

Douglas A. Ducey
Governor



Arizona
Department
of Housing

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**DEPARTMENT OF HOUSING ANNOUNCES \$10 MILLION TO PRESERVE RELIABLE
HOUSING FOR ARIZONANS IN NEED**

PHOENIX, AZ – The Arizona Department of Housing (ADOH) today announced \$10 million to retain and rehabilitate properties built with low-income housing tax credits, preserving up to 500 units of existing affordable housing.

“We’re committed to ensuring Arizona families have access to safe and reliable housing,” said Governor Ducey. “Today’s investment will incentivize low-income housing tax credit property owners to rehabilitate instead of selling, allowing more Arizonans in need to keep a roof over their heads. We will continue to work with private and public partners to protect vulnerable Arizonans and combat homelessness.”

Low-Income Housing Tax Credits (LIHTC) allow for the acquisition, rehabilitation or new construction of rental housing targeted to lower-income households. After 15 years, a LIHTC property owner can exercise an option to sell, thus removing units from the state’s affordable housing stock.

This is a viable option because typically at the 15-year mark, there are maintenance and other updates needed on a property. Without financial assistance, many owners cannot afford to improve the property and are forced to sell on the open market.

“The new owner can convert the property to market-rate as soon as it closes escrow and immediately raise rents 80-100 percent (or more) over current rates,” said ADOH Director Tom Simplot. “This plan would provide funding for the current LIHTC owner to improve the units and keep them in the affordable housing inventory.”

“It is much less expensive to keep an apartment unit in the affordable market than it is to build new,” said Simplot. “This plan provides the capital and financing needed to keep as many of those units as possible on the affordable spectrum.”

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About the Arizona Department of Housing (ADOH)

Established in 2002, we administer programs to create, preserve, and invest in affordable housing statewide. ADOH does not own or build housing; we manage programs that convey funding to private and government entities that apply and meet criteria developed by state/federal law. ADOH receives no state General Fund appropriation and most programs are federally-funded.