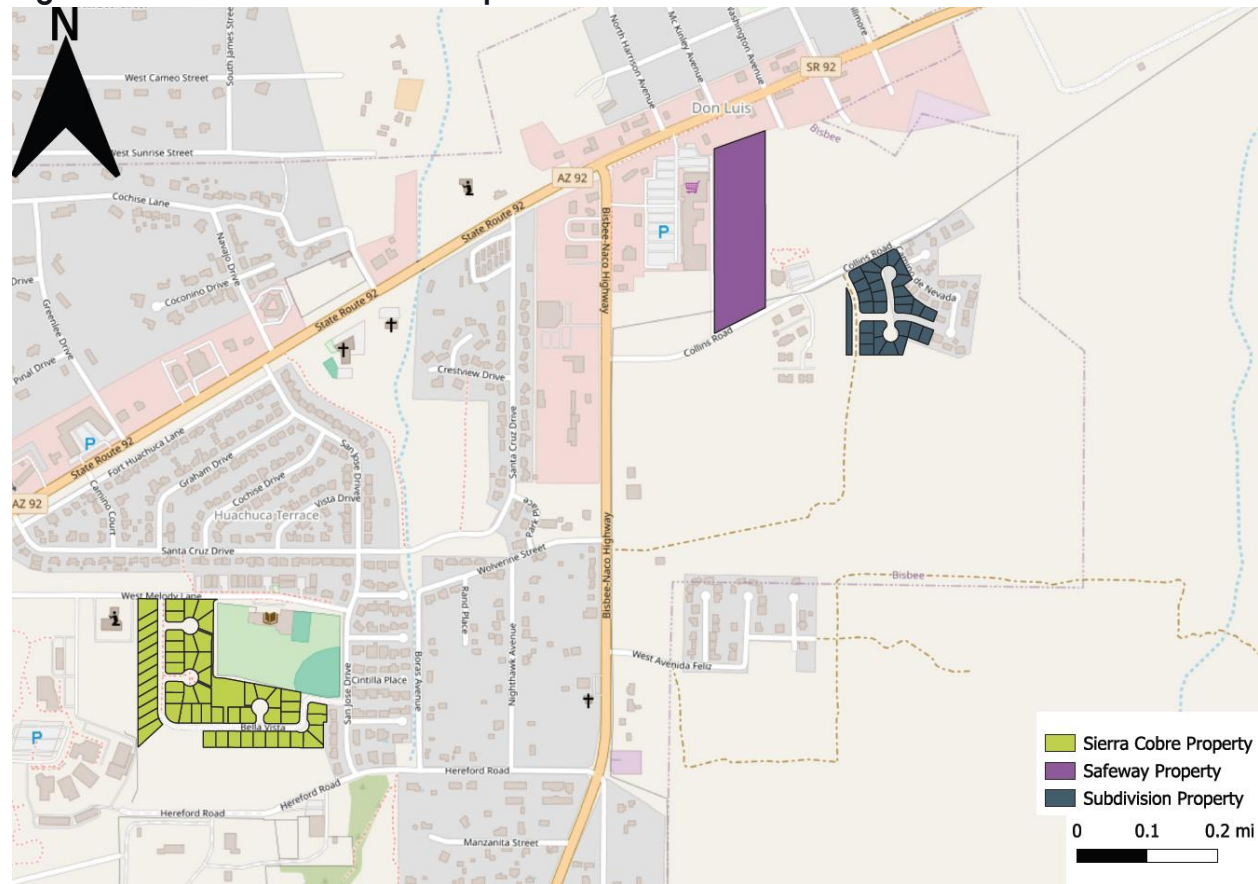
While there is more opportunity for potential development sites in the San Jose area, our team relied on input from the Steering Committee to narrow down realistic options. Two of the potential sites were taken into consideration because the City of Bisbee (represented on the Steering Committee) owns them, and has discussed the possibility of donation, or at least partial donation, of the properties. The third site option is owned privately, and would therefore carry a greater cost to development for purchasing the associated parcels.

The first property for consideration is the “Sierra Cobre” property, owned by the City of Bisbee. The site is 57 subdivided parcels totaling about 12.6 developable acres. The Sierra Cobre property is the largest of the site options, providing the greatest opportunity for future expansion if the CCRC is deemed feasible, is developed, and is successful. The City has discussed potential donation of the Sierra Cobre Site, and it should be considered as a likely option.

The second property for consideration is the “Safeway” property, also owned by the City of Bisbee. The site is a single parcel totaling about 8.6 developable acres. The site currently features a homeless encampment, which would need to be removed or relocated if development were to move forward here. The City of Bisbee uses this property as part of its intention to serve those in need, and residents of the City are proud of their identity as a community that serves those who need it. Potential removal for CCRC development could face public backlash here.

The third and final site for consideration is another subdivided property off of Collins Rd and Camino de Nevada, the “Subdivision” property. The site is made up of 29 parcels and totals about 4.6 developable acres. The Subdivision property is currently privately owned by Sierra Bonita Holdings, and would thus carry a higher cost for development than the previous two sites due to land purchase. This is also the smallest site and provides the least amount of space for future expansion, though there are other vacant properties adjacent to the Subdivision property. Figure 4.1 illustrates these sites and where they are geographically.

Figure 4.1: Potential CCRC Development Sites



Source: Points Consulting using Cochise County Assessor Data

Amenities Within Site Radius

An important aspect for site consideration is the number and type of community assets around a site. Development sites that are closer to community amenities and have more of them are likely to have greater demand than those that are generally not connected to them. Therefore, developers are also more likely to pick a site with abundant amenities to serve their target market.

Figure 4.2 through Figure 4.4 illustrate a range of community amenities available to potential future residents of the CCRC within a four-mile drive radius. Amenities within a four-mile drive radius were chosen because of importance this has on Low Income Housing Tax Credit (LIHTC) applications. According to the Arizona Department of Housing's (ADOH) Qualified Allocation Plan (QAP) for the 2024-25 LIHTC program,

specific amenities within a four-mile drive radius are eligible to receive bonus points at the application stage in rural areas.³¹ Eligible amenities include:

- Grocery (10 points)
- Shopping or pharmacy (five points)
- Medical facility (five points)
- Bus or transit stop (five points)
- Employment center (five points)
- One of the following (five points): Senior center, community center, public park, library

As shown in the following figures, all three site options are well positioned to benefit from increased access to amenities, should a LIHTC program be chosen or proven necessary for development of the CCRC. A detailed summary of assets within a four-mile drive radius of each site is available in [Appendix B](#).

Additionally, each figure reflecting the sites' adjacent assets show that the Bisbee Bus largely covers each option.³² The City of Bisbee has also made it clear that expanding the route with a stop at the Sierra Cobre property would be no obstacle. A visual of the Bisbee Bus route can be reviewed in [Appendix C](#).

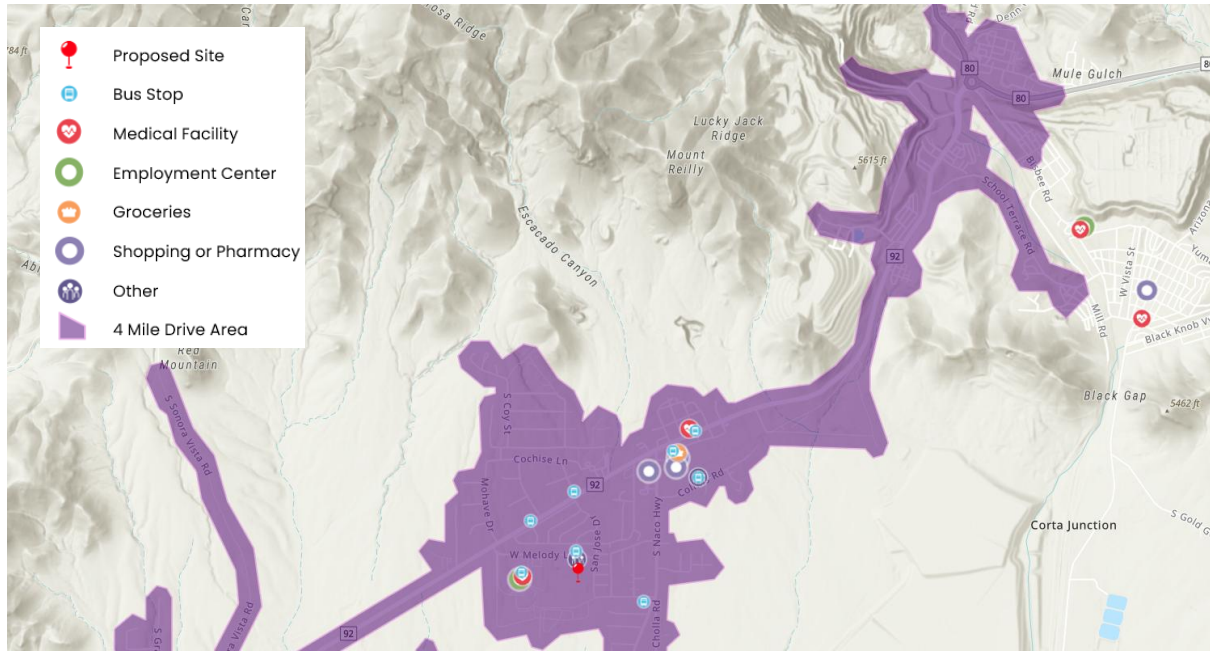
Another factor to consider is the Arizona Opportunity Zones Program. All three site options are located in a Census Tract (04003001200) that is eligible for the Arizona Commerce Authority's Opportunity Zone 2.0.³³ Through this program, 500 census tracts are eligible to be nominated as a designated opportunity zone, but only 125 will be selected. If nominated and selected, developments are eligible for a capital gains deferral program as an incentive for economic development projects in those areas.

³¹ "Governor's Approval, Arizona 2024-2025 Qualified Allocation Plan for the Low Income Housing Tax Credit Program," Arizona Department of Housing, Accessed May 7, 2026, https://housing.az.gov/sites/default/files/documents/files/2024-2025_Final_QAP.pdf.

³² "Bisbee Bus Program," City of Bisbee Public Works Department, Accessed May 7, 2026, <https://bisbeeaz.gov/2331/Bisbee-Bus-Program>.

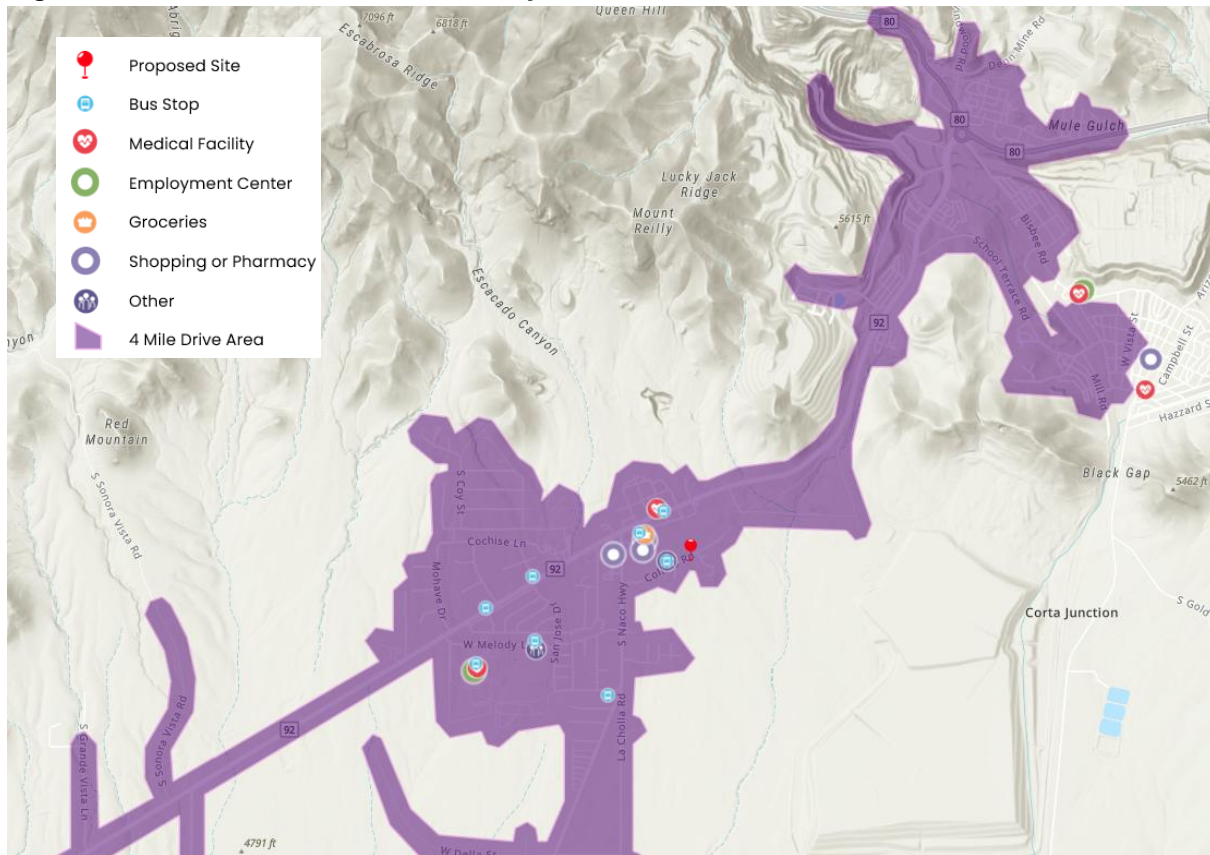
³³ "OZ 2.0 Recommendation Process," Arizona Commerce Authority, Accessed May 7, 2026, <https://www.azcommerce.com/arizona-opportunity-zones/oz-20-recommendation-process/>.

Figure 4.2: Site 1–Sierra Cobre Site Adjacent Assets



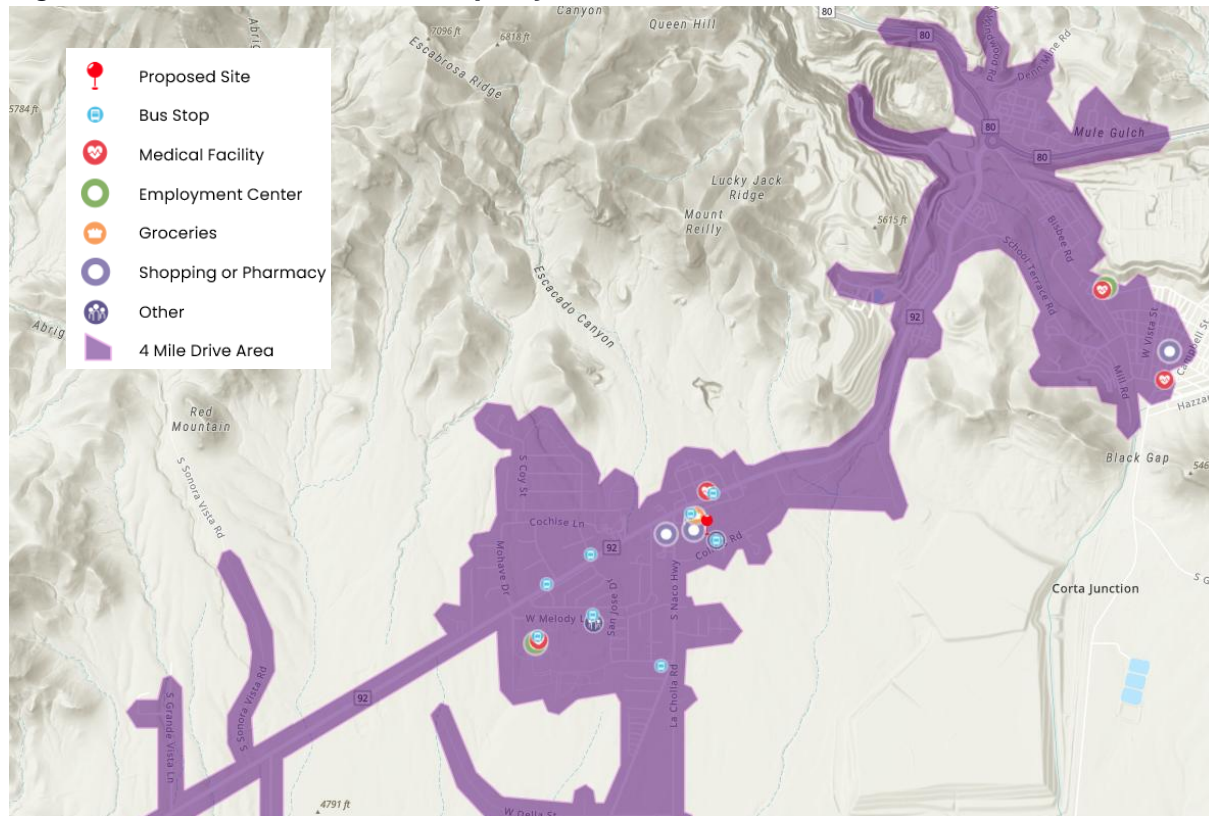
Source: Points Consulting using ArcGIS Online

Figure 4.3: Site 2–Subdivision Site Adjacent Assets



Source: Points Consulting using ArcGIS Online

Figure 4.4: Site 3–Behind Safeway Adjacent Assets



Source: Points Consulting using ArcGIS Online

Capture Rate

The capture rate is an essential calculation for any feasibility study. The key takeaway from the capture rate is a good estimate of whether the proposed facility is a reasonable size or not. For example, if the required capture rate for a financially feasible facility is 100%, that would be an unrealistic facility. Even with adjustments to market demand, assuming a facility will capture 100% of available individuals or households is not a realistic estimate, and thus puts feasibility of a proposed facility in jeopardy.

For the proposed CCRC facility, the main market segment for measuring demand and the capture rate is individuals who are aged 65 and older. Residents of the PMA aged 65+ is the appropriate segment to analyze because of the IL aspect of the CCRC. The retirement age is 65, and at that age residents are less likely to need as much assistance as those aged 75+. In addition to this market segment, we made adjustments to the market demand based on the following metrics:

- Income qualification
- Percentage of seniors living alone
- Senior disability rate

As an addition to the unmet market demand rather than a subtraction, we include the percentage of seniors that do not live alone, but with their children, who are also part of the eligible market to utilize the CCRC. Through research, we found this percentage to be approximately 9.0% nationwide.³⁴

Table 4.1 reports the market adjustments to demand, and the final outcomes of the capture rate analysis. After adjusting based on the three main factors above, the total current market demand for a CCRC is about 863 individuals. After adjusting for the existing market supply, total unmet market demand is about 490 individuals. Assuming a facility with a capacity of 60 beds, the required capture rate for the facility is 12.2% of unmet market demand. Based on our team's calculations, a facility of this size appears to be reasonable for the PMA.

Table 4.1: Proposed Facility Capture Rate Requirement

Metric/Adjustment	Value
Population 65+	22,695
Percentage Income Qualified	31.1%
Total Income Qualified, 65+	7,051
Percentage Living Alone	31.1%
Total Income Qualified, Living Alone, 65+	2,191
Senior Disability Rate	36.1%
Total Income Qualified, Living Alone, 65+, Disabled	792
Percent Living with Children	9.0%
Total Current Market Demand	863
Existing Supply of Units	373
Total Unmet Market Demand	490
Proposed Facility	60
Required Capture Rate	12.2%

Source: PC Calculations using U.S. Census Bureau ACS 5-Year Estimates, Tables DP05, S1901, S1101, S1810; Arizona Department of Health Services; Pew Research Center

The income qualification requires an important note. In order to create a realistic estimate for the capture rate, our team used the number of individuals that qualify for a fully private CCRC facility (earning about \$75,000+ annually). However, the facility is intended to include residents who qualify for Medicaid, and other low-income seniors.

Because of the disconnect in the income distribution between those who qualify for a private facility (\$75,000+ annually) and those who qualify for Medicaid (less than

³⁴ "A smaller share of older U.S. adults live alone today than in 1990," Richard Fry, Pew Research Center, Accessed May 7, 2026, <https://www.pewresearch.org/short-reads/2025/12/04/a-smaller-share-of-older-us-adults-live-alone-today-than-in-1990/>.

\$35,000 annually), the capture rate would have been subject to scrutiny. As a result, low-income seniors and those who qualify for Medicaid contribute to additional demand for the CCRC facility. In short, the true capture rate is likely lower than 14.3%, making the facility a safer development.

Development Scenarios

In order to truly determine the feasibility of a CCRC in the PMA, we need to consider financial viability as well. Market factors may point to there being unmet demand, but other financial indicators may prohibit a project from fully moving forward if the profit incentive is missing.

To determine financial viability, our team created three separate development scenarios. These development scenarios are not official proposals or 100% planned concepts. We completed this analysis in order to determine if a similar facility would be financially viable or not. Each development scenario is summarized in Table 4.2.

Table 4.2: Development Scenario Summary

Development Scenario	Description
Model 1: Senior Cottage Community	Higher quality CCRC in the AL Home style. Predominantly AL Home with 80% of the units in this category. The other 20% are IL/AL Center units, all affordable to residents 30–50% AMI. Amenities and landscaping are included for more luxury. Financed via standard commercial loan.
Model 2: Hybrid Village Model	Hybrid CCRC that is predominantly (80%) IL/AL Center. Assumed about 12 IL/AL Home units. This scenario is intended to promote some flexibility on style and amenities offered. Dominated by the IL/AL Center units, this scenario would also have more space for additional uses. Ideally financed via USDA 538 loan terms.
Model 3: Centralized Facility	Highly centralized CCRC facility with 100% of the units in the IL/AL Center. With the fully centralized facility, there is maximal opportunity for healthcare solutions and aging-in-place. Also explicitly modeled for the inclusion of MC. This scenario would have to be developed and operated by a nonprofit, as it is ideally financed via HUD 232 loan terms.

Source: Points Consulting, 2026

Table 4.3 reports the detailed unit mix summary of each development scenario. Overall, each scenario includes majority IL/AL units. Realistically, all IL and AL units are hybrid IL/AL units where residents can transition to AL as the need arises. However, for the modeling process our team needed a broad average to work with.

Table 4.3: Development Scenario Unit Mix Summary

Development Scenario	IL Home Units	AL Home Units	IL Center Units	AL Center Units	MC Units	IL/AL Low-Income Units	Total Units
Model 1: Senior Cottage Community	28	20	0	0	0	12	60
Model 2: Hybrid Village Model	6	6	24	14	5	5	60
Model 3: Centralized Facility	0	0	30	18	6	6	60

Source: Points Consulting, 2026

Each scenario involves some units being set aside for low-income individuals (IL/AL Low-Income Units). These are not strictly set aside due to assumed LIHTC funding, but pricing was set to a level that an individual of 30% AMI could utilize the unit. For these units, pricing does not differ between IL and AL. Units that are AL are assumed to be priced at the second of three care levels, increasing in price as increased care is required. Both IL and AL Home units are charged higher relative to their Center counterparts as the units were modeled to be of higher quality.

Three main factors were taken into consideration for development costs: construction, additional site work (like landscaping and other outdoor amenities), along with furniture, fixtures, and equipment (FFE). In total, the development costs ranged from approximately \$13.2 million to \$16.0 million (Table 4.5). Model 1 construction costs accounted for about 31,000

square feet of total CCRC facility, with 20,000 being attributed to IL/AL Homes and 11,000 to the Center. The Model 2 facility spans approximately 49,500 square feet, with the vast majority (44,000 square feet) going to the IL/AL Center. The largest of the three facilities would be Model 3's, at just over 55,000 square feet, all being within the IL/AL Center.

Table 4.4: Unit Type Pricing Summary

Unit Type	Estimated Monthly Price
IL Home	\$4,615
AL Home	\$5,915
IL Center	\$3,550
AL Center	\$4,550
MC Center	\$6,900
IL/AL Low-Income	\$1,700

Source: Points Consulting, 2026

Table 4.5: Development Cost Summary

Development Scenario	Construction Cost	Additional Site Work	Furniture, Fixtures, & Equipment	Total
Model 1: Senior Cottage Community	\$7.0M	\$4.8M	\$1.3M	\$13.2M
Model 2: Hybrid Village Model	\$11.8M	\$3.3M	\$1.1M	\$16.1M
Model 3: Centralized Facility	\$13.2M	\$2.1M	\$0.7M	\$16.0M

Source: Points Consulting Calculations, 2026

Viability

There are several different avenues to examine financial viability. Table 4.6 reports a handful of common measures to determine the attractiveness of a project. Net Revenue reports the total nominal value of dollars gained or lost through the course of the proposed development. Net Present Value (NPV) reports the projected real value of dollars gained or lost through the course of the project, with future dollars discounted (at a rate of 3.0% here), as money now is more valuable than money in the future.

The internal rate of return (IRR) represents the discount rate needed to bring a potential project's NPV to zero (essentially breakeven on the project). Greater and positive net revenues, NPVs, and IRRs show greater profitability. Investors also typically examine the payback period, the number of years required to break even on a project.

As shown in Table 4.6, all three development scenarios are deemed to return a profit. Model 1 is the most profitable, with an NPV of \$40.2 million over 35 years and a payback period of four years. Model 2 results in the lowest returns, \$12.6 million over 35 years and a payback period of 15 years. Model 3 results in about \$13.0 million over 35 years and a payback period of 14 years. Snapshots of the full pro forma analyses for each development scenario are available in [Appendix D](#).

Table 4.6: CCRC Potential Project Returns

Development	Net Revenue (Loss)	Net Present Value	Internal Rate of Return	Payback Period
Model 1: Senior Cottage Community	\$76.4M	\$40.2M	43.5%	4 Years
Model 2: Hybrid Village Model	\$29.4M	\$12.6M	11.4%	15 Years
Model 3: Centralized Facility	\$29.9M	\$13.0M	12.5%	14 Years

Source: Points Consulting Calculations, 2026

Overall, our team concludes that a similar CCRC development to those proposed here is likely a viable financial investment. However, size and scale are dependent on market conditions. These proposed facilities are shown to be likely viable, under a strong qualitative assumption that residents throughout the PMA strongly prefer the Bisbee area to other options available in the region (like Sierra Vista). If this assumption does not hold, a smaller PMA should be considered, which would likely result in a reduced scale facility to account for market supply and demand.

5. Operational & Financial Recommendations

Assuming there truly is a strong preference of residency in the Bisbee area over other communities in the PMA, our team recommends a facility of similar size and operation to those of our [development scenarios](#). A CCRC facility sized at a capacity of 60 produces strong enough financial returns that the profit incentive should drive development interest.

The Model 1 development scenario showed that a traditional CCRC facility with primarily IL/AL homes is financially viable. This is true even under a standard commercial lending environment with a privately developed and operated facility. There are more private developers and operators than nonprofit, so our team recommends recruiting a private operator for the best chances of a facility being developed.

Given market supply trends, a facility closer to the Senior Cottage Community (Model 1) scenario would perform the best. Larger facilities (like [Hummingbird Senior Resort Living](#)) have higher than average vacancy rates, and the vast majority of existing AL facilities are classified as AL homes (see [Section 3](#)). Additionally, this model of unit type provides the greatest financial return.

With regard to pricing, neither our team, nor the steering committee can force a private developer and operator to set their prices a specific way. However, each development scenario had aspects of low-income units built in, and that did not threaten the financial viability of the proposed CCRC. So, we recommend including a portion of units to be reserved for lower income residents (such as in Model 1, see Table 4.3). If it is a primary part of the steering committee's mission to include at least this many low-income units or more, then recruiting a nonprofit developer and operator may be more beneficial.

Contacting Potential Developers

For the next step in the process, PC recommends contacting potential developers or other organizations who can get the steering committee in contact with appropriate developers and operators. Through the course of the feasibility study, the steering committee put together a preliminary list of potential developers and operators that could make the CCRC work in Bisbee. From this list, PC prioritized organizations based on their experience developing or operating CCRCs, their experience in rural development, and if they were non-profit providers or accept Medicaid. The list, ranked by priority for communication, is as follows:

- **Humangood:** Has experience with CCRCs and is a nonprofit provider or accepts Medicaid, but no experience in rural areas

- **Charter Senior Living:** Has experience with CCRCs, but is not a nonprofit provider, does not necessarily accept Medicaid, and does not have experience in rural areas
- **LCS Living:** Has experience with CCRCs, but is not a nonprofit provider, does not necessarily accept Medicaid, and does not have experience in rural areas
- **Build Senior Living (BSL):** Has experience with CCRCs, does not have experience in rural areas, but has accepted Medicaid in the past
- **Distinctive Living Development:** Has experience with CCRCs, but is not a nonprofit provider, does not necessarily accept Medicaid, and does not have experience in rural areas
- **Haven Senior Investments:** An advisory firm that may have connections with necessary types of developers and operators
- **Plante Moran Living Forward:** An advisory firm that does advise senior living developments, may also have connections with necessary types of developers and operators
- **Beacon Development Group:** A subsidiary of Humangood, this firm conducts development consulting and may have beneficial connections for a CCRC project
- **American Senior Housing Association (ASHA):** This organization is not a developer or operator, but is one of the national providers of information on all things IL, AL, and MC, may have beneficial connections for CCRC development
- **National Center for Assisted Living (NCAL):** Similar to ASHA, this organization may have beneficial connections for CCRC development

Grant & Tax Credit Fund Options

Through our development scenario modeling process, including a portion of IL/AL units at rates to serve lower income residents made the profit incentivization for a developer and operator challenging. Ultimately, it became clear that including a significant portion of these units was a threat to the financial viability of the facility. As a result, our development scenarios are broadly based on private market rates.

Due to this result, the best way to include some portion of units for lower income residents is to pursue grant and tax credit options. The options our team provides here are some that we are more familiar with, but there may be more options available from private sources or other government agencies.

The first available option is to pursue housing-specific funding. This option makes things difficult for the AL side of the CCRC, as housing-specific funding options are only eligible for expenses directly for housing. As a result, assisted living costs would not be covered under the financial assistance. However, utilizing these funds could significantly reduce costs to the developer and operator, allowing them to charge lower income

residents more affordable prices. It is also a possibility to utilize these funds for a subsection of the project that becomes either strictly independent living or senior housing. This is not a perfect solution, but an option nonetheless.

The three main housing funding sources and important notes are:

- **Arizona State Low Income Housing Tax Credits (LIHTC):** The ADOH awards three new construction projects in rural Arizona funding per year. The State earmarks \$4 million total per year, 50% of which is specifically for rural projects.
- **Housing and Urban Development (HUD) Section 202 – Supportive Housing for the Elderly:** Eligible funding recipients must be nonprofit developers or operators, the facility must be for very low-income residents (<50% AMI), and residents must be able to live independently.
- **HUD HOME Investment Partnerships Program (HOME) with a Community Housing Development Organization (CHDO):** About 15% of HOME funds are set aside for CHDOs. Partnering with one of these organizations on the CCRC development is a potential option to pursue.

Three other potential options are available as well, which may have greater ability to subsidize the whole cost of the CCRC for lower income residents. The options include:

- **U.S. Department of Agriculture (USDA) Rural Community Facilities Programs:** The USDA offers direct loans, loan guarantees, and grants for public service buildings to improve the quality of life, develop, and sustain rural America. Healthcare facilities are included in the list of eligible facilities.
- **New Market Tax Credits through Opportunity Zones (OZ) 2.0:** As outlined in the [Site Options](#) section, the Census Tract that all potential development sites are located in is eligible to become an OZ. If nominated and designated as an OZ, projects within the Census Tract are eligible to receive significant capital gains tax deferrals. Nominating the Census Tract as an OZ and utilizing the New Market Tax Credits as a developer incentive is an option.
- **Arizona Housing Fund (AZHF) Assistance:** The AZHF provides equity and capital grants to nonprofit organizations that build and operate permanent supportive housing (PSH), low-income, and working-poor housing. Applying for assistance with AZHF could help provide CCRC units for lower income residents as well.

Appendix A. Supplemental Data

Table A.1: In-Migration of Senior Populations by Age, 2014–2024

Year	55–64	65–74 Bisbee	75+	Total 55+
2014	55	11	0	66
2015	38	19	0	57
2016	36	18	0	54
2017	44	29	12	84
2018	32	45	17	94
2019	21	57	18	96
2020	15	67	27	109
2021	23	49	26	99
2022	15	43	21	80
2023	30	24	7	61
2024	56	27	10	93
Cochise County				
2014	680	546	160	1,386
2015	761	489	113	1,363
2016	806	617	170	1,593
2017	849	584	217	1,650
2018	864	689	214	1,767
2019	792	643	371	1,806
2020	761	672	448	1,881
2021	878	731	474	2,084
2022	828	780	513	2,121
2023	764	963	538	2,265
2024	656	876	478	2,010
Arizona				
2014	29,838	24,041	12,046	65,926
2015	30,460	25,915	12,933	69,308
2016	32,591	27,939	13,479	74,008
2017	33,994	27,732	13,843	75,569
2018	34,831	29,666	15,491	79,988
2019	34,714	30,122	16,199	81,036
2020	35,424	30,643	17,576	83,643
2021	35,244	29,255	16,912	81,411
2022	33,648	29,888	18,721	82,257
2023	33,429	30,381	18,841	82,651
2024	32,664	29,501	18,607	80,772

Source: U.S. Census Bureau, ACS 5-Year Estimates 2014–2024, Table S0701

Appendix B. Adjacent Asset Tables

Table B.1: Site 1-Sierra Cobre Site Adjacent Assets

Asset	Address	Distance
Groceries		
Safeway	101 S Naco Hwy Bisbee, AZ 85603	1.1 miles
Shopping or Pharmacy		
Safeway Pharmacy	101 S Naco Hwy Bisbee, AZ 85603	1.1 Miles
Dollar General	1166 S Naco Hwy Bisbee, AZ 85603	1.1 Miles
Dollar Tree	1101 S Naco Hwy #131 Bisbee, AZ 85603	1.1 Miles
Bisbee Pharmacy-Chiricahua Community Health Centers	307 Arizona St Bisbee, AZ 85603	4.5 Miles
Medical Facility		
Cochise County Health & Social Services Clinic	1415 Melody Ln BLDG A Bisbee, AZ 85603	0.2 Miles
Copper Queen Community Hospital Physical Therapy	850 AZ-92 Bisbee, AZ 85603	1.2 Miles
Copper Queen Community Hospital	101 Cole Ave Bisbee, AZ 85603	4.5 Miles
Chiricahua Community Health Center	108 Arizona St Bisbee, AZ 85603	4.6 Miles
Bus or Transit Stop		
Copper City Apartments	508 W Melody Ln Bisbee, AZ 85603	0.1 Miles
Cochise County Health Department	1415 Melody Ln BLDG A Bisbee, AZ 85603	0.2 Miles
CCAH	1556 S Naco Hwy Bisbee, AZ 85603	0.4 Miles
San Jose Center/Square	1326 AZ-92 Bisbee, AZ 85603	0.6 Miles
Triangle Apartments	100 Navajo Dr Bisbee, AZ 85603	0.6 Miles
Safeway	101 S Naco Hwy Bisbee, AZ 85603	1.1 Miles
Bisbee Senior Center	300 Collins Rd Bisbee, AZ 85603	1.2 Miles
Hwy. 92/ Washington Ave	850 AZ-92 Bisbee, AZ 85603	1.2 Miles
Employment Center		
Cochise County	1415 W Melody Ln Bisbee, AZ	0.3 Miles

Copper Queen Community Hospital	101 Cole Ave Bisbee, AZ 85603	4.5 Miles
Other		
Copper Queen Library Annex	519 W Melody Ln Bisbee, AZ 85603	0.1 Miles
Bisbee Seniors Association	300 Collins Rd Bisbee, AZ 85603	1.2 Miles

Source: Points Consulting using Google Maps

Table B.2: Site 2-Subdivision Site Adjacent Assets

Asset	Address	Distance
Groceries		
Safeway	101 S Naco Hwy Bisbee, AZ 85603	0.4 Miles
Shopping or Pharmacy		
Safeway Pharmacy	101 S Naco Hwy Bisbee, AZ 85603	0.4 Miles
Dollar General	1166 S Naco Hwy Bisbee, AZ 85603	0.4 Miles
Dollar Tree	1101 S Naco Hwy #131 Bisbee, AZ 85603	0.4 Miles
Bisbee Pharmacy-Chiricahua Community Health Centers	307 Arizona St Bisbee, AZ 85603	4.1 Miles
Medical Facility		
Copper Queen Community Hospital Physical Therapy	850 AZ-92 Bisbee, AZ 85603	0.8 Miles
Cochise County Health & Social Services Clinic	1415 Melody Ln BLDG A Bisbee, AZ 85603	1.8 Miles
Copper Queen Community Hospital	101 Cole Ave Bisbee, AZ 85603	4.0 Miles
Chiricahua Community Health Center	108 Arizona St Bisbee, AZ 85603	4.2 Miles
Bus or Transit Stop		
Bisbee Senior Center	300 Collins Rd Bisbee, AZ 85603	0.07 Miles
Safeway	101 S Naco Hwy Bisbee, AZ 85603	0.4 Miles
Hwy. 92/ Washington Ave	850 AZ-92 Bisbee, AZ 85603	0.8 Miles
CCAH	1556 S Naco Hwy Bisbee, AZ 85603	0.9 Miles
Triangle Apartments	100 Navajo Dr Bisbee, AZ 85603	1.0 Miles
San Jose Center/Square	1326 AZ-92 Bisbee, AZ 85603	1.3 Miles

Copper City Apartments	508 W Melody Ln Bisbee, AZ 85603	1.4 Miles
Cochise County Health Department	1415 Melody Ln BLDG A Bisbee, AZ 85603	1.8 Miles
Employment Center		
Cochise County	1415 W Melody Ln Bisbee, AZ 85603	1.8 Miles
Copper Queen Community Hospital	101 Cole Ave Bisbee, AZ 85603	4.0 Miles
Other		
Bisbee Seniors Association	300 Collins Rd Bisbee, AZ 85603	0.07 Miles
Copper Queen Library Annex	519 W Melody Ln Bisbee, AZ 85603	1.3 Miles

Source: Points Consulting using Google Maps

Table B.3: Site 3-Behind Safeway Adjacent Assets

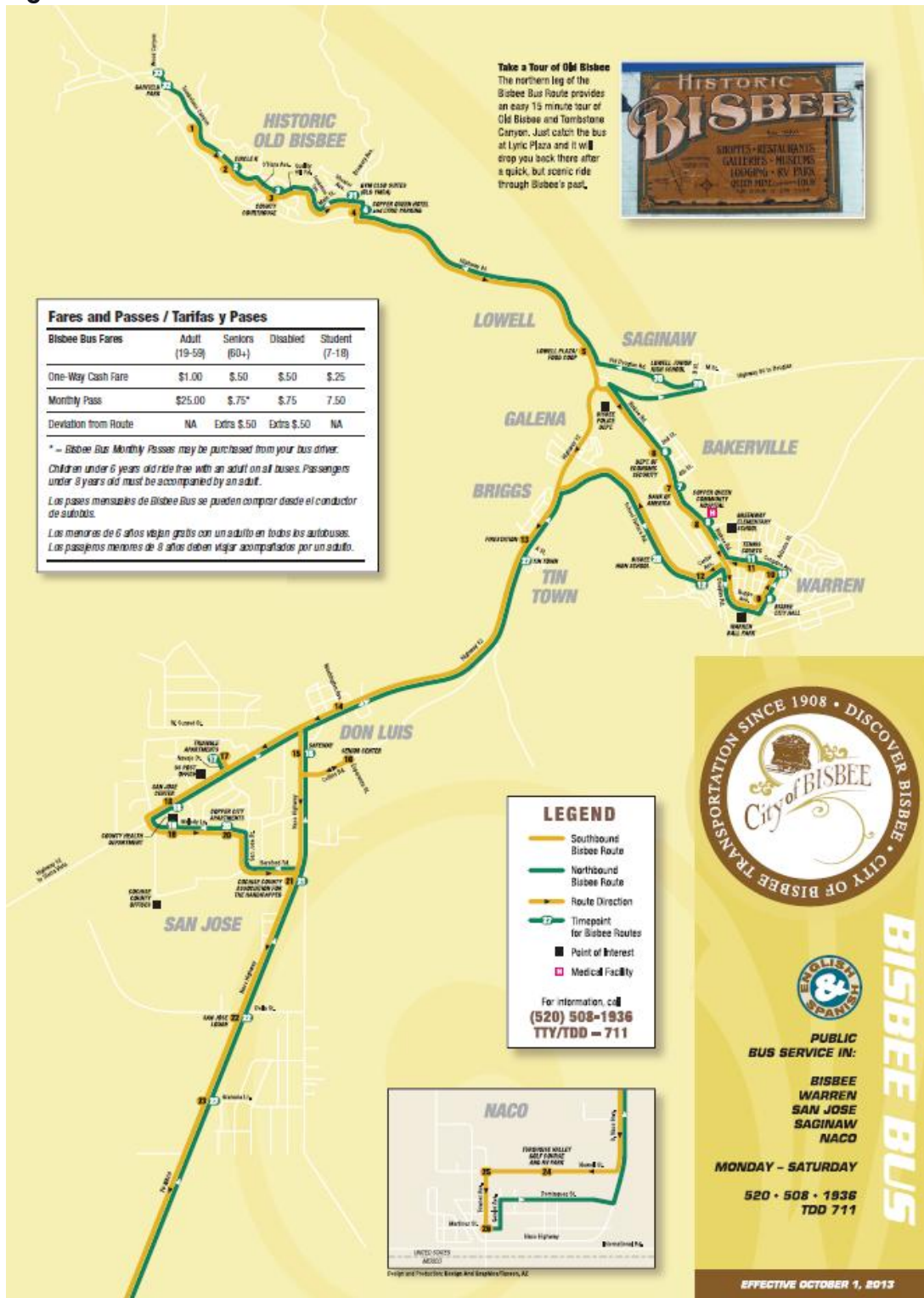
Asset	Address	Distance
	Groceries	
Safeway	101 S Naco Hwy Bisbee, AZ 85603	0.1 Miles
Shopping or Pharmacy		
Safeway Pharmacy	101 S Naco Hwy Bisbee, AZ 85603	0.1 Miles
Dollar Tree	1101 S Naco Hwy #131 Bisbee, AZ 85603	0.1 Miles
Dollar General	1166 S Naco Hwy Bisbee, AZ 85603	0.4 Miles
Medical Facility		
Copper Queen Community Hospital Physical Therapy	850 AZ-92 Bisbee, AZ 85603	0.7 Miles
Cochise County Health & Social Services Clinic	1415 Melody Ln BLDG A Bisbee, AZ 85603	1.7 Miles
Copper Queen Community Hospital	101 Cole Ave Bisbee, AZ 85603	4.0 Miles
Chiricahua Community Health Center	108 Arizona St Bisbee, AZ 85603	4.0 Miles
Bus or Transit Stop		
Safeway	101 S Naco Hwy Bisbee, AZ 85603	0.1 Miles
Bisbee Senior Center	300 Collins Rd Bisbee, AZ 85603	0.2 Miles
Hwy. 92/ Washington Ave	850 AZ-92 Bisbee, AZ 85603	0.7 Miles
CCAH	1556 S Naco Hwy Bisbee, AZ 85603	0.8 Miles

Triangle Apartments	100 Navajo Dr Bisbee, AZ 85603	1.0 Miles
San Jose Center/Square	1326 AZ-92 Bisbee, AZ 85603	1.2 Miles
Copper City Apartments	508 W Melody Ln Bisbee, AZ 85603	1.4 Miles
Cochise County Health Department	1415 Melody Ln BLDG A Bisbee, AZ 85603	1.7 Miles
Employment Center		
Cochise County	1415 W Melody Ln Bisbee, AZ 85603	1.7 Miles
Copper Queen Community Hospital	101 Cole Ave Bisbee, AZ 85603	4.0 Miles
Other		
Bisbee Seniors Association	300 Collins Rd Bisbee, AZ 85603	0.2 Miles
Copper Queen Library Annex	519 W Melody Ln Bisbee, AZ 85603	1.3 Miles

Source: Points Consulting using Google Maps

Appendix C. Bisbee Bus

Figure C.1: Bisbee Bus Route



Source: City of Bisbee, 2026

Appendix D. Financial Pro Forma Evaluation

The following tables show a handful of development years and their line items in the financial assessment of each development scenario. There were two “development” years built in, denoted as Y-1 or Y-2. Net operating income (NOI) is Revenue minus Expenses (excluding debt). These tables provide a snapshot, rather than the full 35 years modeled for the scenarios.

Table D.1: Model 1: Senior Cottage Community Financial Pro Forma, \$ Millions

Line Item	Y-1	Y4	Y9	Y14	Y19
Revenue	\$1.60	\$3.21	\$3.54	\$3.91	\$4.32
AL Home Rental Value	\$0.68	\$1.35	\$1.49	\$1.64	\$1.81
IL Home Rental Value	\$0.79	\$1.57	\$1.74	\$1.92	\$2.12
IL Center Rental Value	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AL Center Rental Value	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AL Low Center Rental Value	\$0.13	\$0.29	\$0.32	\$0.35	\$0.39
MC Center Rental Value	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expenses	(\$2.49)	(\$0.98)	(\$0.98)	(\$0.98)	(\$0.98)
Cash Payment for Development	(\$1.97)	\$0.00	\$0.00	\$0.00	\$0.00
Property Taxes	(\$0.03)	(\$0.05)	(\$0.05)	(\$0.05)	(\$0.05)
Utilities	(\$0.08)	(\$0.15)	(\$0.15)	(\$0.15)	(\$0.15)
Labor Costs	(\$0.30)	(\$0.57)	(\$0.57)	(\$0.57)	(\$0.57)
Other Operating Costs	(\$0.11)	(\$0.21)	(\$0.21)	(\$0.21)	(\$0.21)
Debt	(\$0.74)	(\$0.85)	(\$0.85)	(\$0.85)	(\$0.85)
Returns					
Net Operating Income	(\$0.89)	\$2.22	\$2.56	\$2.93	\$3.33
Annual Profit/Loss	(\$1.63)	\$1.37	\$1.71	\$2.07	\$2.48
Cumulative Profit/Loss	(\$1.63)	\$2.76	\$10.60	\$20.22	\$31.79

Source: Points Consulting Calculations, 2026

Table D.2: Model 2: Hybrid Village Model Financial Pro Forma, \$ Millions

Line Item	Y-1	Y4	Y9	Y14	Y19
Revenue	\$1.53	\$3.01	\$3.29	\$3.60	\$3.94
AL Home Rental Value	\$0.23	\$0.45	\$0.50	\$0.55	\$0.60
IL Home Rental Value	\$0.18	\$0.32	\$0.32	\$0.32	\$0.32
IL Center Rental Value	\$0.54	\$1.08	\$1.19	\$1.31	\$1.45
AL Center Rental Value	\$0.33	\$0.65	\$0.71	\$0.79	\$0.87
AL Low Center Rental Value	\$0.05	\$0.11	\$0.13	\$0.14	\$0.15
MC Center Rental Value	\$0.21	\$0.40	\$0.45	\$0.49	\$0.54
Expenses	(\$2.64)	(\$1.87)	(\$1.87)	(\$1.87)	(\$1.87)
Cash Payment for Development	(\$1.61)	\$0.00	\$0.00	\$0.00	\$0.00
Property Taxes	(\$0.04)	(\$0.09)	(\$0.09)	(\$0.09)	(\$0.09)
Utilities	(\$0.17)	(\$0.31)	(\$0.31)	(\$0.31)	(\$0.31)
Labor Costs	(\$0.57)	(\$1.04)	(\$1.04)	(\$1.04)	(\$1.04)
Other Operating Costs	(\$0.24)	(\$0.44)	(\$0.44)	(\$0.44)	(\$0.44)
Debt	(\$0.90)	(\$0.99)	(\$0.99)	(\$0.99)	(\$0.99)
Returns					
Net Operating Income	(\$1.11)	\$1.14	\$1.42	\$1.73	\$2.07
Annual Profit/Loss	(\$2.01)	\$0.15	\$0.43	\$0.74	\$1.08
Cumulative Profit/Loss	(\$2.01)	(\$3.35)	(\$1.77)	\$1.29	\$5.99

Source: Points Consulting Calculations, 2026

Table D.3: Model 3: Centralized Facility Financial Pro Forma, \$ Millions

Line Item	Y-1	Y4	Y9	Y14	Y19
Revenue	\$1.41	\$2.80	\$3.09	\$3.42	\$3.77
AL Home Rental Value	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
IL Home Rental Value	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
IL Center Rental Value	\$0.68	\$1.35	\$1.49	\$1.64	\$1.81
AL Center Rental Value	\$0.41	\$0.81	\$0.89	\$0.98	\$1.09
AL Low Center Rental Value	\$0.06	\$0.14	\$0.16	\$0.17	\$0.19
MC Center Rental Value	\$0.26	\$0.51	\$0.56	\$0.62	\$0.68
Expenses	(\$2.15)	(\$1.74)	(\$1.74)	(\$1.74)	(\$1.74)
Cash Payment for Development	(\$1.20)	\$0.00	\$0.00	\$0.00	\$0.00
Property Taxes	(\$0.05)	(\$0.10)	(\$0.10)	(\$0.10)	(\$0.10)
Utilities	(\$0.16)	(\$0.29)	(\$0.29)	(\$0.29)	(\$0.29)
Labor Costs	(\$0.52)	(\$0.95)	(\$0.95)	(\$0.95)	(\$0.95)
Other Operating Costs	(\$0.23)	(\$0.41)	(\$0.41)	(\$0.41)	(\$0.41)
Debt	(\$0.85)	(\$0.96)	(\$0.96)	(\$0.96)	(\$0.96)
Returns					
Net Operating Income	(\$0.74)	\$1.06	\$1.36	\$1.68	\$2.03
Annual Profit/Loss	(\$1.59)	\$0.10	\$0.39	\$0.72	\$1.07
Cumulative Profit/Loss	(\$1.59)	(\$2.70)	(\$1.33)	\$1.59	\$6.22

Source: Points Consulting Calculations, 2026