



'26 ARIZONA
DEVELOPMENT
FINANCE &
OPPORTUNITY ZONES
SUMMIT

PANELIST

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Gorman & Company

Gorman & Company

- Mission-driven for-profit real estate developer
- 42 years of Affordable Housing and Community Development Experience
- 750 team members in a vertically-integrated shop; Top 10 Developer of Affordable Housing in the U.S.
- Fully-integrated and licensed Architecture, Construction, Asset/Property Management Operations
- Active in Arizona, Colorado, New Mexico, Oregon, Wisconsin, Illinois, Indiana, Ohio, Florida, Georgia, Arkansas, & Mississippi
- Low Income Housing Tax Credits, Workforce and historic renovation projects
- Arizona Market: 3,084 built, 1,017 under construction, 1,310 pre-development



What does 30%-60% AMI Mean?

Where do you live? How many people in your household? What is your income?

2025

Maricopa County BR=\$1,262/month	One Person	60%=\$47,160=\$23.50/hr.	1
Maricopa County	Four Person	30%=\$33,660=\$16.80/hr.	3 BR=\$875/month
Gila County	One Person	60%=\$32,100=\$16.00/hr.	1 BR=\$859/month
Gila County	Four Person	30%=\$22,920=\$11.50/hr.	3 BR=\$664/month

- Demand Statewide-under 60% is 93,000 units (2022)
- Phoenix needs 59,000 below 50% (2024)
- Build approximately 3,000 units a year in Arizona



What is the typical capital stack puzzle?

Typical capital stack baseline

Federal low-income housing tax credits (LIHTC)
Construction loan
Permanent loan
Deferred developer fee-often

Frequent additional sources

HOME funds
CDBG funds
Project based vouchers
State Housing Trust Funds
National Housing Trust Funds
Land donation/land lease
National Historic tax credits
City Bonds
*State low-income housing tax credits
*ARPA funds

One source that can potentially help you build housing are National Historic Tax Credits-works for affordable or market rate housing



How does historic tax credits work for a developer?

Does the building qualify?

- a. State Historic Preservation Office (SHPO)-Work with Susan!
- b. National Park Service (NPS)

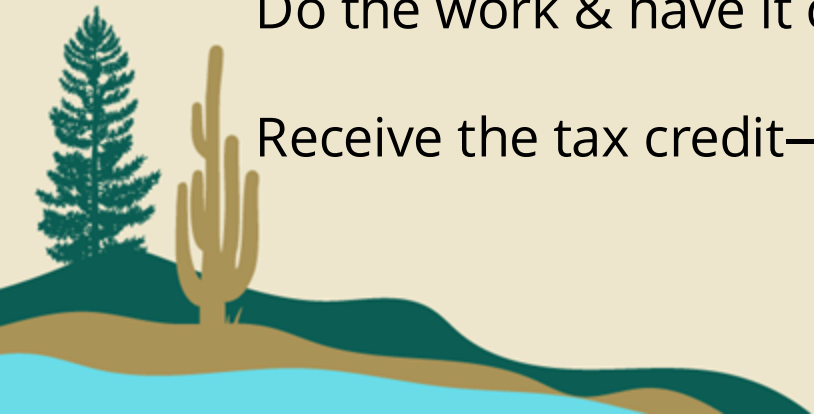
Work with architect and historic consultant

Apply through SHPO

Route application through NPS-3 steps Part A,B,C

Do the work & have it checked that work done properly

Receive the tax credit—sell for financing or keep for your own tax relief



BEFORE Tucson House Tucson, AZ



AFTER Tucson House Tucson, AZ



The Facts:

- Built in 1963-finish rehab 2028
- 17 story apartment building
- Total of 367,670 SF
- 408 units-reduce to 358 units
- Partner: City of Tucson HCD
- 20,000 SF of residential services space
- 4 elevators
- 50 football fields of asbestos laden gypsum board-abatement
- All new mechanical, plumbing, HVAC systems and brand-new units

The challenges:

- Rehabilitate it while 40-50% occupied
- Master lease to capture LIHTC and historic credits, State HTF, CNI, general funds etc.

Amount of historic credit: \$26 million



BEFORE

Coffelt Lamoreaux Park Apt-Phoenix, AZ



AFTER

Coffelt Lamoreaux Park Apt-Phoenix, AZ



The Facts:

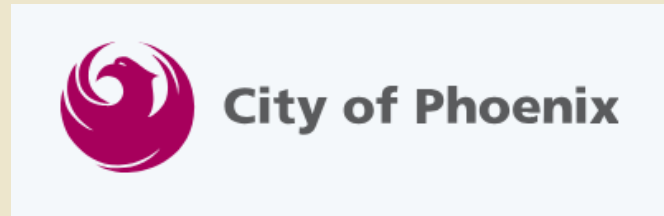
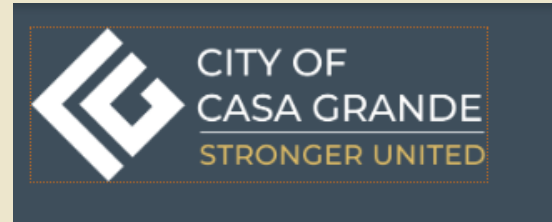
- Built in 1953-finish rehab 2018
- 148 duplexes and 2 community buildings
- Total of 281,484 SF
- 301 units on 38 acres
- Partner: Housing Authority of Maricopa County
- All new mechanical, plumbing, HVAC systems & complete rehabilitation of interior/exterior

The challenges:

- Master lease to capture LIHTC and historic credits, State HTF, AHP, etc.
- Amount of historic credit: \$5.5 million

Do you need historic credits?

Depends on the situation--they are not always necessary or worth the effort
But historic preservation can still work without them--combine old with new



BEFORE Hill Street School-Globe, AZ



AFTER Hill Street School-Globe, AZ



The Facts:

- Built in 1921-finish rehab/new building 2024
- Former grade school vacant since 2006
- Total old and new 64,122 SF
- 64 units-senior housing
- Collaborator: City of Globe
- Complete rehabilitation of school and new construction added to non historic side

The challenges:

- Rents in Gila County low

Amount of historic credit: none

- Financing: 9% LIHTC, State LIHTC, GCEDC, NHTF



BEFORE

The Post at Fort Whipple-Prescott, AZ



AFTER

The Post at Fort Whipple-Prescott, AZ

The Facts:

- Built in 1909-finish rehab 2026
- Six 3 story single family homes converted
- 23 rehab & 80 new construction
- Total of 103,850 SF
- Partner: US VETS
- Subdivide old buildings into 3-4 units each-all new mechanical, plumbing, HVAC systems. Preserve floors, woodwork, built ins, etc.

The challenges:

- Working through federal processes at VA

Amount of historic credit: none

- Financing: 4% LIHTC, VASH vouchers for vets, State HTF, CBDG, Capital contribution from VA, multiple grants, etc.



BEFORE Notel Motel-Milagro on Oracle Tucson, AZ



AFTER

Notel Motel-Milagro on Oracle Tucson AZ

The Facts:

- Built 1942 finish rehab 2024
- Two historic hotels and new construction
- 15 rehab & 48 new construction=63 units
- Total of 51,368 SF
- Partners: City of Tucson with Gorman General Contractors as builder, PMM architect
- Completely rehabilitate old buildings-everything new but walls and part of roofs

The challenges:

- Off site issues, stolen sign

Amount of historic credit: none

- Financing: 9% LIHTC, project based vouchers, general funds, deferred developer fee, etc.



BEFORE

**Shonessy House Casa Grande Apartments-
Casa Grande, AZ-coming soon...**



Shonessy House/Casa Grande Apartments- Casa Grande, AZ-coming soon...



The Facts:

- Built around 1895-finish rehab 2027
- Adobe home and 64 new units
- Total of 77,982 SF
- Collaborator: City of Casa Grande
- Everything to be replaced except walls and roof trusses

The challenges:

- Rehabilitate it before it falls over
- Mitigate train noise

Amount of historic credit: none

Financing: 9% LIHTC, State LIHTC, CAREDF, deferred developer fee

