



**Community Development Department  
Planning and Development Services**

**Date:** February 25, 2021  
**To:** Housing Commission  
**From:** Dan Symer, AICP, Zoning Code Manager  
**Through:** Leah Bloom, Affordable Housing Advancement Project Manager  
**RE:** Housing Commission Recommendation

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I. **Request:**

Staff is requesting the Housing Commission provide a recommendation to the City Council for approval of the City's request for a Zoning Code Text Amendment to incorporate provisions into the Zoning Code's Affordable Housing Incentives and the Parking Adjustments.

II. **Executive Summary:**

The proposed Zoning Code Text Amendment (Case No. PZ-21-00019) incorporates changes to the Zoning Code that would allow the City Council to approve modifications to the Property Development Standards for permanently affordable housing developments that provide 100% of the dwelling units to persons or families with a household income equal to 80% or less of the area median income for the City of Flagstaff.

III. **Proposed Amendment:**

The proposed amendment (Attachment 2) incorporates into the Affordable Housing Incentives certain provisions that would allow the City Council to approve modifications to the Property Development Standards (e.g., area, width, lot size, setbacks, open space, etc.), excluding building height, density, outdoor lighting, signs, and the standards or guidelines applicable to a property with a historic, landmark, or airport overlay zone. The provisions would be valid for permanently affordable housing developments that provide 100% of the dwelling units to persons or families with a household income equal to 80% or less of the area median income for the City of Flagstaff. The Zoning Code defines permanent affordability for affordable housing as a minimum of 30 years for developments with rental units and 99 years on for-sale units.

The intent of the proposed provisions is to implement the Regional Plan and Incentive Policy for Affordable Housing (IPAH) policies to provide flexibility and allow property owners of affordable housing developments to request modifications to the Property Development Standards that may not be easily addressed as part of the design. Additionally, it allows for alternative design solutions. Another example of a modification could be a change in the parking requirements to a rate that is less than one space per dwelling unit and is more appropriate for the development, such as the parking requirements for an affordable housing senior living development. It should be noted that this

amendment is also being proposed to assist in addressing Flagstaff's housing crisis that was declared by the previous City Council (Resolution No. 2020-66).

In order to approve any request to modify the Property Development Standards, the City Council will be required to ascertain that the incorporated findings have been met. In summary, these findings are to ensure that the modification to the Property Development Standards maintain consistency with the Regional Plan (General Plan), will not cause health, safety, convenience, or welfare hazards, maintain consistency with other existing developments in the area, and the proposed development is similar in quality to other developments that are available to the public at the market rate. Moreover, an additional finding has been incorporated pertaining to the location of the Development Site to a transit stop. This finding is only applicable when a modification to the number of motor vehicle parking spaces required is proposed to be modified.

#### **IV. Public Comments**

At the City Council meeting on February 9, 2021, one public comment was provided in support of the amendment. As of the date of this report, staff has received two sets of comments (Attachment 3) pertaining to the amendment from the public. In addition, two people responded to the Flagstaff Community Forum survey regarding this amendment. One indicated that he/she does not support the amendment, and the other respondent maintained a neutral position.

#### **V. Planning and Zoning Commission Work Session**

At the Planning and Zoning Commission Work Session of October 10, 2021, staff reviewed the text amendment application with the Commission. The Commission had a series of questions to clarify their understanding of the proposed Zoning Code Text Amendment. In summary, the Commission unanimously recommended that a maximum distance from a transit location be incorporated for any parking modification. The Commission also recommended, as part of the processing of a modification request for a property in a historic district, that staff obtain a recommendation from the Heritage Preservation Commission before presenting the request to the City Council. In addition, the Commission recommended that the following considerations be addressed as part of a future amendment: 1) a public notification requirement; and 2) incorporate a requirement for the Heritage Preservation Commission to make a recommendation to the City Council for any modification to the Property Development Standards of a zone for a property in a historic district. In order to address these concerns, the proposed Zoning Code Text Amendment has been modified to include notification and transit location requirements. Also, the standards and guidelines of the historic and landmark overlay zones have been exempted from the allowable modifications.

#### **VI. City Council Work Session**

At the City Council Work Session on October 9, 2021, staff reviewed the text amendment application with the City Council. The City Council had a series of questions to clarify their understanding of the proposed Zoning Code Text Amendment. In summary, the City Council was supportive of the amendment, although it was opined that when parking modifications are proposed, the Development Site should be near a transit stop and in an activity center. Additionally, it was stated that a menu of considerations should be incorporated for different quantities of affordable units and income ranges. In order to address these concerns, the proposed Zoning Code Text Amendment has been modified to include transit location requirements, and staff recommends incorporating the menu of

considerations as part of the larger update to the Zoning Code's Affordable Housing Incentives later this year as a separate amendment.

**Attachments:**

1. Application Narrative and Regional Plan Analysis
2. Draft of Case No. PZ-21-00019 Zoning Code Text Amendment – 2021: Affordable Housing Modified Development Standards
3. Public Comments