

# Housing Overview and Update

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# Useful Terms



**HUD** – U.S. Department of Housing and Urban Development

**CFHA** – City of Flagstaff Housing Authority

**AMI** – Area Median Income



# Presentation Overview

- Brief Housing 101
- Overview of Housing Section, Housing Authority, Commissions and Programs
- 10-Year Plan Update – including Draft Implementation Plan and Progress Report
- Bond Programming Update

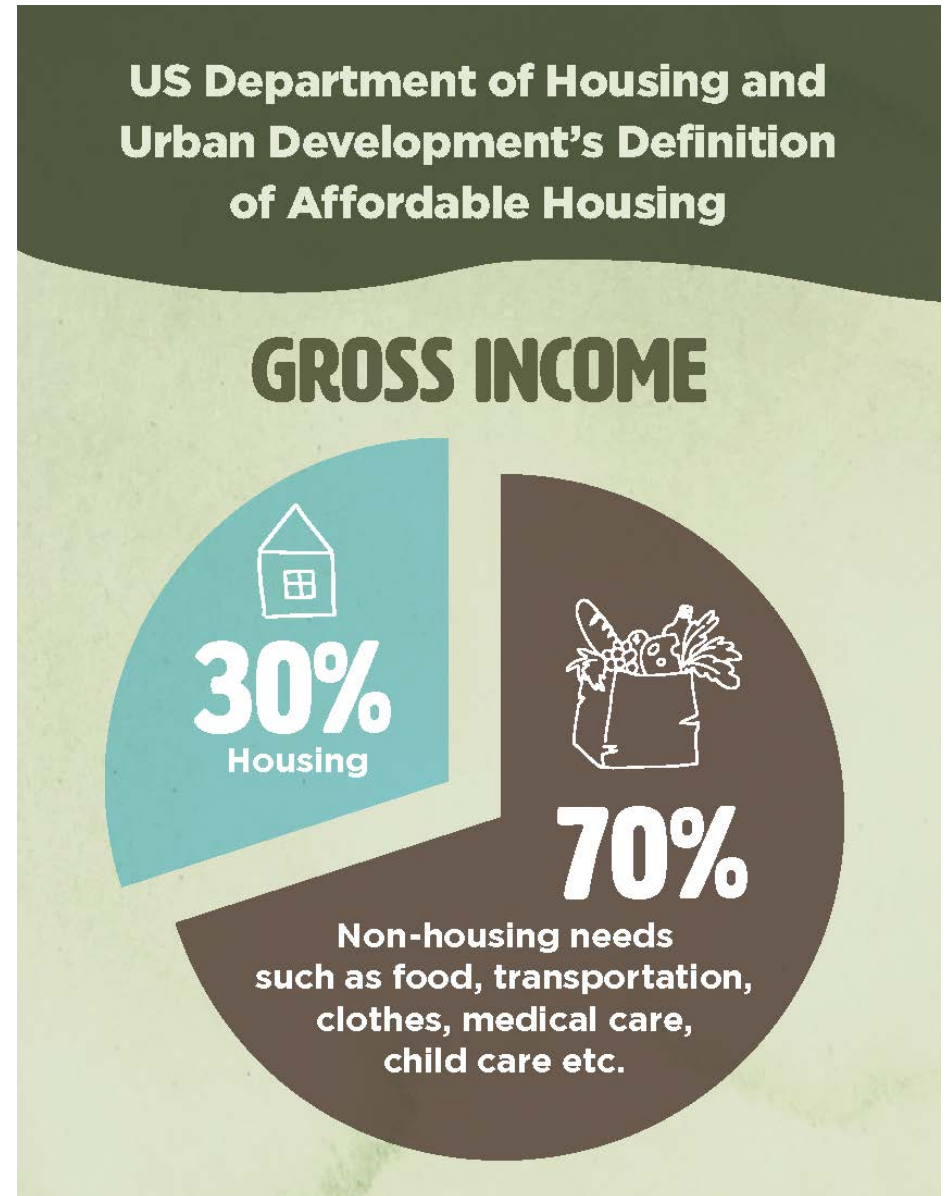




# What is “Affordable Housing”?

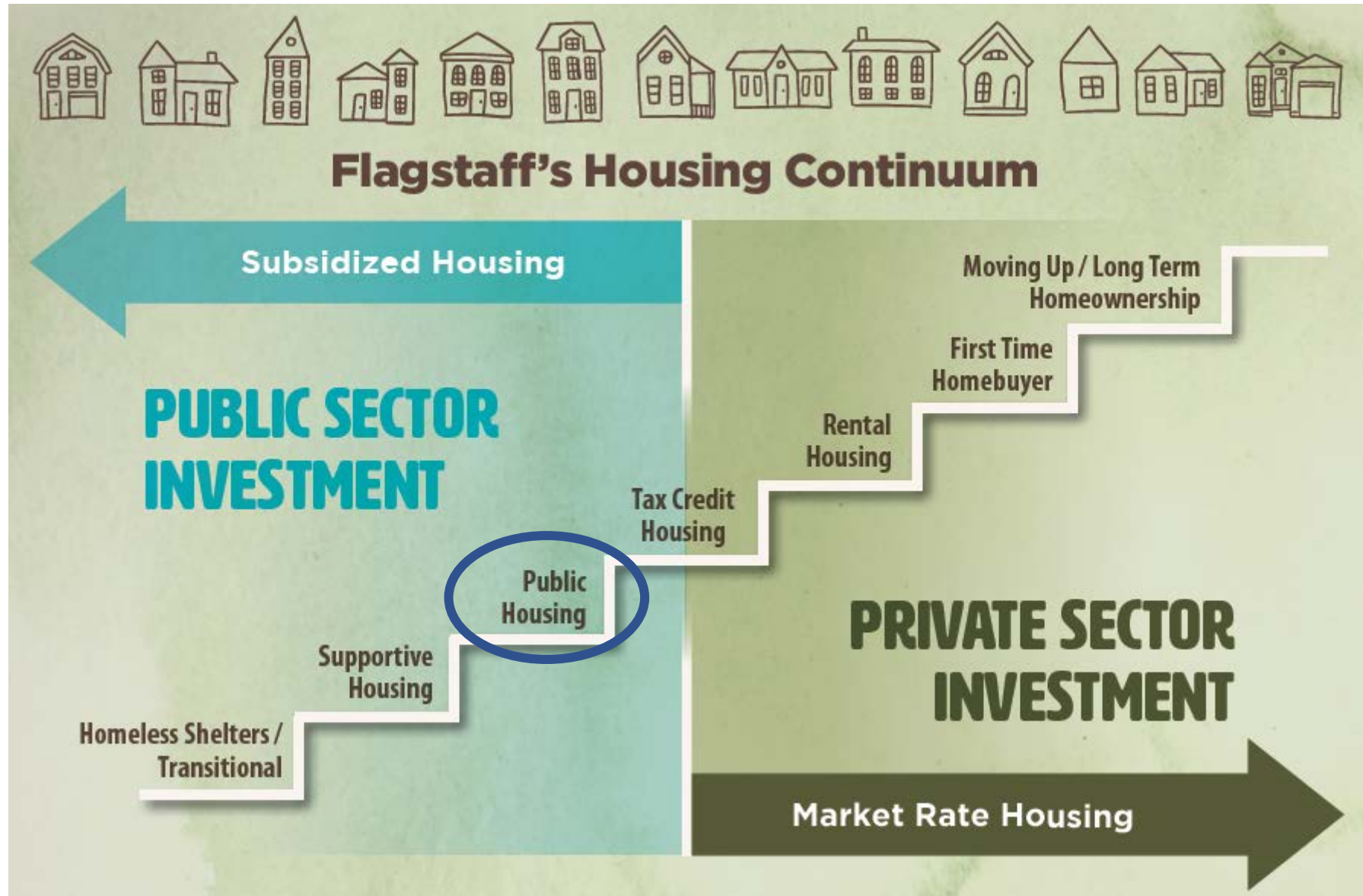
When a household pays **no more than 30 percent of annual gross income on housing and housing related expenses.**

Source: U.S. Department of Housing and Urban Development)





# Basic Housing Continuum





# Area Median Income (AMI)

## 2022 Area Median Income Limits for Flagstaff, AZ

Household Size	30%	50%	60%	80%	100%	125%	150%
1	\$18,050	\$30,100	\$36,120	\$48,100	\$60,200	\$75,250	\$90,300
2	\$20,600	\$34,400	\$41,280	\$55,000	\$68,800	\$86,000	\$103,200
3	\$23,200	\$38,700	\$46,440	\$61,850	\$77,400	\$96,750	\$116,100
4	\$27,750	\$42,950	\$51,540	\$68,700	\$85,200	\$106,500	\$127,800
5	\$32,470	\$46,400	\$55,680	\$74,200	\$92,800	\$116,000	\$139,200
6	\$37,190	\$49,850	\$59,820	\$79,700	\$99,700	\$124,625	\$149,550
7	\$41,910	\$53,300	\$63,960	\$85,200	\$106,600	\$133,250	\$159,900
8	\$46,630	\$56,700	\$68,040	\$90,700	\$113,400	\$141,750	\$170,100

Source: 2022 Income Limits Documentation System; <https://www.huduser.gov/portal/datasets/il/il2022/2022summary.odn>

60% AMI limit: 2022 Multifamily Tax Subsidy Project Income Limits, US Department of Housing and Urban Development (HUD); [https://www.huduser.gov/portal/datasets/il/il2022/2022sum\\_mtsp.odn](https://www.huduser.gov/portal/datasets/il/il2022/2022sum_mtsp.odn)



# But isn't all housing affordable if you make enough money?



## Housing that is affordable

- Market based sale or rental price

## Affordable Housing

- 2 Prong Test
  - *What are the housing costs?*
  - *Who is eligible to purchase or rent it?*
- **Subsidy or investment of some type exists**



# Yes, but how?

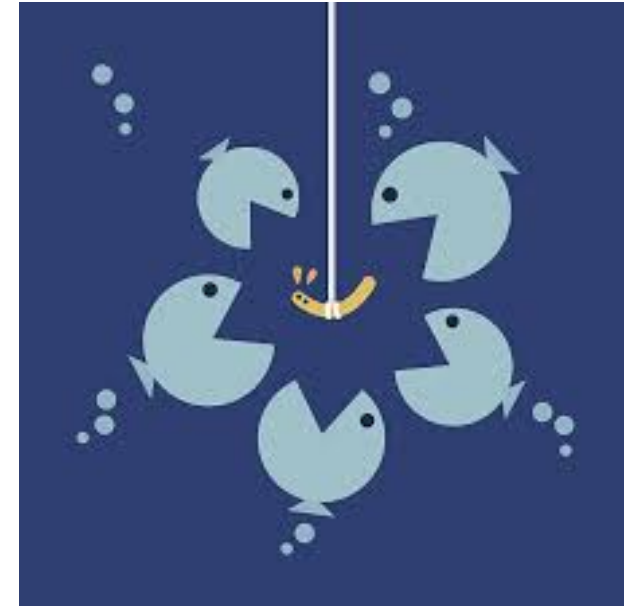


## Demand Side

- Help make the existing housing stock affordable to the community
- Most often in the form of lowering the monthly cost to an assisted household

## Supply Side

- Aid by developing or rehabilitating units





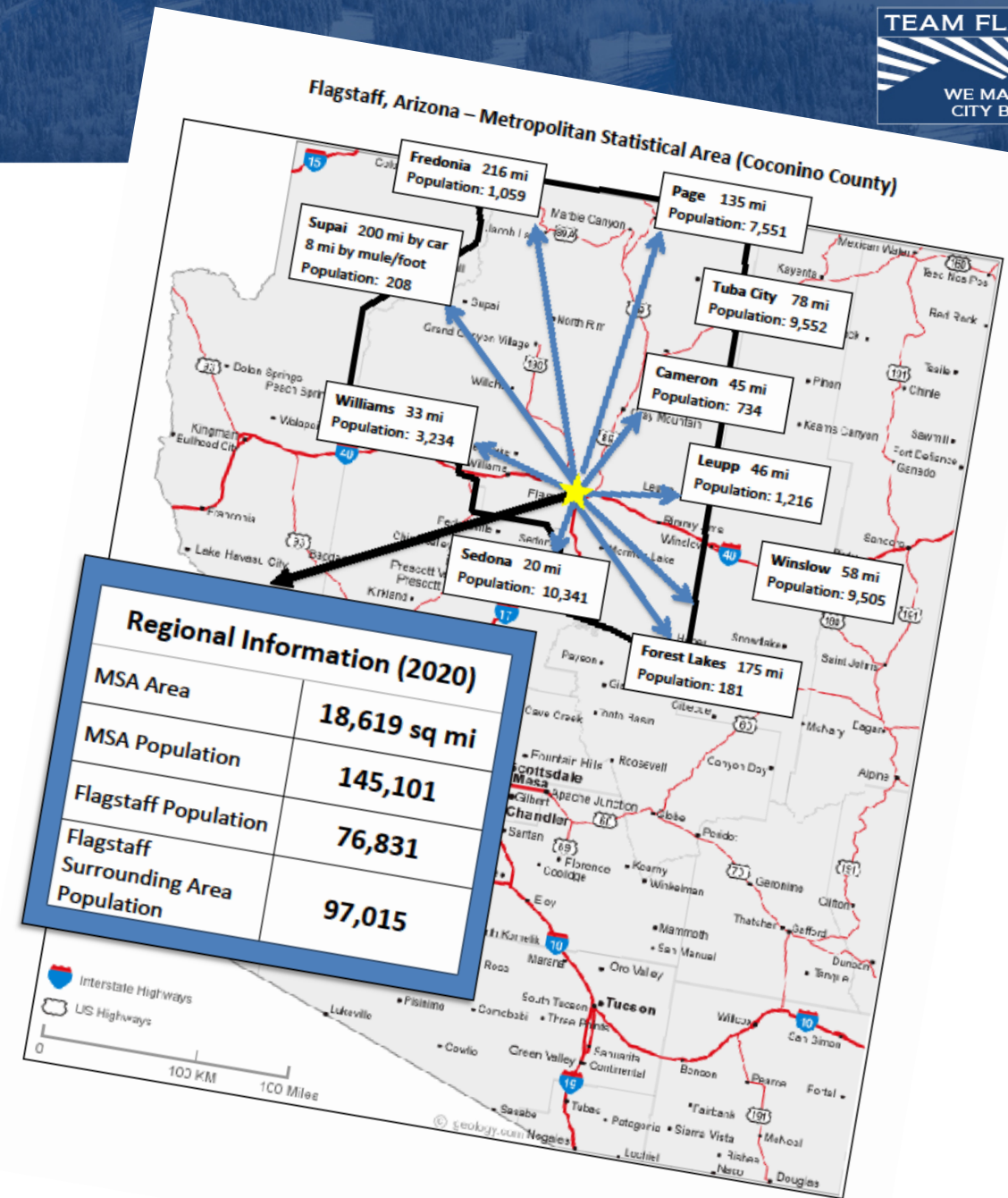
# Tween Challenge

Flagstaff is too big  
to be small...

and too small to be  
big

Metropolitan – Federal

Rural – State of Arizona





# Community Development Mission Statement



## Flagstaff Community Development

### Mission

**We build community together, provide service with integrity and honor the diverse heritage of Flagstaff.**

**Collaboration**

**Community Focused**

**Integrity**



**Service**

**Teamwork**

### Vision

**Champion a vibrant, equitable, sustainable and safe community for today and future generations.**

# City of Flagstaff Housing Programs

## *4 office locations*

Siler Homes – Main Office  
Brannen Homes  
Clark Homes

## Water Services Building

(on Walgreens St)

Not open to the public



- Public Housing / Property Management
- Voucher Programs



- CDBG / ARPA etc
- Housing Planning
- Incentive Policy for Affordable Housing
- Permanent Affordability Program
- 10-Year Plan
- Bond funded programs
- Down Payment Programs
- Loan Management
- Community Participation
- And more!



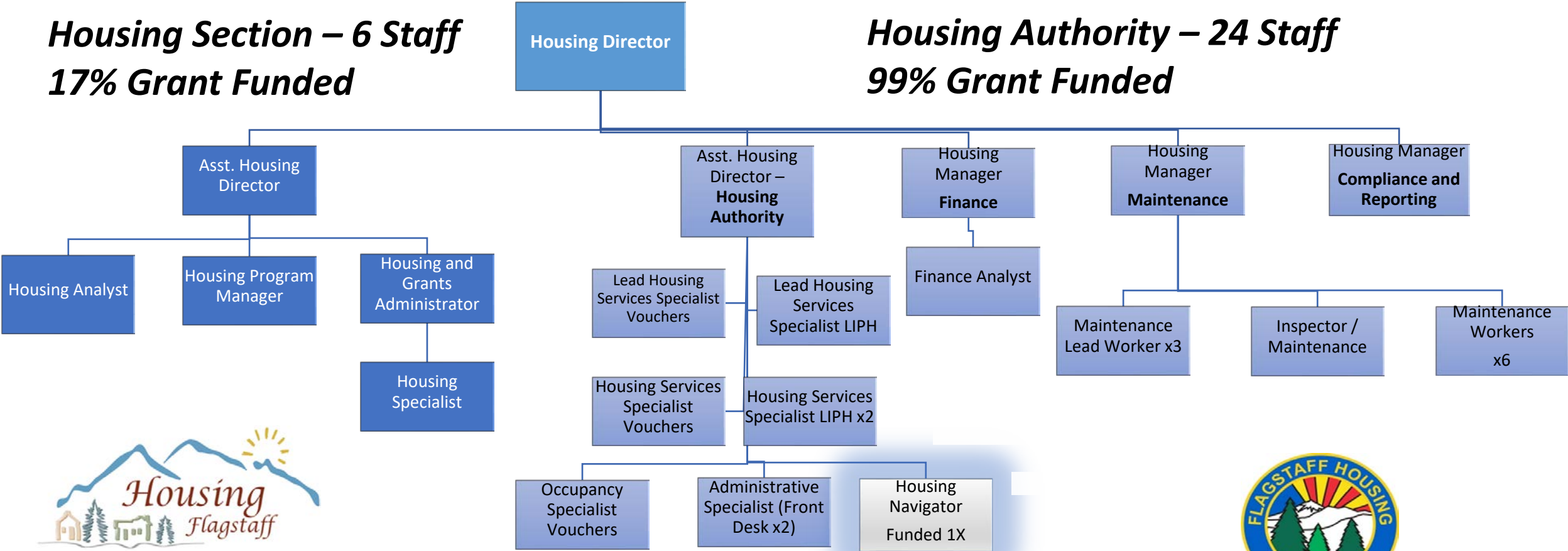
# City of Flagstaff Housing

- 30 FTE**
- 1 Director
  - 5 Management
  - 22 Professional
  - 2 Support



**Housing Section – 6 Staff  
17% Grant Funded**

**Housing Authority – 24 Staff  
99% Grant Funded**





# Housing Commissions

## **Housing Authority Board (of Commissioners)**

**&**

## **Housing Commission**



# Housing Authority Board (of Commissioners)



- Housing Authority and Board created in **1942**
  - Board is Federally required
  - Required Resident / Participant member(s)
  - 6 members + Mayor
  - Members appointed by Mayor – per Arizona State Law
- Selected powers delegated by City Council regarding Public Housing and Voucher Programs
- Oversees all Housing Authority Programs and Funding





# Housing Commission

Created by City Council in 2019

- 13 members
  - Includes one member of the Housing Authority Board
- ...serves as an advisory board to City Council, makes recommendations with respect to housing policies, needs, and programs in Flagstaff, and furnishes the Council with information...

# City of Flagstaff Housing Authority



*Public Housing*

*Fee Management of Clark  
Homes*

*Voucher Programs*

*Community Referral and  
Information*



# Public Housing

## HUD funded via Operating Subsidy and Capital Fund Program

City of Flagstaff owns and operates units  
Declaration of Trust limits use to Public Housing

Serves incomes up to 80% AMI (\$61,850 / 3 person household)

- 40% of new residents must be 30% AMI or below (\$23,200)
- Eligible households pay 30% of their gross income towards rent or a minimum rent if no income

Faircloth Amendment 1999

No new Public Housing units can be built or obtained



# Public Housing – 265 Units

## Brannen Homes 127 units

- 1952: 47 units
- 1958: 40 units
- 1960: 40 units
- Cogdill Rec Center (*Boys and Girls Club*)



*Small office and  
Maintenance Shop located  
at Brannen Homes*

## Siler Homes 100 units

- 1972
- Headstart and SHAC (*Tynkertopia*)



*Main Office and  
Maintenance Shop located  
at Siler Homes*

## Scattered Site 38 Units

- Purchased and developed 1986 - 2002
- Cherry Hill, Southside, Sunnyside, Greenlaw, NoHo



# Public Housing Maintenance



Maintenance staff is responsible for physical condition and operation of all Public Housing units and grounds





# Clark Homes – 80 Units

## Owned by the Flagstaff Housing Corporation

- Corporation Board oversees Clark Homes, NOT the Housing Authority Board or City Council

## CFHA fee manages (administers) the complex via contract

- HUD funded
- 50% AMI and below (\$38,700 / 3 person household)
  - 40% of new residents must be under 30% AMI (\$23,200 / 3 person household)
- Serves families, elderly, disabled





# How do Voucher programs work?

*Public Housing Authorities are allocated a certain number and type of vouchers that are managed within a specified budget*

## CFHA Voucher Programs – 529+ Vouchers

- 333 Vouchers + 9 new!
- 106 VASH Vouchers (*Partner: Veterans Administration*)
- 12 Single Room Occupancy SRO/MRO (*Partner: The Guidance Center*)
- 40 Mainstream Vouchers
- 29 Emergency Housing Vouchers (EHV) (*Partner: Front Door / Continuum of Care*)
- Foster Youth to Independence (FYI) by referral (*Partner: Az Dept. of Child Safety*)
- Housing Stabilization Vouchers (applied)



# How do Voucher programs work?

## THE TENANT, LANDLORD, HOUSING AUTHORITY RELATIONSHIP





# Local Impact of CFHA Voucher Programs

**529+ Vouchers = Households Served**

About 150 participating landlords

Approx. **\$325,000** is paid **monthly** to local landlords in Flagstaff on behalf of Voucher Program participants



# Waiting List

**Waiting Lists for all CFHA programs are OPEN**

## **Online Application**

- Computers and help available at the main CFHA office
- Mobile device compatible

## **Average wait time to receive assistance varies**

- Local Preference
- Voucher and Public Housing Programs have an approx. wait time of 18-36 months or more (except 1-bedroom PH units)

# City of Flagstaff Housing Section Programs



**First staffed in 1993 with one staff person**

- Second staff person added in 2000
- Now 6 staff and 12+ programs
- Office located in Water Services Administration Building



# Housing Section

## Community Development Block Grant (CDBG) Program

- Annual entitlement award from HUD and associated compliance

## Permanent Affordability Program

- Long-term compliance management

## Down Payment Assistance Programs

- Employer Assisted Housing Program (EAH)
- Community Homebuyer Assistance Program (CHAP)



## Housing Planning / Developer Negotiations

## Incentive Policy for Affordable Housing (IPAH)



# Housing Section

## Loan Management

- First Time Home Buyer
- Owner Occupied Housing Rehabilitation

## Community Participation

## Technical Assistance

## Fair Housing Resource (required)

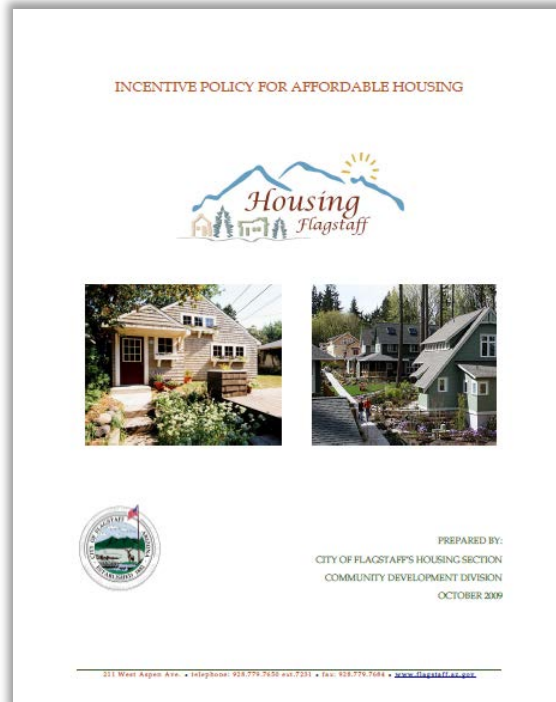
## 10-Year Plan Implementation

## Housing Bond Programs





# Incentive Policy for Affordable Housing



## IPAH Affordability Standards

### *10% Minimum Contribution Income Limits*

- 150% AMI for ownership
- 100% AMI for rentals

### *Period of Affordability*

- 99 years for ownership
- 30 year for rental

2009 – IPAH adopted (policy)

2011 – Flagstaff Zoning Code (regulatory)

2021 – Added Regulatory Incentive for 100% affordable projects

2022 – 10-Year Housing Plan

2023 – Regulatory Review – including incentives



# Newsletter

## HOUSING SECTION NEWSLETTER

*City of Flagstaff*



DECEMBER 2022

New Edition  
Next Week!





# Where have we been?

**2022 was a BIG year**

February 15 – **10-Year Plan** adopted by City Council



June 21 – Council placed **Proposition 442** on the ballot

November 8 – Election Day – **Prop 442** passes





# Evolution of Housing Focus

## Affordable



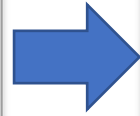
Evolving to →

## Supply





# Last Year / This Year...





# Introducing....



## 2022 PROGRESS REPORT

10-Year Housing Plan



CITY OF  
FLAGSTAFF

## Contents of Report

Introduction

Measuring and Reporting Progress

2022 Housing Market Snapshot

2022 Achievements

Conclusion / 2022 Progress



# Introduction

## 10-Year Housing Plan Overarching Goal & Strategies

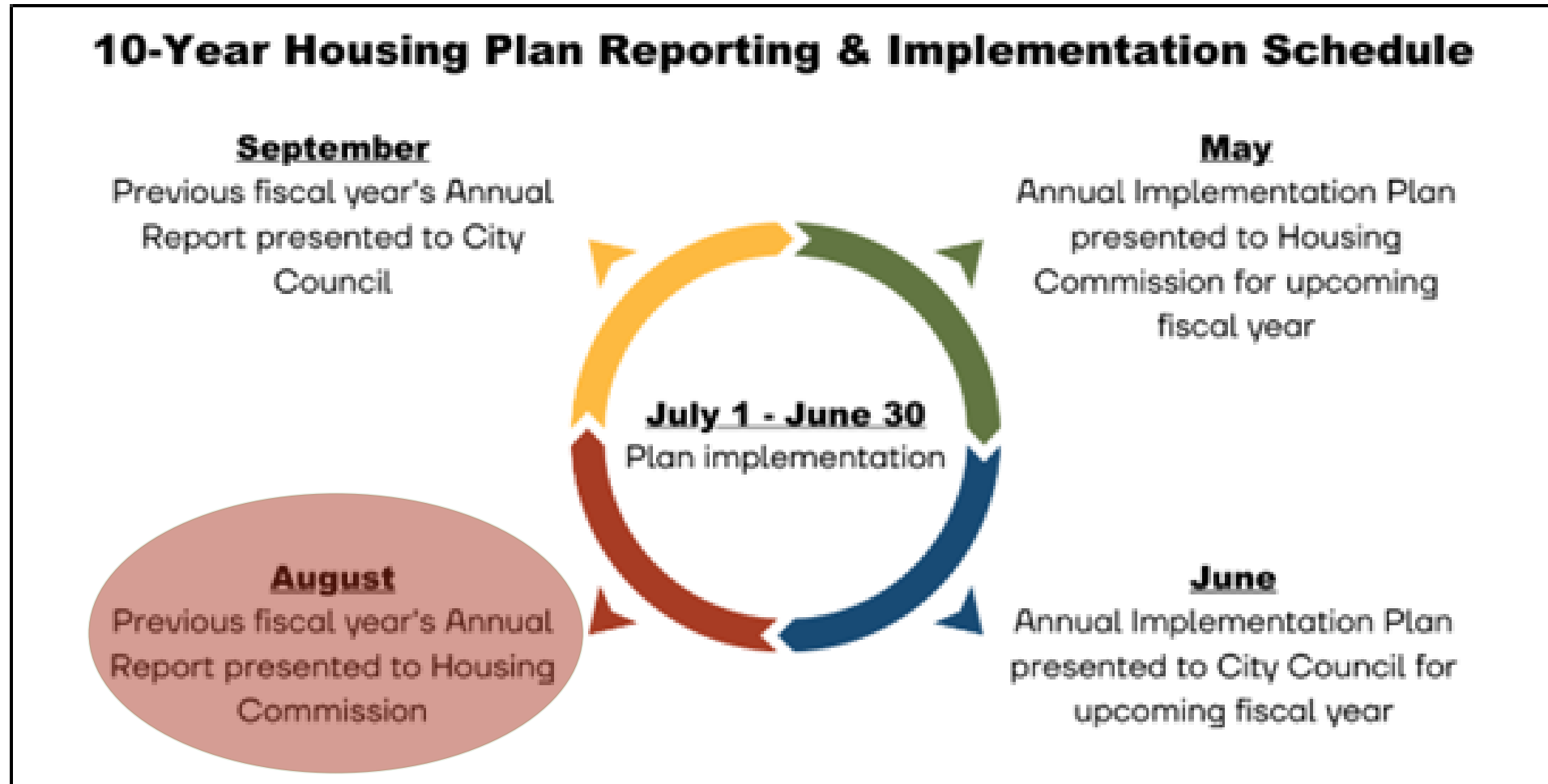
The overarching goal outlined in the 10-Year Housing Plan is to “**Reduce the current affordable housing need in our community by half over the next ten years.**” The goal is supported by two fundamental elements:

- > **Element One**: Impact at least 6,000 low- to moderate-income Flagstaff residents through a combination of unit creation or subsidy provision.
- > **Element Two**: Create or preserve 7,976 housing units by 2031 with a minimum of 10% of them being affordable. This will increase the overall supply of market rate, workforce, and affordable housing occupied by local residents.



# Next year and ongoing....

## 10-Year Housing Plan Reporting & Implementation Schedule



*Quote from Progress Report*



It is important to City Council, the Housing Commission, and Staff to “ensure accountability through consistent and transparent annual reporting to the community and the Housing Commission”.



# Achievements Sample

*Annual Reports will utilize at-a-glance graphics*

*Highlights Fiscal Year Milestones*

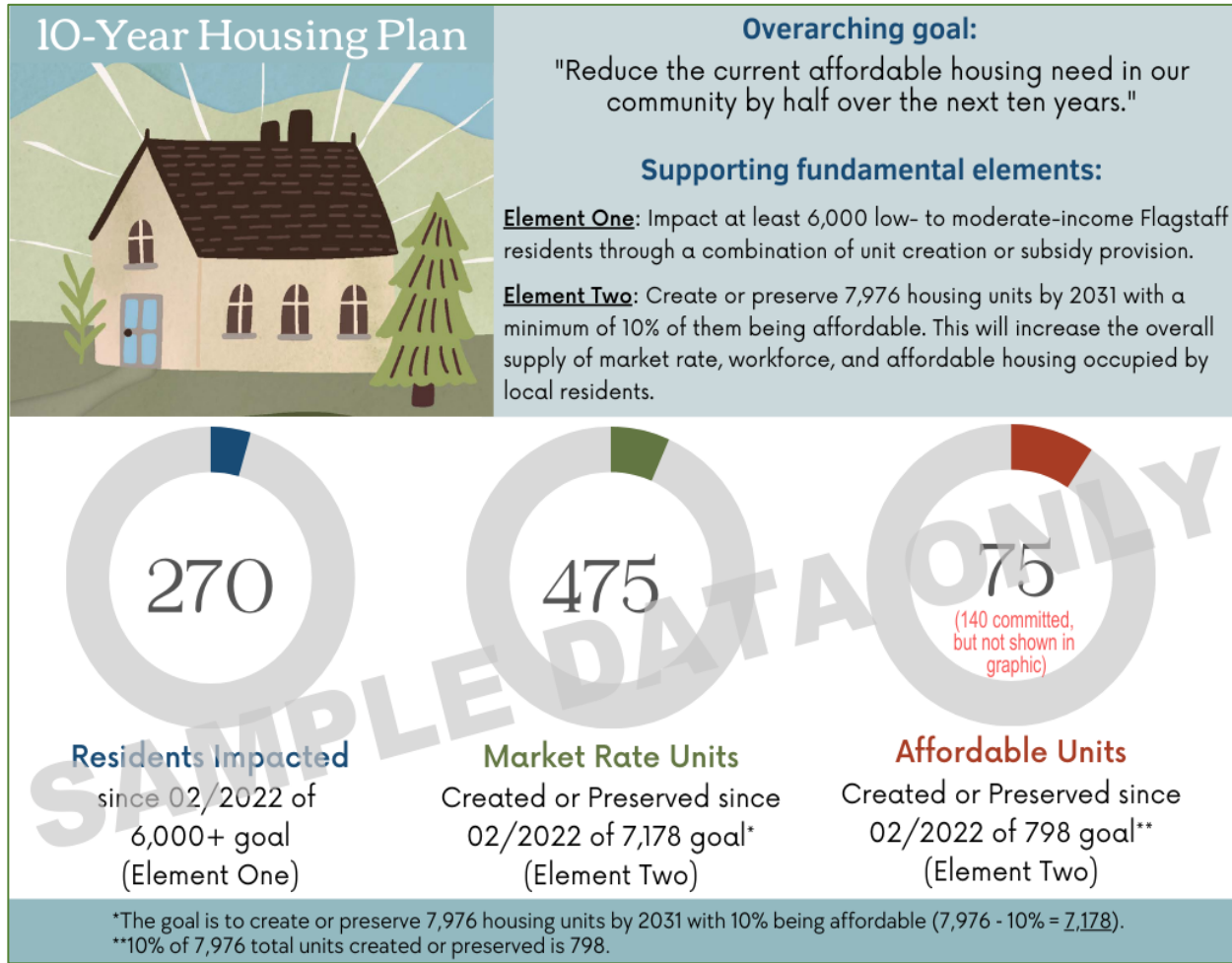




# Achievements Sample

## Annual Reports will utilize at-a-glance graphics

### Cumulative Progress since Plan Approval



## Key to the counting

- **Residents Impacted = households or residents that received a subsidy**
- **Market Rate Units delivered = market-rate units that received a final building inspection per the Building Finals Report**
- **Affordable Units = delivered affordable units that received a final building inspection per the Building Finals Report**
- **Committed Affordable Units = affordable units committed by a developer in a Development Agreement or in the approved site plan or plat.**



# Conclusion and Progress (Annual)



Strategy	Strategy Description	Dependent on other strategies being completed?	Anticipated Timeline of Strategy Implementation from 02/2022	City Division/Section Collaboration	% Complete	Status Comments
<b>Create 3.1</b>	Present 2022 Bond Measure to Council and Community for consideration for additional funding to be leveraged with local, state, and federal dollars.	No	Immediate (18 months)	Management Service, Housing Section	100%	A Bond Measure was presented to City Council and approved by Flagstaff voters. Proposition 442 provides \$20,000,000 to create rental and homeownership opportunities for residents of Flagstaff.
<b>Connect 1.2</b>	Create housing navigator or advocate positions to assist both landlords and housing-challenged populations in securing and maintaining housing.	No	Immediate (18 months)	Housing Section, City's Budget Team	75%	Although a Housing Navigator position has been created and hired, it is funded with one-time money. The position is being requested as an ongoing budget item through the City's regular 2023-2024 budget process.
<b>Protect 2.4</b>	Implement a public outreach campaign to educate the community about the critical role affordable housing plays in a thriving community, create a groundswell of support for affordable housing, and combat community opposition to housing and affordable housing.	No	Immediate (18 months)	Sustainability, Flagstaff Police Department, Housing Section	20%	A virtual education campaign was held in October 2022 in celebration of Housing America Month. A larger education campaign will take place in fiscal year 2023-2024.



# Introducing....

**All future implementation plans will be annual and based on the  
July 1 – June 30 Fiscal Year**



## **Contents of Implementation Plan**

**Introduction**

**10-Year Housing Plan Overarching Goal & Strategies**

**Strategy Implementation**



# Next year and ongoing....

## 10-Year Housing Plan Reporting & Implementation Schedule

**September**  
Previous fiscal year's Annual Report presented to City Council

**August**  
Previous fiscal year's Annual Report presented to Housing Commission



**May**  
Annual Implementation Plan presented to Housing Commission for upcoming fiscal year

**June**  
Annual Implementation Plan presented to City Council for upcoming fiscal year



# Strategy Implementation

Each year, City staff will make recommendations on which strategies to initiate based on the following factors outlined in the 10-Year Housing Plan:

- **Dependency on other strategies:** Determines if the strategy depends on the completion of another strategy before it can be started or completed.
- **Time Commitment:** Indicates the anticipated amount of time necessary to achieve the strategy.
- **Public Engagement:** Indicates the amount of public engagement necessary to achieve the strategy.
- **Requires Council Consideration:** A Yes listed under this column indicates that at least some parts of this strategy will require Flagstaff City Council approval to implement.
- **Funding Required over Staff Time:** Indicates if funding is required in addition to staff time.
- **City Division/Section Collaboration:** Indicates the City of Flagstaff sections and/or divisions that were identified in the 10-Year Plan to collaborate on the strategy.



# Jan. 2023 – June 2024 Strategies Table

Strategy	Strategy Description	Dependent on other strategies being completed?	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required over Staff Time?	Anticipated Timeline of Strategy Implementation from 02/2022	% Complete
<b>Create 5.1</b>	Hire an independent consultant to review City codes, processes, and fees to determine whether modifications, reductions, or eliminations would facilitate cost-saving housing development strategies.	No	High	Low	Yes	Yes	Short-Term (1-4 years)	40%
	<b>City Division/Section Collaboration:</b>	Economic Vitality, Zoning Code, Building Safety, Sustainability, Planning, Flagstaff Police Department, Management Services, Flagstaff Fire Department, Water Services, Housing Section						
	<b>Status Comments:</b>	Funds were requested and approved through the fiscal year 2022-2023 City budget cycle. A Request for Statement of Qualifications (RSOQ) is in progress. The consultant is expected to be hired between March and July 2023. <b>The completion of this strategy significantly impacts and informs the completion of other strategies dependent on code analysis and on a land and suitability analysis, such as Create 4.1 and Create 4.4, among others, which will be addressed in future years.</b>						



# Jan. 2023 – June 2024 Strategies

Create 5.3 Explore adding **affordable housing as an allowed use in the Public Facilities (PF) Zone**



Create 5.3 Create a **dedicated team** within Planning and Development Services specifically **for affordable housing projects**



Connect 2.3 Explore reviewing member **composition of the Housing Commission and Housing Authority Board to ensure racial and economic diversity** reflective of the Flagstaff community and present to Council for input

Preserve 2.2 **Acquire and rehabilitate already built properties for affordable housing** projects when financially feasible (Bond Funds)



Protect 2.1 Create and maintain an **Affordable Housing Impact Statement**



Protect 3.2 Examine and update, if needed, the **City of Flagstaff's Housing Limited English Proficiency (LEP) Plan**



# Jan. 2023 – June 2024 Strategies

## Ongoing Strategies

Connect 1.2 **Create housing navigator or advocate positions** to assist both landlords and housing-challenged populations in securing and maintaining housing.



Protect 2.4 **Implement a public outreach campaign to educate the community about the critical role affordable housing plays in a thriving community**, create a groundswell of support for affordable housing, and combat community opposition to housing and affordable housing.



# Role of the Housing Commission

## Ordinance 2019-25

*“The Housing Commission shall:*

*Examine funding sources available for housing in Flagstaff, make recommendations to City Council on potential funding sources, including bond measures, and **provide oversight of any funds approved by the electorate for housing purposes.**”*

- City Council has ultimate authority regarding bond funds
- **Housing Commission’s role is to review and make recommendations**



# Housing Bond Update

## **Expanding the homebuyer assistance program (\$7mil)**

Existing framework – exploring adaptation to best serve community

## **Repurposing existing available buildings into rental units**

Working to determine best practices and decision points

## **Incentivizing the private sector to incorporate affordable rental housing** into new developments

Semi-existing framework - Working to determine how best to meet community demand and decision points

## **Redeveloping City owned housing** to create additional affordable rental units

Part of much larger project – anticipate 2-5 years



*Creating rental and homeownership opportunities for residents of Flagstaff*



# More Coming Attractions!

**February 15** - Year in Review – Housing Newsletter

**March 21** - ARPA Awards - \$1.9 million in Housing Assistance

**April 11** - CDBG Work Session & Fair Housing Proclamation

**April 18** - CDBG Funding Awards 2023/24

Annual Action Plan

Procurement Process for Code and Land Availability / Suitability Analysis

Programmatic Dynamics for Bond funded programs

...and other things



# Questions?

