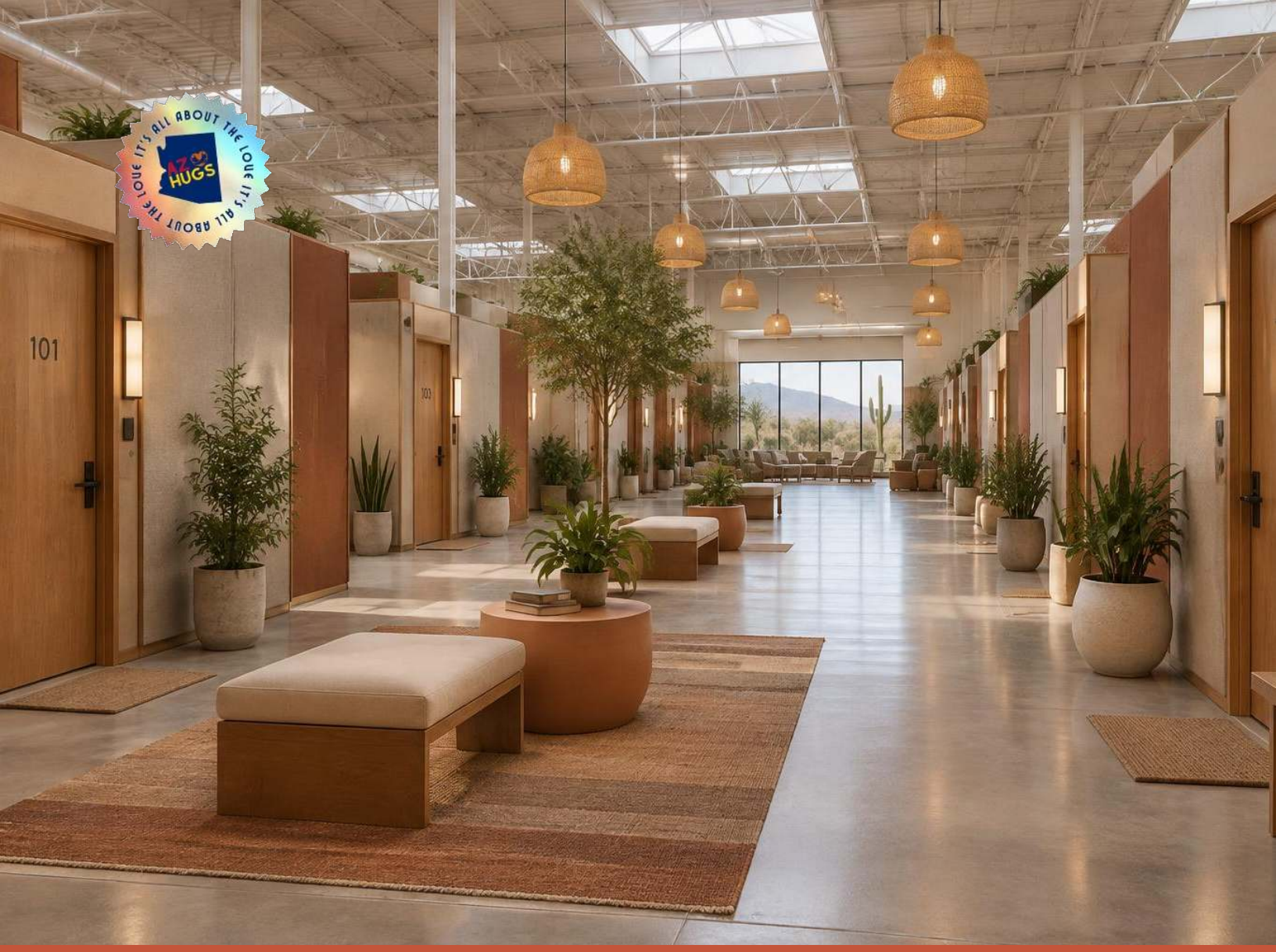


AZ HUGS · FAMILY SHELTER PILOT · FUNDRAISING BRIEFING

Four Months of Motel Bills Builds a Home We Keep.

A phased plan to move Arizona families out of nightly motel rooms and into a converted commercial building with private family rooms, showers, a kitchen, tutoring and our team on site.

Concept renderings are illustrations, not a finished site. · (602) 688-3180 · Austinazhugs@gmail.com · QCO 22710

A LETTER FROM AZ HUGS

Dear Friend,

Every night, AZ Hugs pays for motel rooms so that Arizona families do not sleep in cars, parks or on the street. Some lost their homes to a medical bill. Some to a mental-health crisis. Some because a family fell apart. We do not ask whose fault it was. It is not our job to judge. A child sleeps the same way no matter how the family got there.

Right now we are sheltering about 70 families at about $71.50 a night. That is more than $5,000 a day and roughly $150,000 a month. The rooms keep children safe, but at the end of every month we own nothing, and the next month costs the same. Because every dollar goes to the next night, we cannot save our way out.

There is a better way, and it is sitting empty all over the Valley. Maricopa County has tens of millions of square feet of empty warehouse, office and retail space. For about four months of what we already spend on motels, we can lease one of those buildings, build private, lockable rooms for 50 families, add real showers and a kitchen, move our offices on site, and bring in tutors, case managers and donors under one roof.

This briefing lays out the facts, the costs, the floor plans and the path to approval. We need one big push to get there: a single round of giving that turns a monthly bill into a home we keep.

Thank you for reading, and for caring about the families who need us most.

With love and gratitude,

Austin

Executive Director & Founder, AZ Hugs

EXECUTIVE SUMMARY

The Problem, the Plan, the Price.

$150K
What AZ Hugs spends each month on motel rooms for about 70 families (est. $71.50/night).

9,734
People homeless in Maricopa County in January 2025, the highest count ever.

MAG Point-in-Time Count 2025

44.8M
Square feet of empty industrial space in metro Phoenix. Buildings are waiting.

Colliers, Q3 2025

$600K
One-time goal to lease, build out and open a 50-family shelter we keep.

The problem Family homelessness in Arizona is at record levels and shelter beds are shrinking. AZ Hugs keeps families safe in motels, but that costs about $1.8 million a year and builds nothing.

The plan Lease a 22,000-28,000 sq ft empty commercial or industrial building. Fit it with 50 private family rooms, showers, a kitchen, laundry, tutoring and our offices. Open under a temporary-use permit or emergency approval, then grow.

The price About $535,000 to build out inside an existing Phoenix building with working AC (estimate), then about $32,000 a month to run it, versus about $107,000 a month in motel rooms for the same 50 families.

The ask $600,000 in startup giving. Every gift qualifies for the Arizona Charitable Tax Credit through QCO 22710.

WHO WE ARE

Love and Togetherness for Valley Neighbors.



AZ Hugs is a Tempe-based community of neighbors helping neighbors experiencing homelessness across the Valley. We show up every week, we know people by name, and we stay when things get hard.

Sunday Family Picnics

Every Sunday, 3-6 PM at Papago Park. Food, games and fellowship with no strings attached.

Free Sunday Laundry

Every Sunday, 6:30-8:30 PM at Rollins Laundromat in Tempe. Clean clothes restore dignity.

Hugs House + Motels

Emergency shelter for families: motel rooms tonight and a path to housing tomorrow.

Recent Hugs House outcomes

Jul 2023	D's family of 3	Sheltered at A New Leaf
Aug 2023	Stephen, Jade & their 2 kids	Moved into a new apartment
Aug 2023	Frank & his 3 kids	Moved into a new house
Sep 2023	Zelma & her child	Placed with U Mom

THE CRISIS

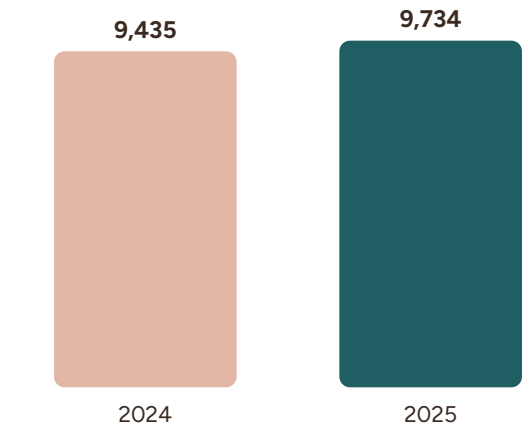
Arizona Families Are Running Out of Places to Go.

9,734
Homeless in Maricopa County, Jan 2025, a record
MAG 2025 PIT

+22-28%
Rise in people living unsheltered in one year
MAG / Axios 2025

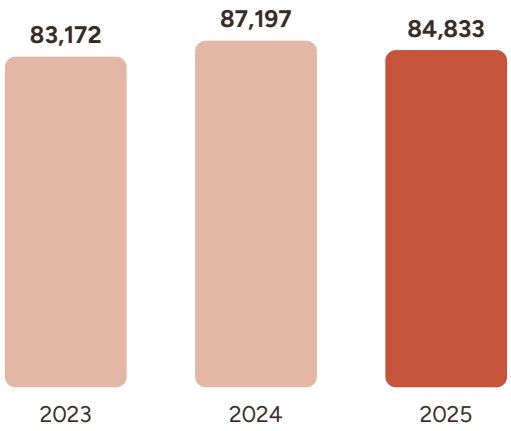
1,000+
Shelter beds lost when federal funding ended
MAG 2025

Maricopa County homeless count



Source: MAG Point-in-Time Counts

Maricopa County eviction filings



Source: Maricopa Justice Courts via Phoenix New Times, ABC15

Statewide, 14,737 Arizonans were homeless on a single night in 2024, up 48.9% since 2015. 3,097 of them were people in families with children. During the year, 21,010 people entered homelessness in Arizona while only 9,357 were permanently housed: more than two people falling in for every one getting out (National Alliance to End Homelessness, 2024 PIT data).

In Maricopa County, 22% of the unsheltered population counted by the state in 2024 were children ages 0-17 (Arizona DES annual report).

WITHOUT JUDGMENT

Why Families Fall Through.

Families rarely lose their homes for one reason. More often it is a chain: a hospital stay leads to a lost job, the lost job leads to a missed rent payment, the missed payment becomes an eviction filing, and in Maricopa County more than 7,000 eviction filings are made every month.

Mental-health crises, addiction in a parent, domestic violence and family breakdown all show up in our families' stories. So do bad luck, low wages and rents that rose faster than paychecks.

We do not sort families into deserving and undeserving. Whatever the reason, the children suffer the same. They lose sleep, school days, friends and the feeling of being safe. Every week without stability makes the way back harder.



What a child needs most is the same everywhere:

- A door that locks and a bed that is theirs
- A quiet place to do homework and a ride to the same school
- Parents who are not exhausted by the nightly scramble for a room
- Adults who show up for them, week after week

WHAT IT COSTS TODAY

The Motel Math.

1 family, 1 night	$71.50
70 families, 1 night	$5,005
70 families, 1 month	$150,150
70 families, 1 year	**$1,826,825**

Estimate based on AZ Hugs' approximate nightly rate of $71-72 and 70 families. Months calculated at 30 nights. [confirm figures]

What a year of motel money leaves behind

- No beds, no rooms, no building. Every month starts again at zero.
- No kitchen: families eat takeout or microwave meals in one room.
- No space for tutoring, case management or donors to meet families.
- Families scattered across motels, far from schools and from our team.
- No way to save: every dollar raised is spent on the next night.

About 4 months of motel bills = $600,000

That is enough to lease and fully build out a shelter for 50 families, with roughly 11-13 more rooms of expansion space.

THE OPPORTUNITY

The Valley Is Full of Empty Buildings.

44.8M sf

Vacant industrial space, metro Phoenix (9.7-13.4% vacancy)

Colliers Q3 2025; Kidder Mathews

24.8M sf

Directly vacant office space (15-27% vacancy, by broker)

Colliers Q3 2025; Cushman & Wakefield

Average asking rent, $ per sq ft per year (Q4 2025)



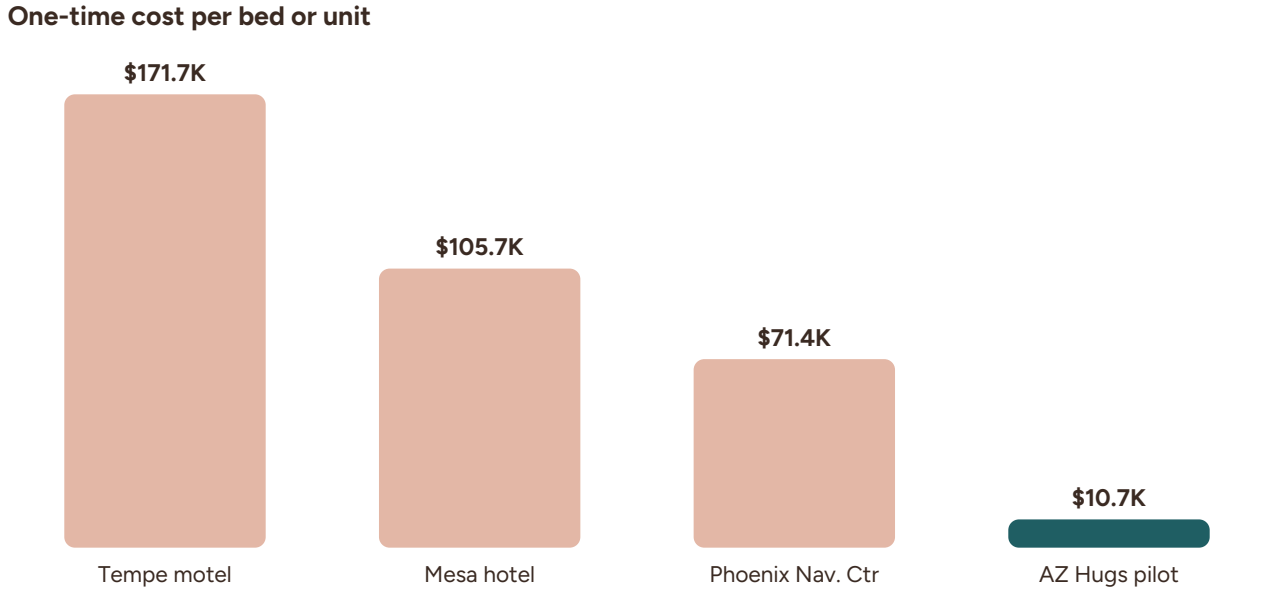
Source: Cushman & Wakefield, Kidder Mathews, Colliers Q4 2025 (industrial $1.09/sf/mo NNN x 12)

Office vacancy in metro Phoenix sits between about 15% and 27% depending on which broker you ask, and Class A office is close to 28% empty. Industrial vacancy rose to between 9.7% and 13.4% after a wave of new warehouses. Retail is tighter at about 4-5%, but older grocery and big-box stores still sit dark.

For a shelter, that means landlords with long-empty buildings and real reasons to say yes. Older second-generation retail and flex buildings rent for far less than new product: 20,000-25,000 sq ft with working rooftop AC units can lease for about $12,000-$15,000 a month in Phoenix. That is about one-tenth of today's motel bill.

WHAT IT HAS COST OTHERS

A Fraction of the Cost per Bed.

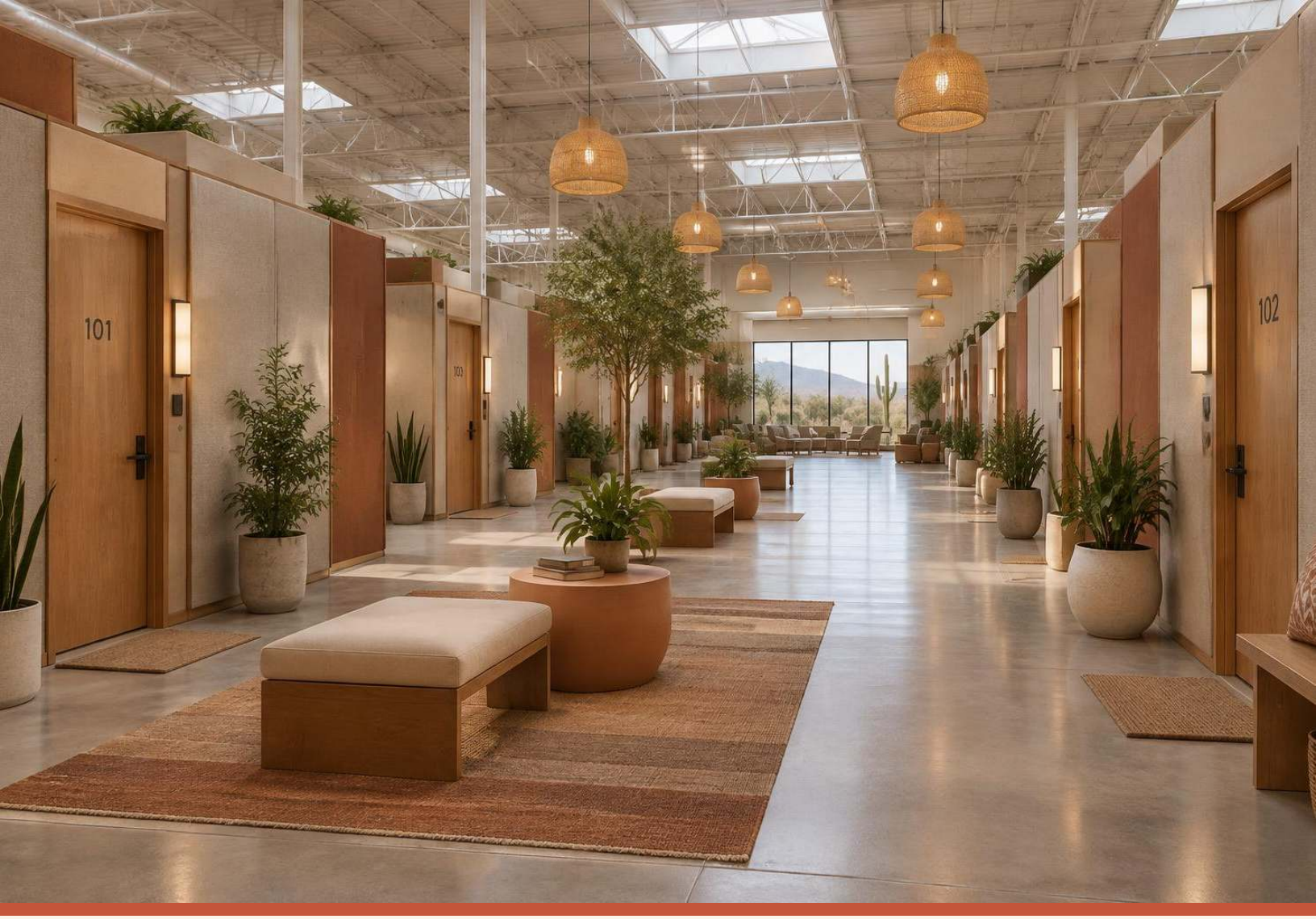


Source: Maricopa County, City of Phoenix, Mesa Tribune (2023-2025); AZ Hugs pilot is an estimate

Public conversions in the Valley have cost $71,000 to $172,000 per bed or unit because cities bought and renovated buildings. Phoenix's Navigation Center used $20 million for about 280 beds. Mesa paid $7.4 million for a 70-room hotel. Tempe and the County spent $10.3 million on 60 motel units.

Our model leases instead of buys and builds light, movable rooms inside an existing shell. About $535,000 of build-out across 50 family rooms is roughly $10,700 per family unit, and each unit holds a whole family, not one bed. The partitions, furniture and showers can move with us if we ever relocate.

Those city projects prove the need and prove that conversions get approved here. Ours shows a nonprofit can do it faster and for far less.



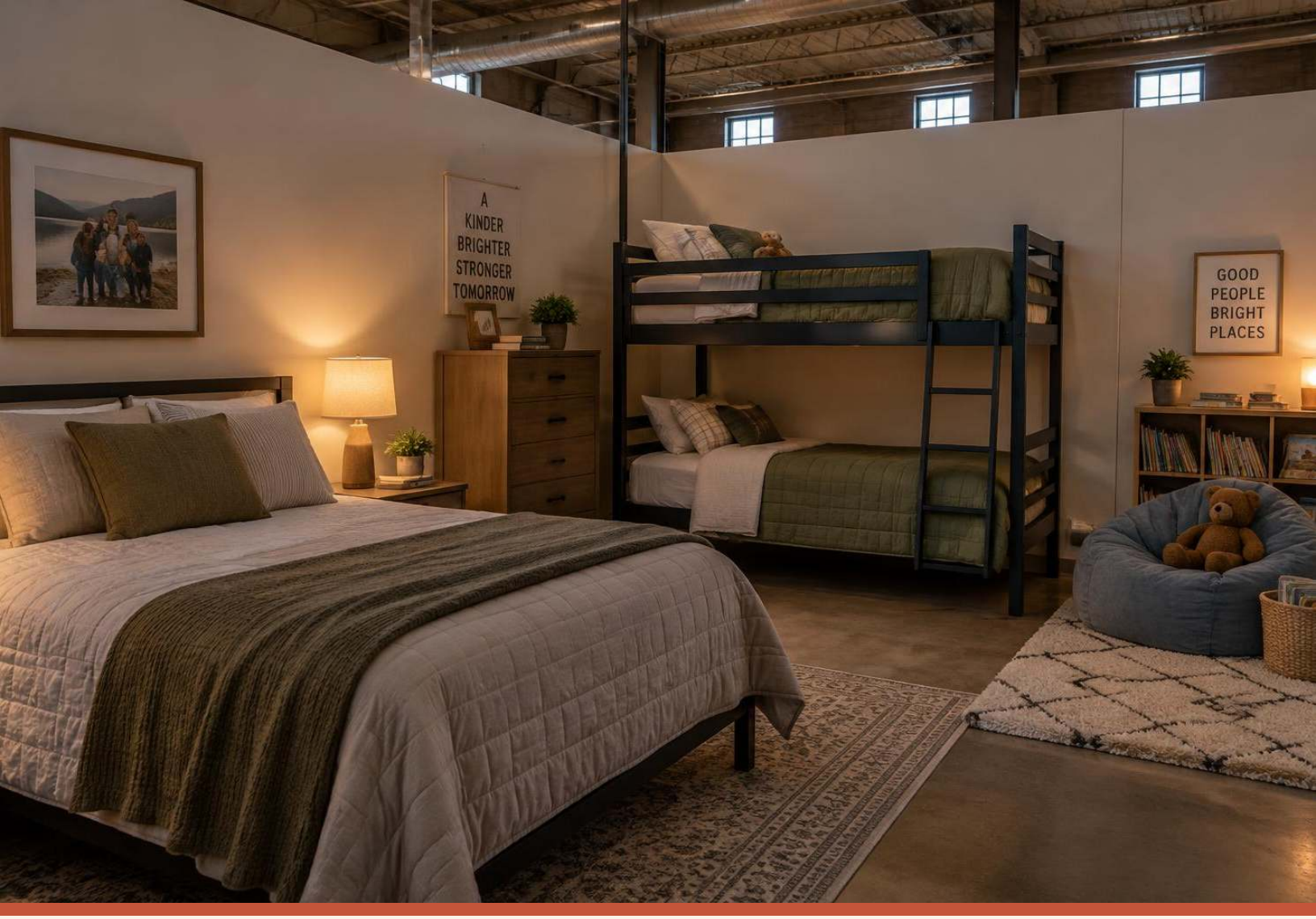
THE CONCEPT

A Main Street Inside the Building.

Private family rooms line wide, warm aisles under the original high ceiling. Each room has its own locking door and number, so a child can say "I live in 104." Walls stop at 8 feet so air, light and sprinklers reach every room.

- 50 private, lockable rooms in two sizes
- 5-6 ft aisles, at least 2 exits, sprinklers throughout
- Benches, plants and soft light so it feels like a neighborhood, not a gym

Concept rendering for illustration. The final site will differ.



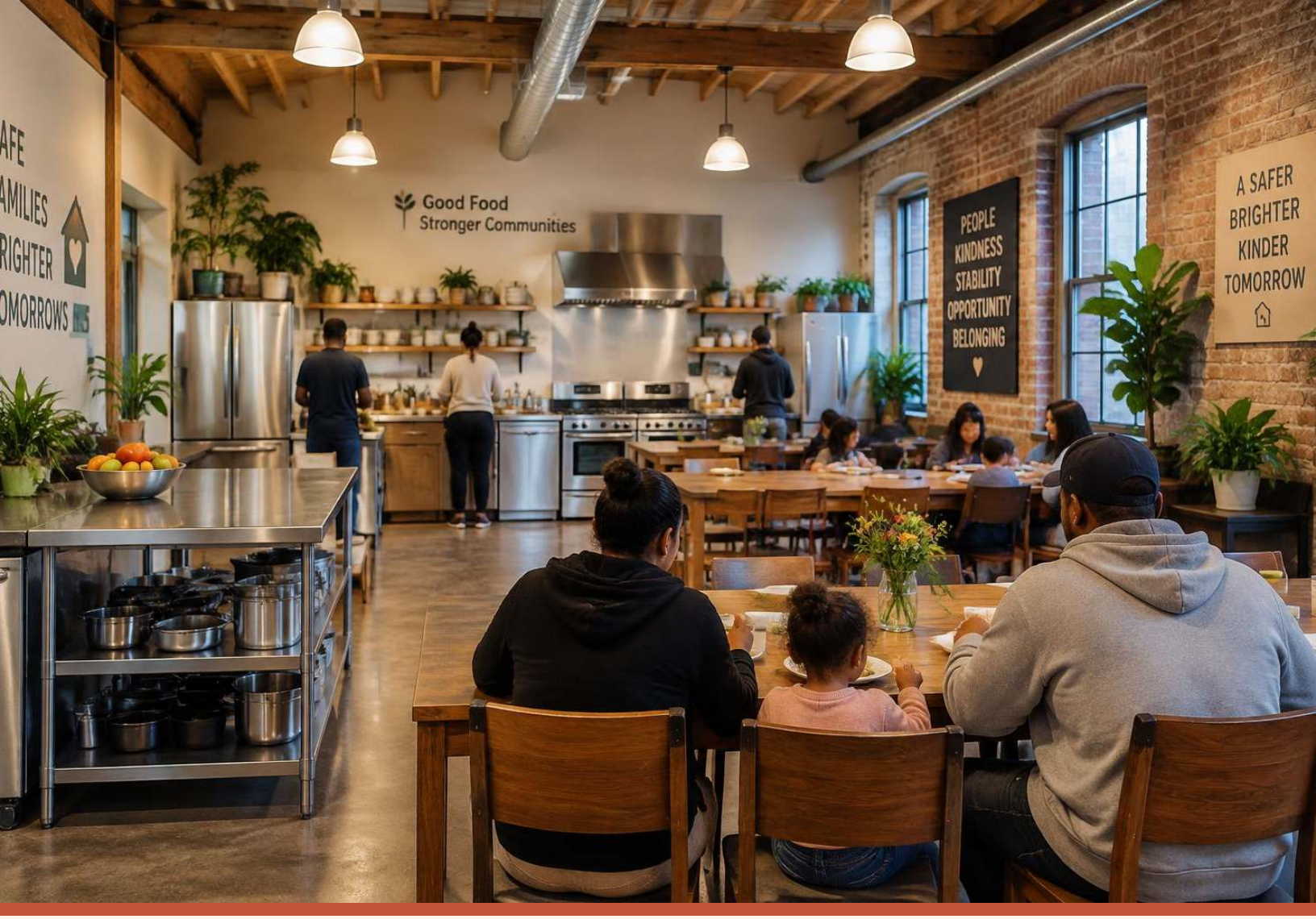
INSIDE A FAMILY ROOM

A Door That Locks. A Bed That's Theirs.

Standard rooms are 10 x 12 ft for 2-4 people. Large rooms are 16 x 12 ft for families of 5-7. Every room gets real beds, a dresser, a lamp and a corner for the kids.

- Full bed + bunk in standard rooms; two bunks + full bed in large rooms
- 3 accessible rooms placed next to the showers
- Furnishing one room costs about $1,400

Concept rendering for illustration. The final site will differ.



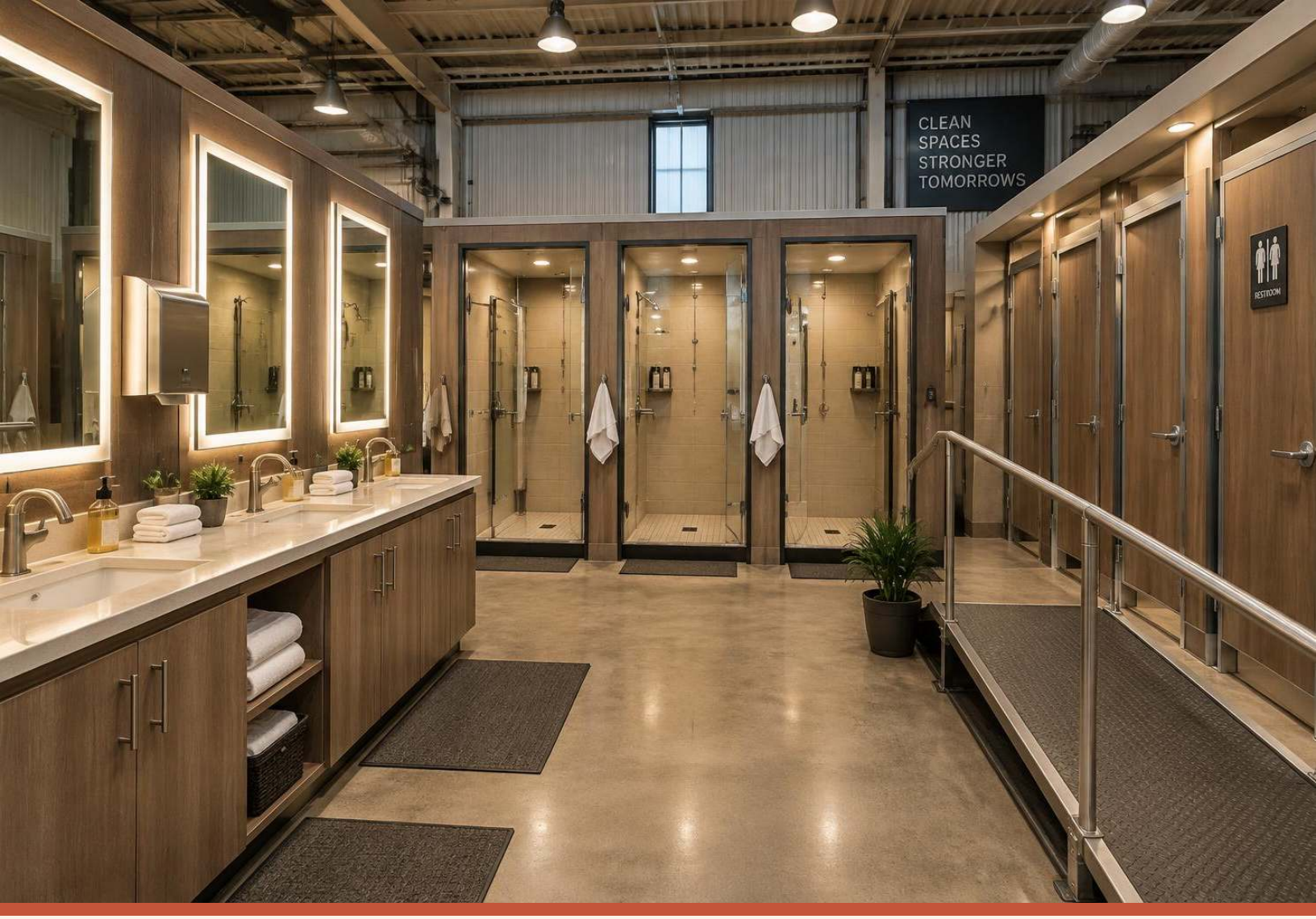
KITCHEN + DINING

Families Cook and Eat Together Again.

A shared kitchen with several home-style stoves and fridges lets parents cook for their own kids. Long tables seat about 100 at a time, with two sittings a night.

- About 2,400 sq ft of kitchen and dining
- Donated meals and food bank deliveries come in through the loading dock
- Space for cooking classes and community dinners with donors

Concept rendering for illustration. The final site will differ.



SHOWERS + RESTROOMS

Clean, Private, Dignified.

Instead of one motel bathroom per family, a central core provides about 12 private showers, 12 toilets, family and accessible stalls, and a laundry room. It can be built in, or rented as upscale shower trailers to open faster.

- About 1,600 sq ft of showers and restrooms, plus 400 sq ft of laundry
- Shower trailers rent for about $6,000-$8,000 a month if needed at first
- Towels, soap and the care-bag basics stocked by volunteers

Concept rendering for illustration. The final site will differ.



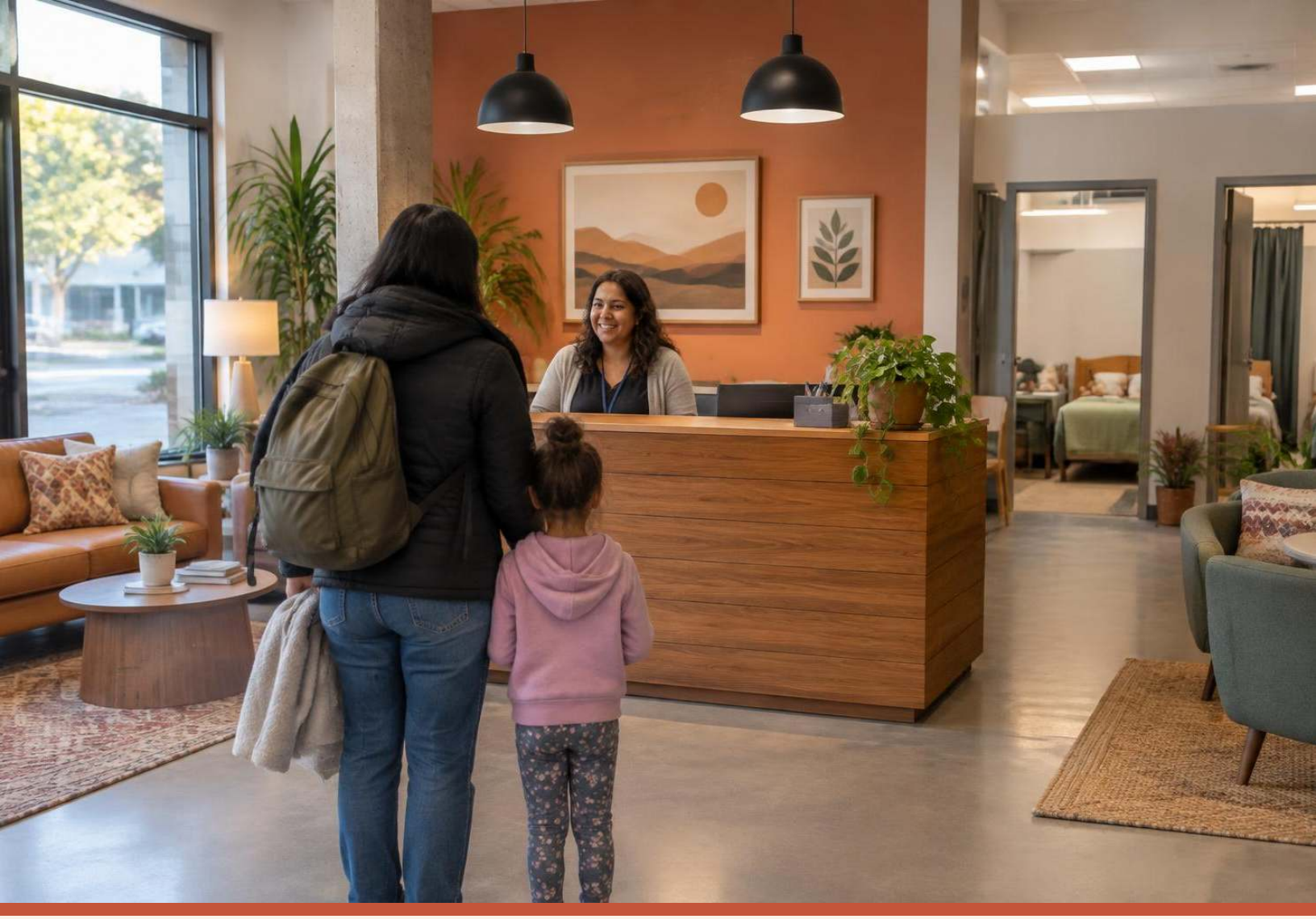
TUTORING + KIDS' ROOM

Homework Help Every Afternoon.

Children keep going to their own schools. After school, volunteer tutors meet them on site in a bright room with books, laptops and a quiet corner. Parents meet case managers down the hall.

- About 1,200 sq ft for tutoring and kids' space
- AZ Hugs staff offices and case management move into the building
- Donors and volunteers can see the work, not just read about it

Concept rendering for illustration. The final site will differ.



FRONT DOOR + INTAKE

A Warm Welcome at the Front Desk.

Every family comes in through one staffed front desk. Staff sign families in, hand out room keys and care bags, and know who is in the building at all times.

- Staffed sign-in desk is the only public entrance
- About 500 sq ft of intake and waiting space
- Visitors and donors check in here too

Concept rendering for illustration. The final site will differ.



SAFE AT NIGHT

Quiet Halls, Staff Awake All Night.

After lights-out the aisles stay softly lit and calm. Overnight staff walk the building, answer the door and are always a knock away.

- Two staff awake on site every night
- Cameras on entrances and common areas, never inside rooms
- Fire watch until sprinklers and alarms are certified

Concept rendering for illustration. The final site will differ.

How Much Space Do 50 Families Need?

A real space program: private rooms first, then everything a family needs to get back on its feet.

SPACE	COUNT	SQ FT
Standard family room (2-4 people), 10 x 12	32	3,840
Large family room (5-7 people), 16 x 12	15	2,880
Accessible room (ADA, about 5%), 16 x 12	3	576
Rooms subtotal	**50**	**7,296**
Aisles and circulation (5-6 ft aisles, fire egress)		2,550
Kitchen + dining (100 seats, 2 sittings)		2,400
Showers + restrooms (12 showers, 12 toilets, family/ADA)		1,600
Laundry		400
Tutoring + kids' room		1,200
Case management, counseling, quiet room		900
Relocated staff offices		1,500
Intake, lobby, security desk		500
Donation intake + storage		1,000
Mechanical, janitor, trash		400
Total program		**about 19,750 sf**

Room sizes: 10x12 (120 sf) fits a full bed + bunk. 16x12 (192 sf) fits two bunks + full bed. Circulation at about 35% of room area is typical for partitioned shelters with double-loaded aisles.

22-28K

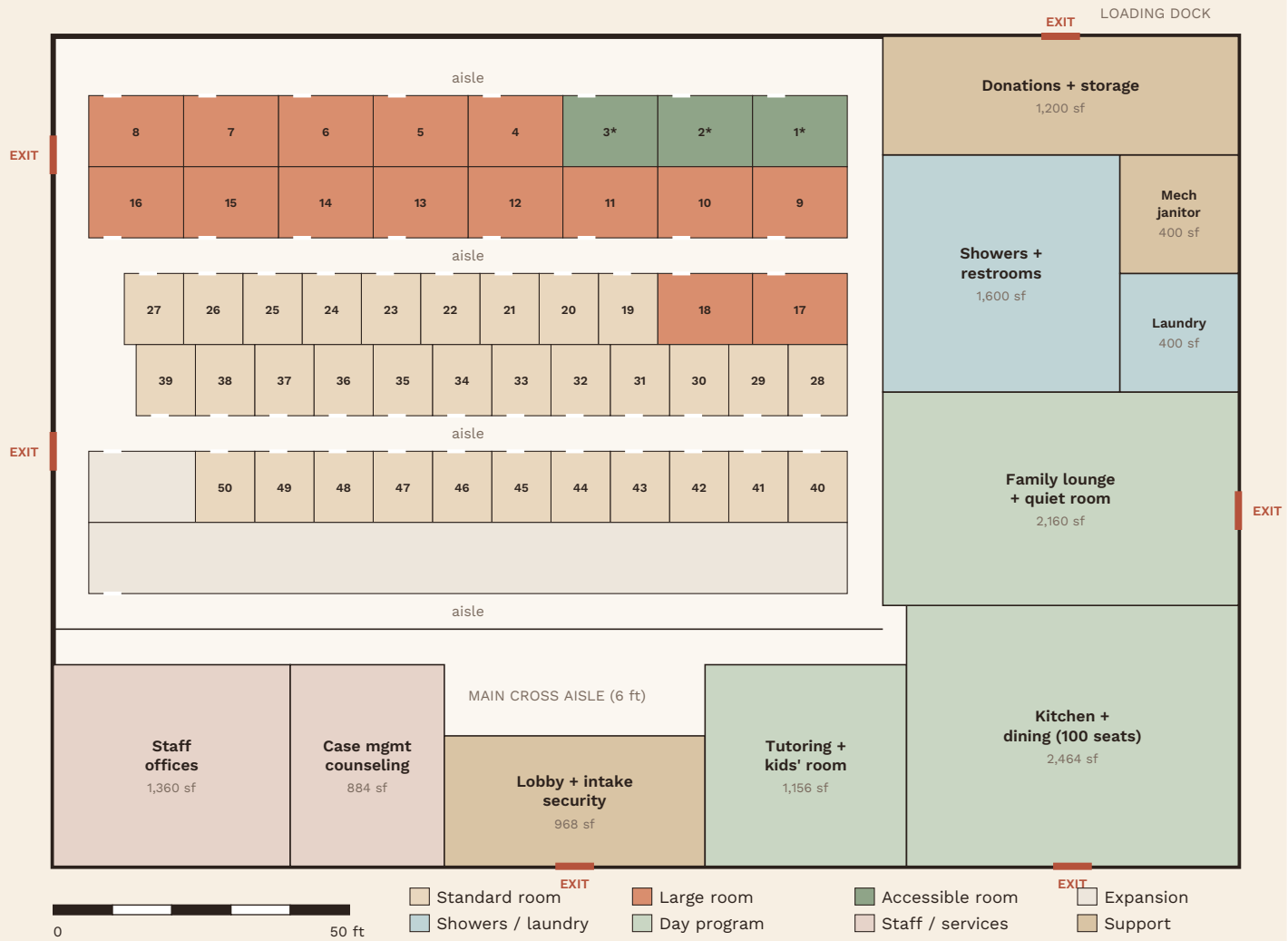
SQUARE FEET TARGET

The program needs about 19,750 sf. Real buildings have columns, odd shapes, and walls in the wrong places, so we look for 22,000 to 28,000 sf. The extra room is also space for 10 to 15 more families later.

- About 175-200 people at full occupancy
- Ceilings 14 ft or higher: 8 ft room walls stay open on top for air, light, and sprinklers
- Sprinklers and alarms throughout, 2+ exits, 5-6 ft aisles
- Accessible rooms placed next to the showers
- Every family gets a locking door. No open cots.

Option 1: Former Grocery or Drug Store

One building, about 28,000 sf (200 x 140 ft). Wide-open floor, loading dock, big parking lot.



OPTION 1 AT A GLANCE

Family rooms	**50**
Standard 10x12	**32**
Large 16x12	**15**
Accessible 16x12 (*)	**3**
Room area	**7,296 sf**
Building	**28,000 sf**
Remaining for expansion	**about 12 rooms**

Estimated rent

Older vacant grocery boxes often lease below the metro retail average (about $18-20/sf/yr). At an assumed $12-18/sf/yr: about $28K-$42K per month (estimate).

Why it works

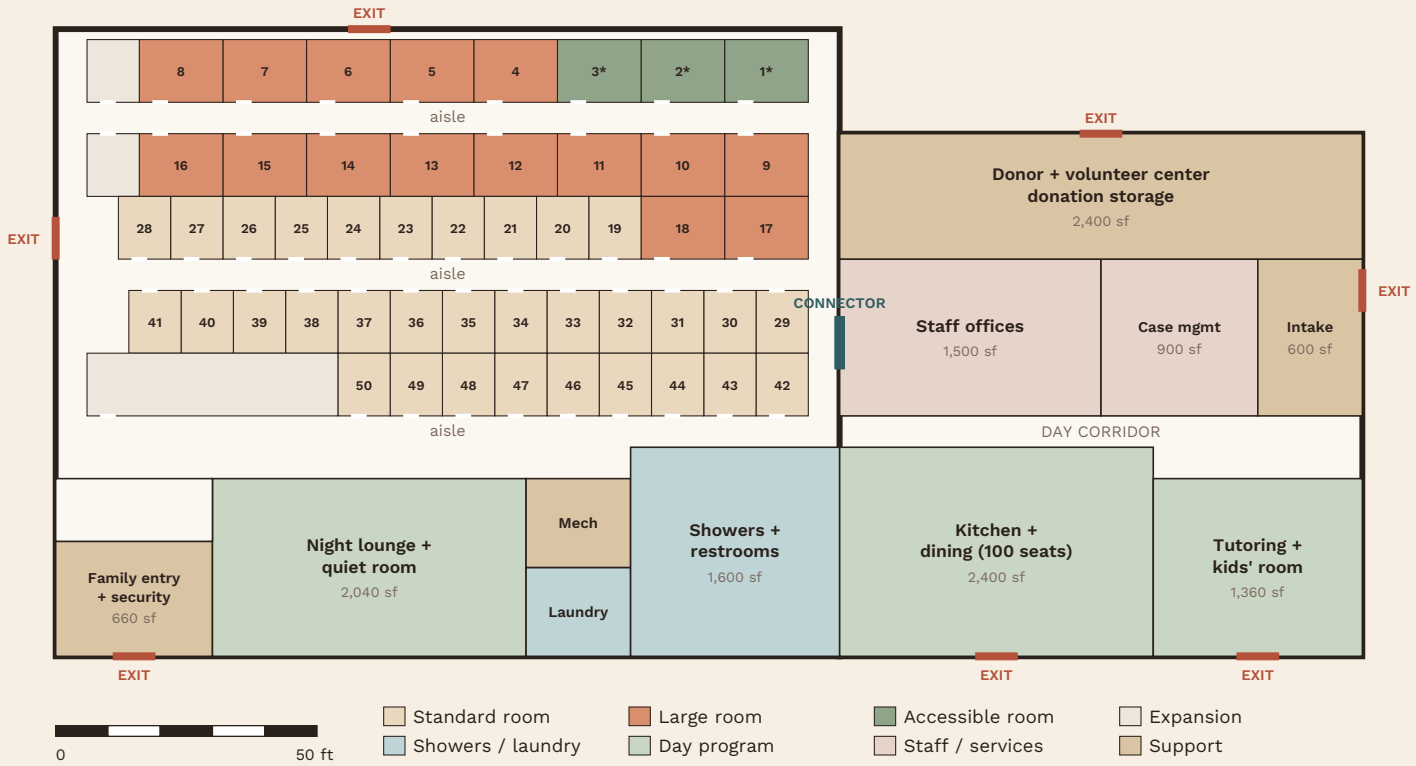
+ Largest open floor with no interior walls to remove
+ Existing loading dock for food and donations
+ Retail zoning; big parking lot for staff, volunteers, and a shower trailer if needed
+ Front service band keeps the day program away from sleeping rooms

Watch out for

- Old refrigeration and slab trenches must be capped
- May need a new sprinkler system (about $2-7/sf)
- Needs a temporary-use permit or rezoning for residential use

Option 2: Two Side-by-Side Strip Mall Spaces

Night side (18,000 sf, 150 x 120 ft) + day side (10,000 sf, 100 x 100 ft) = 28,000 sf with a shared wall.



OPTION 2 AT A GLANCE

Family rooms	**50**
Standard 10x12	**32**
Large 16x12	**15**
Accessible 16x12 (*)	**3**
Room area	**7,296 sf**
Buildings	**18,000 + 10,000 sf**
Remaining for expansion	**about 13 rooms**

Estimated rent

Metro retail averages about $18-20/sf/yr, but vacant anchor space usually leases below that. At an assumed $14-20/sf/yr on 28,000 sf: about $33K-$47K per month (estimate).

Why it works

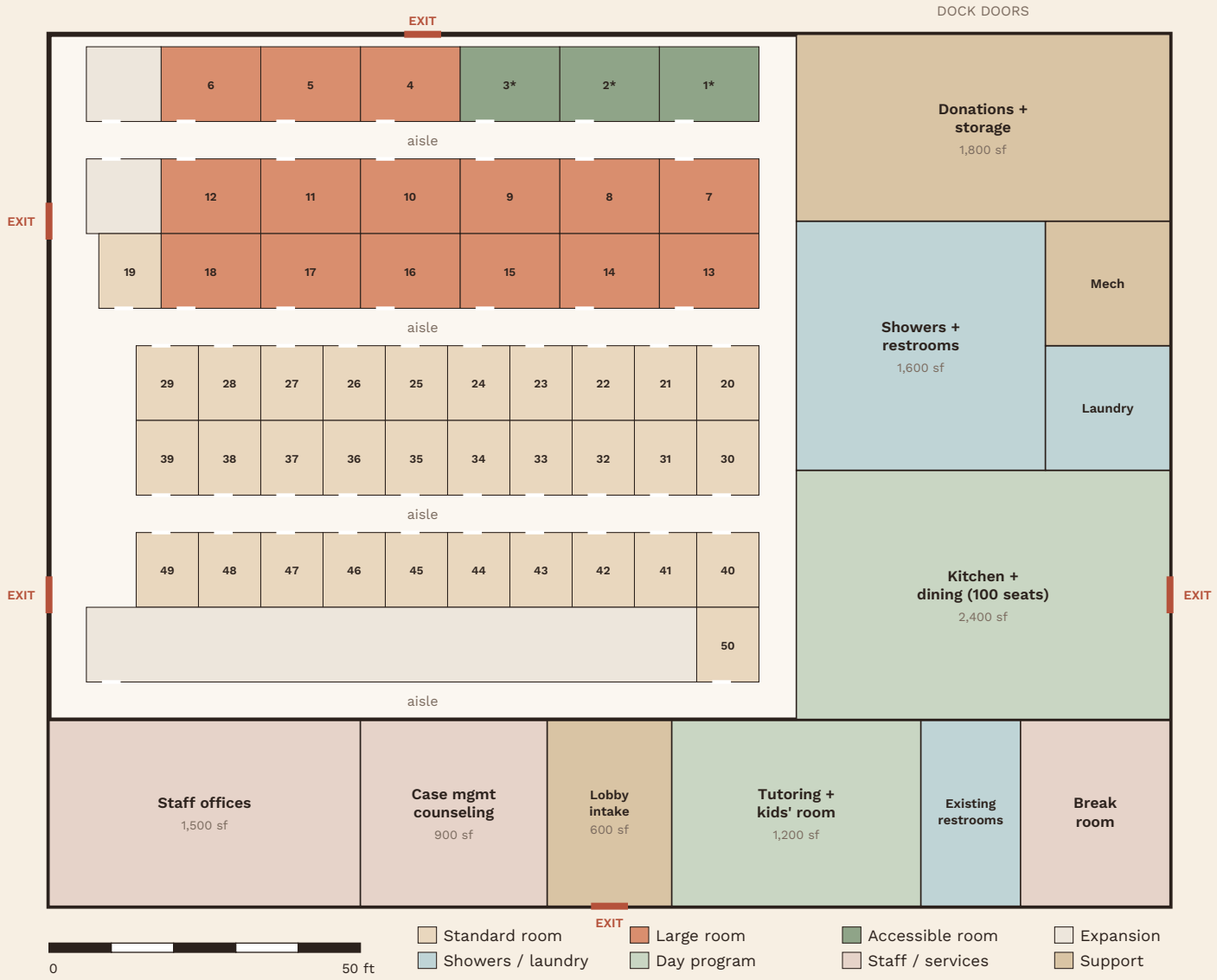
+ Sleeping is fully separate from the day program: quiet nights, busy days
+ Families get a real front door; donors and tutors use the other storefront
+ Dead strip centers are common; landlords often take creative deals
+ Day side can stay open to the public for donation drop-off

Watch out for

- Two leases or one landlord to negotiate
- Shared wall needs a rated connector door
- Neighboring tenants may object at the zoning hearing

Option 3: Flex / Light-Industrial Building

About 25,200 sf (180 x 140 ft): a 30 ft finished office front + a 110 ft warehouse behind it.



OPTION 3 AT A GLANCE

Family rooms	**50**
Standard 10x12	**32**
Large 16x12	**15**
Accessible 16x12 (*)	**3**
Room area	**7,296 sf**
Building	**25,200 sf**
Remaining for expansion	**about 11 rooms**

Estimated rent

About $1.09-1.14/sf/month NNN in the metro (Cushman & Wakefield, Colliers Q4 2025). On 25,200 sf: about $27K-$32K per month before taxes, insurance, and CAM (estimate).

Why it works

+ Cheapest rent: Phoenix industrial about $1.09-1.14/sf/month NNN
+ Office front is already finished: staff move in on day one
+ Phoenix approved a shelter in a light-industrial zone in 2023
+ High ceilings and open bays suit partitions; dock doors take deliveries

Watch out for

- Fewer windows: add skylights or bright, warm lighting
- Bathrooms are minimal, so the shower core is new plumbing
- Industrial areas can be far from schools and transit

Side-by-Side: Which Building Should We Look For?

All four building types are common in Maricopa County. Rent figures are estimates from Q4 2025 broker reports.

	1. Former grocery	2. Two strip mall spaces	3. Flex / industrial	4. Dead mall wing
Size	25-45K sf	about 28K sf combined	25-30K sf	60K+ sf
Est. monthly rent	$28-42K	$33-47K	$27-32K	$30-60K
Fits 50 families	Yes + 12 rooms	Yes + 13 rooms	Yes + 11 rooms	Yes, phase 1 only
Build-out effort	Medium	Medium-high	Medium	High
Separates day / night	Good	Best	Good	Good
Staff offices ready	Build new	Build new	Already there	Partly
Zoning path	Temp. use or rezone	Temp. use or rezone	Proven in Phoenix	Rezone likely
Room to grow	Some	Some	Some	Most (100+ families)
Best for	Fastest single site	Dignity + donors	Lowest cost	Long-term campus

Our recommendation

Search for Option 1 and Option 3 at the same time, and take whichever landlord says yes first. Option 3 is the cheapest and has a proven zoning path. Option 2 is the best story for donors. Every option costs roughly $27K-$47K a month in rent. Today's motel bill is about $150K a month.

BUDGET

What $600,000 Builds.

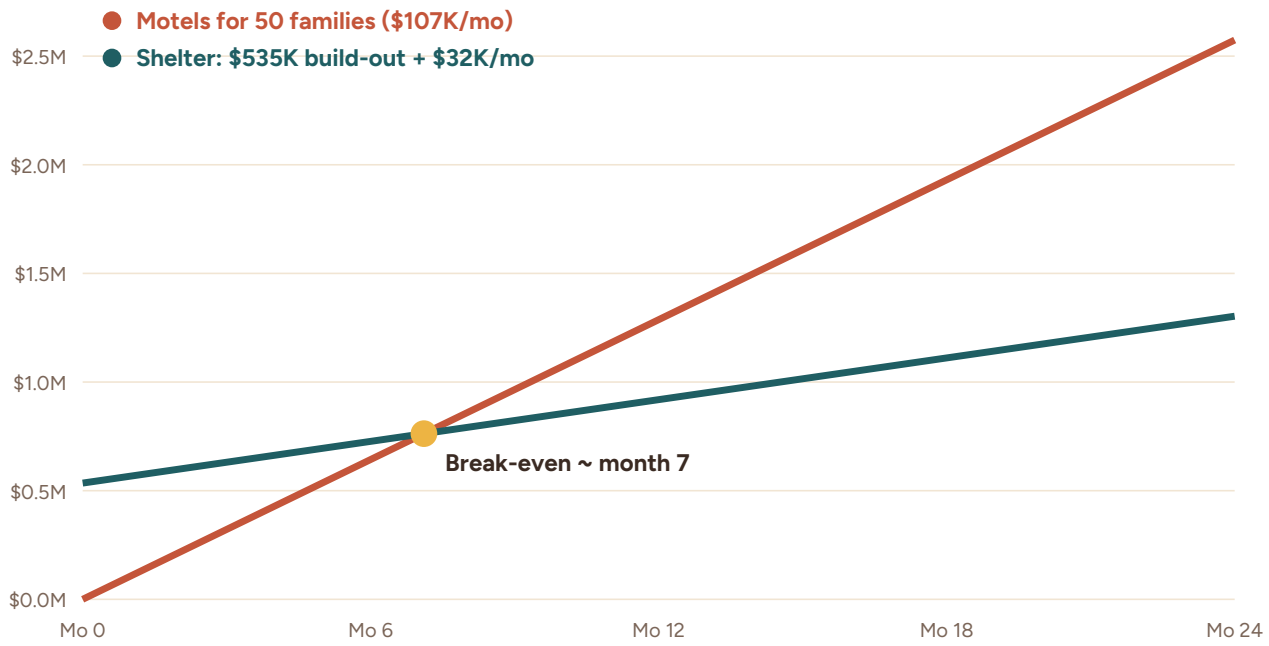
ONE-TIME BUILD-OUT (ESTIMATES)	COST
50 private rooms: modular walls, doors, locks (about $3,000 each)	$150,000
Showers + restrooms tied into existing plumbing	$125,000
Electrical, fire alarm + added sprinkler heads	$65,000
Beds, furniture, flooring touch-up (50 rooms)	$55,000
Architect, permits, fire plan review	$45,000
HVAC: duct drops into rooms + rooftop unit service	$40,000
Home-style kitchen + dining furniture	$30,000
Contingency	$25,000
Total build-out	**$535,000**

MONTHLY BUILDING COSTS (ESTIMATES)	PER MONTH
Lease: 20-25K sf older retail or flex with working AC	$12K-$15K
Electric (APS/SRP), water, trash	$8.5K
Insurance	$3K
Cleaning, repairs, alarm monitoring	$6.5K
Planning figure	**about $32,000 / month**

$535K build-out + about $65K for deposit, first rent and utilities = the $600K goal. A landlord improvement allowance on a multi-year lease (often $10-$20 per sq ft on long-empty space) could cover $200K or more of the build-out. Figures assume a building that already has working AC, restrooms and sprinklers; real bids replace them once a site is chosen.

PAYBACK

Paid Back in About 7 Months. Then It Saves Every Month.



Estimates. Same 50 families on both lines. 30-night months at $71.50/night.

~7 mo
To earn back the full build-out

$903K
Saved every year on building costs (50 families)

$640
Building cost per family per month vs. $2,145 in a motel

Full honesty: a real shelter also needs people. Two staff awake 24/7, a manager and two case managers run about $45K a month, and food about $15K after food bank and donated meals. All-in, about $92K a month, still less than the motel rooms alone ($107K), and families get meals, case management, tutoring and safety that motels never provided.

FUNDING + TAX CREDITS

Every Level of Government Has a Door to Knock On.

AZ Hugs does not have to raise every dollar from individuals. These programs fund shelter build-outs and operations in the Valley today. Amounts and eligibility must be confirmed with each agency.

STATE OF ARIZONA

QCO tax credit (A.R.S. 43-1088)
Donors give up to $506 single / $1,009 married and take it straight off their state tax bill. QCO 22710.

AZ Dept. of Housing
Housing Trust Fund and homeless shelter grants for capital and operations.

FEDERAL

Donor tax deductions
Gifts are tax-deductible; starting in 2026, non-itemizers can deduct up to $1,000 / $2,000 in cash gifts.

New Markets Tax Credits
Phoenix's PCDIC used $31M in NMTC to back CASS shelters in 2026. Fits larger, distressed-tract sites.

HUD ESG + Continuum of Care
Federal shelter dollars passed through the City and County.

MARICOPA COUNTY

Human Services Dept.
Over $100M invested in homelessness since 2021, including motel and shelter conversions in Mesa and Tempe.

CITY OF PHOENIX

CDBG + Emergency Solutions Grants
Federal block grants run by Phoenix Neighborhood + Human Services for shelter renovation and operations.

Office of Homeless Solutions
Partners on sites, permits and operating contracts.

Goal: a capital stack of private gifts + QCO giving + landlord allowance + a City or County grant, so no single donor carries the whole $600K.

THE PATH TO APPROVAL

How a Building Becomes a Shelter, Legally.

Arizona cities already have the tools. Phoenix's Zoning Ordinance Section 708 allows temporary-use permits for limited-duration uses not otherwise allowed in a zone, approved by the Planning & Development Director. In 2023, Phoenix approved a shelter site at 15th Ave & Jackson St in a Light Industrial (A-1) zone through a Special Permit. Statewide, the Governor and city mayors can act under emergency declarations to speed approvals.

1. **Pick the city first**
   Choose a city whose mayor and council will champion the pilot. Meet before signing a lease.

2. **Pre-application meeting**
   Walk the planning and fire departments through the floor plan. Ask which path fits: temporary-use permit, special permit or emergency order.

3. **Request emergency support**
   Ask the Governor's office and the mayor for a letter of support or an emergency declaration covering family shelter.

4. **Lease with a contingency**
   Sign a lease that only takes effect once approval is granted, so no money is lost if the city says no.

5. **Fire and life-safety plan**
   Sprinklers, alarms, exits, occupancy load. Fire marshal sign-off is the key that unlocks move-in.

6. **Neighbor outreach**
   Meet nearby businesses early. Share the security plan, the schedule and a contact number that always answers.

PHASED PILOT

From Motel Rooms to Our Own Building in 6 Months.

PHASE 1

Months 1-2

Raise + find the site

- Launch $600K campaign + funding asks
- Tour grocery, strip mall and flex buildings
- City pre-application meetings

PHASE 2

Months 3-4

Approve + build

- Permits / emergency approval
- About 60-day build-out
- Fire marshal inspection

PHASE 3

Month 5

Move families in

- Move 50 families from motels in waves
- Offices, tutoring and case management open
- Donor open house

PHASE 4

Month 6+

Grow + measure

- Fill expansion rooms (about 62 families)
- Quarterly public reports
- Plan a second site

Families keep their motel rooms until their family room is ready, so nobody goes back to the street during the move. Motel spending winds down as each wave moves in, and those savings start paying for the building right away.

A FAMILY'S JOURNEY (ILLUSTRATION)

Maria, Her Two Kids, and Room 104.

Week 0 Maria's hours are cut after her son's hospital stay. Two missed rent payments become an eviction. The family sleeps in their car for three nights.

Week 1 A neighbor at the Sunday Picnic tells her about AZ Hugs. Austin answers the phone that night. The family is placed in a motel room across town.

Weeks 2-8 The kids miss school days because the motel is 40 minutes away. Dinner is from a microwave. AZ Hugs pays about $2,145 a month for the room.

Week 9 The shelter opens. Maria and the kids move into Room 104: a locking door, two beds and a corner for books. They cook dinner together in the shared kitchen.

Weeks 10-20 The kids do homework with tutors every afternoon. Maria meets her case manager down the hall, rebuilds her credit and finds full-time work.

Week 22 Maria signs a lease on a two-bedroom apartment. Volunteers help her move. Room 104 is cleaned and ready for the next family the same week.

Maria is a composite illustration, not a real client. Her story is built from the kinds of situations AZ Hugs sees.

SERVICES ON SITE

Everything Under One Roof.



Case management

Weekly one-on-one plans for income, credit, benefits and housing search.

Tutoring + homework club

Volunteer tutors every afternoon; children stay in their own schools.

Housing navigation

Partners with landlords and agencies to move families into apartments.

Health + counseling

Visiting clinics, counseling and referrals through a quiet room.

Meals + pantry

Shared kitchen, donated meals and food bank partnerships.

Laundry + care bags

On-site laundry and the AZ Hugs care-bag basics.

Donor + volunteer center

A storefront where the community drops off, signs up and sees the impact.

Sunday traditions

Families still join the Papago Park picnic and Sunday laundry nights.

MEASURING SUCCESS

What We'll Report to Donors.

MEASURE	WHAT IT MEANS	PILOT TARGET
Families sheltered	Number of families and children housed each month	**50+ families**
Nights of safe sleep	Total family-nights in private rooms	**1,500+ / month**
Cost per family-night	Building cost divided by family-nights	**under $25 (vs $71.50)**
Exits to housing	Families moving to apartments or permanent housing	**track monthly**
Average stay	Days from move-in to housing	**target under 120**
School attendance	Children attending their own school, with permission	**90%+**
Returns to homelessness	Families back in shelter within 12 months	**track at 6 + 12 mo**
Volunteer + donor hours	Tutoring, meals and service hours on site	**track monthly**

Targets are proposed pilot goals, to be confirmed with the AZ Hugs board. Cost per family-night assumes about $32K a month of building cost across 50 occupied rooms (about $21).

TRUST + ACCOUNTABILITY

See Exactly What Your Money Does.

AZ Hugs already publishes live numbers and recaps on its website. The shelter pilot will follow the same rule: donors can see where every dollar goes.

Public ledger

Build-out spending posted line by line as it happens, matched to this budget.

Quarterly donor report

Families served, exits to housing, cost per family-night and stories, with consent.

Board review

Monthly board check on budget, occupancy and safety reports.

Real bids

At least two quotes for every build-out item over $10,000.

Privacy first

No family is identified or photographed without written consent.

Safety

Sign-in desk, staff overnight, fire watch until sprinklers are certified.



THE ASK

$600,000 Turns a Bill into a Home.

$500
Stocks a family room with bedding, towels and a care bag

$1,400
Fully furnishes one family room

$3,000
Builds one private room with a locking door

$5,000
Builds one private shower stall

$25,000
Builds the tutoring room. Naming opportunity

$30,000
Builds the family kitchen. Naming opportunity

$100,000+
Names a wing of family rooms

$250,000
Lead sponsor: names the shelter

Sponsor recognition

- Donor wall at the entrance and in the family kitchen
- Logo in quarterly reports and on the AZ Hugs website
- Private tour and open-house invitation before families move in
- Naming rights for rooms, the kitchen, the tutoring room, wings and the building

HOW TO GIVE

Give and Get It Back on Your Arizona Taxes.

Gifts to AZ Hugs qualify for the Arizona Charitable Tax Credit for Qualifying Charitable Organizations. It is a dollar-for-dollar credit: give up to the limit and that amount comes off what you owe the state.

22710
QCO code to enter on Arizona Form 321

$506
Single filers, 2026 tax year

$1,009
Married filing jointly, 2026

Give by April 15, 2027 and claim it on your 2026 return. Ask your tax advisor about your situation.

CALL OR TEXT AUSTIN
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EMAIL
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INSTAGRAM
@azhugs

FACEBOOK
facebook.com/azhugsforhouseless

VISIT US
Sundays 3-6 PM, Papago Park, Tempe

SCAN TO FOLLOW AZ HUGS

Nobody should face the street alone.

SOURCES

Where the Numbers Come From.

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4. National Alliance to End Homelessness, Arizona fact sheet (2024 PIT data), Aug 2025. endhomelessness.org
5. Arizona Department of Economic Security, State Homelessness Services Annual Report 2024. des.az.gov
6. ABC15, "Maricopa County's 2024 eviction filings highest on record," Jan 2025.
7. Phoenix New Times, "Maricopa County evictions continued historic clip in 2025," Jan 2026.
8. Legal Services Corporation, Civil Court Data Initiative: Maricopa County evictions, Oct 2025.
9. Cushman & Wakefield, Phoenix MarketBeat: Office, Industrial and Retail, Q4 2025.
10. Colliers, Phoenix industrial Q3 2025 release; The Signal, Dec 2025; 2025 Year-End Report.
11. Kidder Mathews, Phoenix Office (Q4 2025), Industrial (Q3 2025) and Retail (Q4 2025) market reports.
12. Lee & Associates, Metro Phoenix Office Q4 2025; Transwestern Phoenix factsheets, Q3/Q4 2025.
13. City of Phoenix Office of Homeless Solutions: Phoenix Navigation Center funding ($7M ADOH + $13M ARPA).
14. Mesa Tribune, "Mesa council OKs hotel purchase in split vote," 2023; Maricopa County Human Services release.
15. Maricopa County, Tempe motel conversion funding release ($7.3M County + $3M Tempe), 2023.
16. City of Phoenix Zoning Ordinance Section 708, Temporary Uses. phoenix.municipal.codes/ZO/708
17. City of Phoenix staff report / memo, Special Permit for structured campground at 15th Ave & Jackson St (A-1), 2023.
18. Build-out estimates: Potty Directory 2025 restroom/shower trailer pricing; San Antonio IFB 5343 (2024); FOH Furniture and CubicleNow 2025 partition pricing; Fireline and FireTron 2025 sprinkler retrofit costs.
19. Phoenix rents and build-out: local broker listings for 2nd-generation retail/flex with working rooftop AC (2026); APS/SRP commercial rates. Funding: AZ Dept. of Revenue QCO guidance and 2026 QCO list; A.R.S. 43-1088; City of Phoenix NSD grant opportunities; Maricopa County Human Services; inbusinessPHX, PCDIC $31M NMTC for CASS, Feb 2026.
20. AZ Hugs program details, outcomes and tax-credit information: AZ Hugs website, 2026.
21. Motel spending (70 families, about $71.50/night) provided by AZ Hugs and pending confirmation. Kitchen, partition and total build-out figures are planning estimates.