

# 18-Month Report

for the  
10-Year Housing Plan

August 27, 2024

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Housing Section





# Agenda

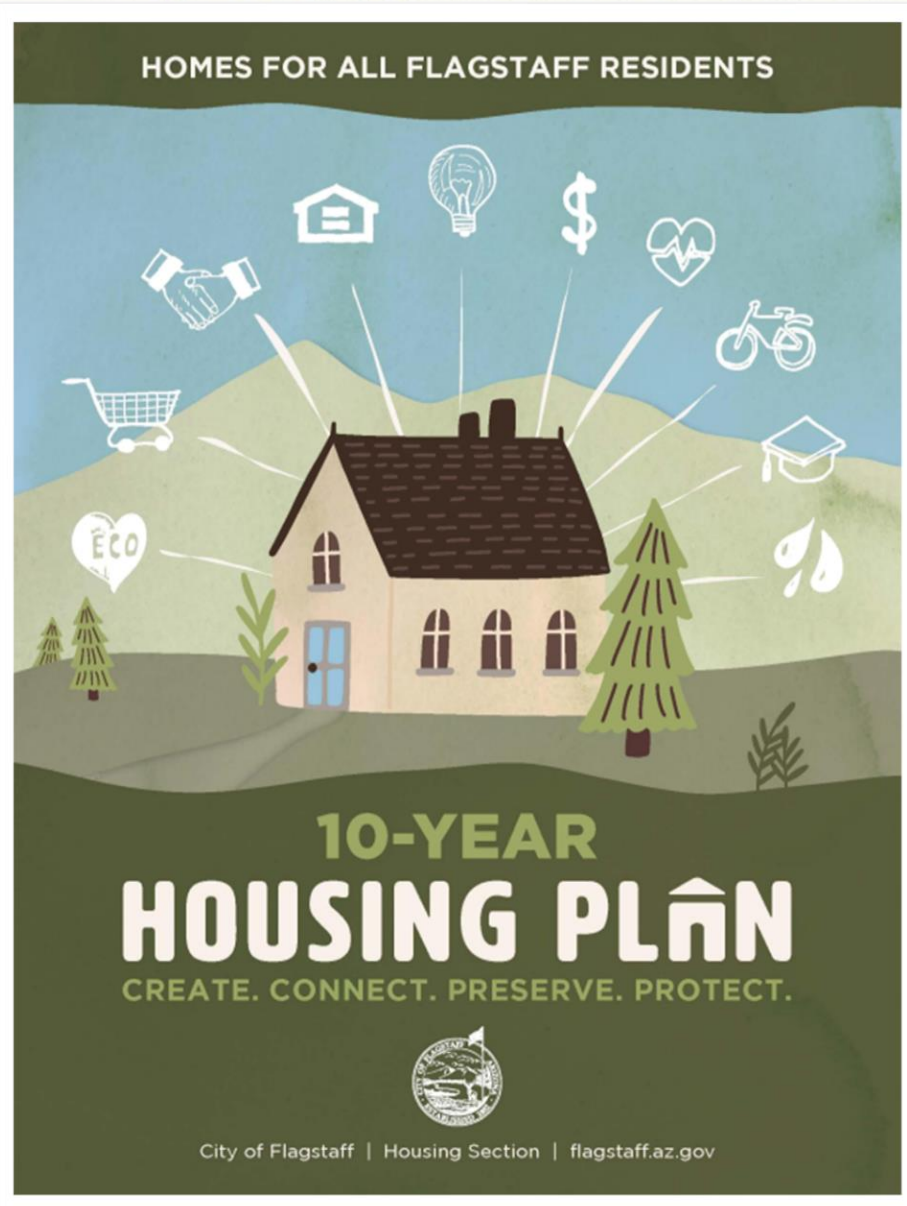


- 10-Year Housing Plan Overview
- 18-Month Report
- Questions/Comments





# 10-Year Housing Plan Overview



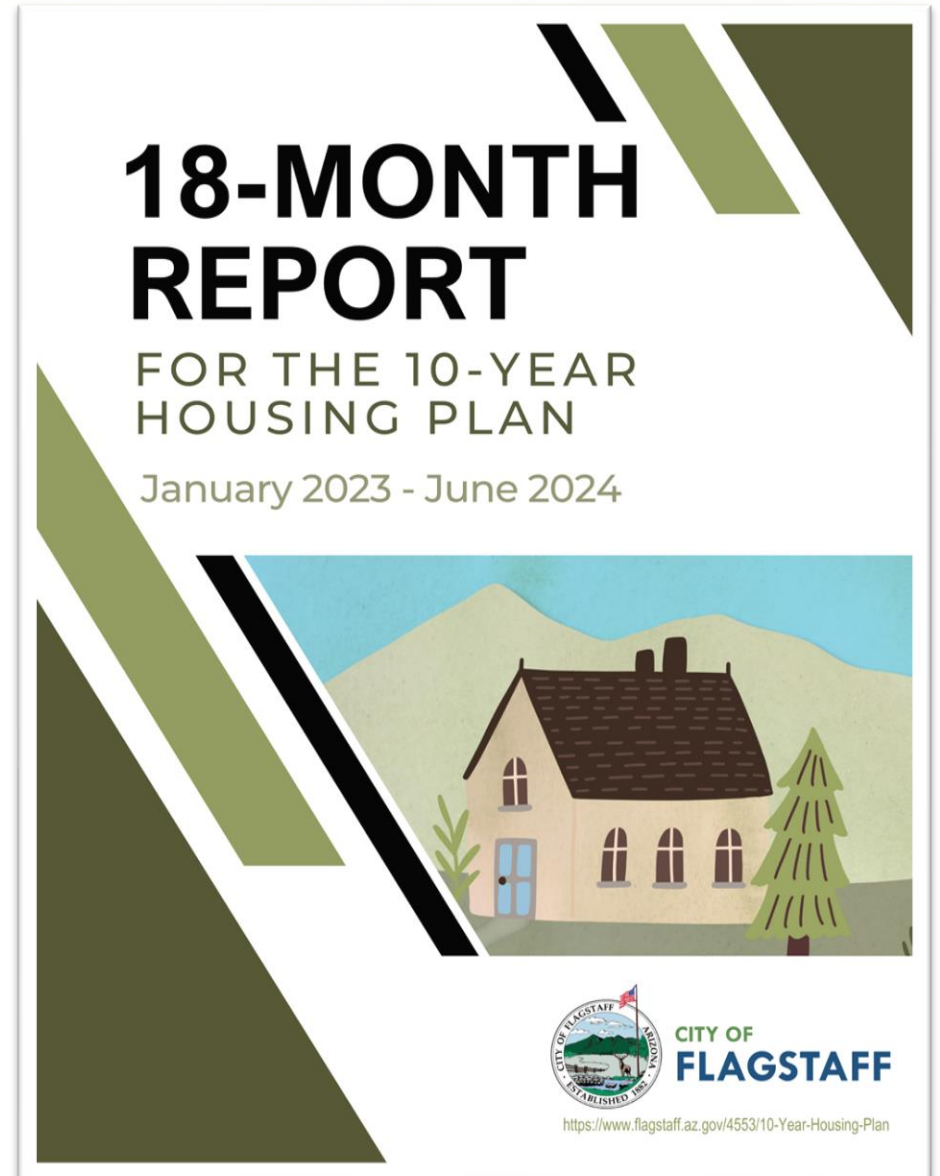
- Adopted February 2022
- Vision
- Foundational Framework
- Annual Documents
  - Implementation Plans
  - **Reports**



# 18-Month Report



- Corresponds to the 18-Month Implementation Plan
- Includes:
  - Market conditions
  - Highlights
  - Goal and element progress
  - Strategy progress
  - Resources and efforts





# Housing Market Conditions



## Flagstaff Community Affordable Housing Needs Assessment

City of Flagstaff Housing Data report created by City of Flagstaff and Housing Solutions of Northern Arizona



Revised September 2023

### Homeownership & Rent Increasingly Unaffordable

Since 2013, the median sales price of a home rose by **136%**. Rent has increased by **51.5%** and Area Median Income rose by **46.5%** during the same time period.

135.8% INCREASE

#### Increase in Median Sales Price <sup>1</sup>

Year	2013	2014	2015	2016	2017	2018
Price	\$265,000	\$290,000	\$300,000	\$319,289	\$350,200	\$368,000
Year	2019	2020	2021	2022	2023	
Price	\$389,000	\$435,000	\$545,000	\$619,349	\$625,000	

51.5% INCREASE

#### Increase in Fair Market Rent (2-bedroom) <sup>3</sup>

Year	2013	2014	2015	2016	2017	2018
Rent	\$1,066	\$1,021	\$1,033	\$1,135	\$1,037	\$1,129
Year	2019	2020	2021	2022	2023	2024
Rent	\$1,237	\$1,266	\$1,315	\$1,474	\$1,615	\$1,863

46.5% INCREASE

#### Increase in Area Median Income <sup>2</sup>

Year	2013	2014	2015	2016	2017	2018
Income	\$55,900	\$53,600	\$54,200	\$56,900	\$56,600	\$63,000
Year	2019	2020	2021	2022	2023	
Income	\$68,800	\$67,700	\$69,200	\$77,400	\$81,900	

### Housing Cost Burden Analysis <sup>4</sup>

#### Housing Cost Burden Definition

Cost burdened households pay more than 30% of their monthly income towards housing.

#### Housing Cost Burden in Flagstaff

**28,690** Flagstaff Community Members are housing cost burdened.

60.9% of Flagstaff renters are housing cost burdened.  
20.7% of Flagstaff homeowners are housing cost burdened.  
38.9% of all Flagstaff households are housing cost burdened.



Reference List | 1 Northern Arizona MLS. Information is deemed reliable, but is not guaranteed. | 2 HUD FY2023 Income Limits: <https://www.huduser.gov/portal/datasets/il.html> | 3 HUD Fair Market Rents: <https://www.huduser.gov/portal/datasets/fmr.html> | 4 US Census 2019 ACS | 5 Data is from the Council for Community Economic Research 2023 Quarter 1.

- Affordable Housing Needs Assessment
- 38.9% of all households cost-burdened
- Median income, sales prices, and rent increasing
- Households of 4 spend \$824 more than Phoenix



# Highlights



## Jan. 2023- Jun. 2024 *Highlights*

Subsidies provided:

**293**

Affordable units  
created or preserved:

**121**

Market rate units  
created or preserved:

**608**



# Overarching Goal and Element Progress



## 10-Year Housing Plan

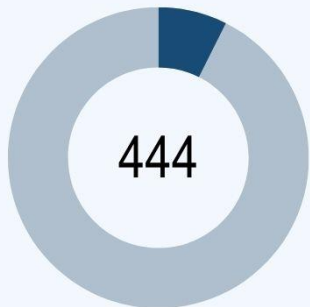


**Overarching Goal:** Reduce the current affordable housing need in our community by half over the next ten years.

**Supporting 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.

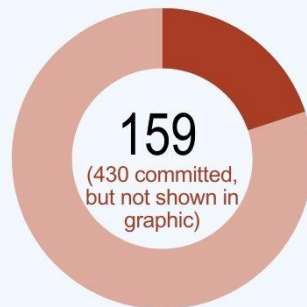
### PROGRESS TOWARD OVERARCHING GOAL February 15, 2022 - June 30, 2024



**Residents Impacted**  
since 02/15/2022 of  
6,000+ goal  
(Element One)



**Market Rate Units**  
created or preserved since  
02/15/2022 of 7,178 goal\*  
(Element Two)



**Affordable Units**  
created or preserved since  
02/15/2022 of 798 goal\*\*  
(Element Two)

\*The goal is to create or preserve 7,976 housing units by 2031 with 10% being affordable (7,976 - 10% = 7,178).

\*\*10% of 7,976 total units created or preserved is 798.

## Overarching Goal Progress Graphic:



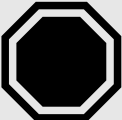
- Updated quarterly

- Webpage:

<https://www.flagstaff.az.gov/4553/10-Year-Housing-Plan>



# Strategy Progress

Strategy Status	Number of Strategies
 = completed	10
 = in progress	2
 = not started	0

**58 TOTAL STRATEGIES**



# Completed Strategies

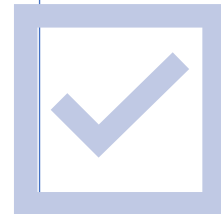


The following completed strategies were identified in a previous implementation plan:



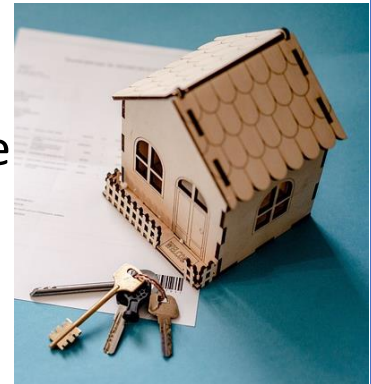
## Create 3.1

Present **2022 Bond Measure** to Council and Community for consideration for additional funding to be leveraged with local, state, and federal dollars.



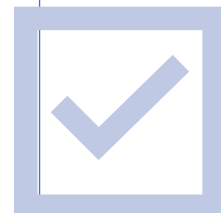
## Create 4.3

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



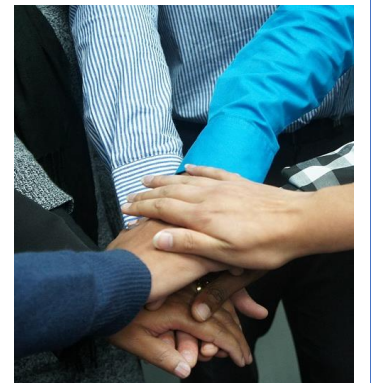
## Create 5.1

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.



## Create 5.3

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





# Completed Strategies



The following strategies were identified in a previous implementation plan and have been completed:



## Connect 1.2

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



## 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.



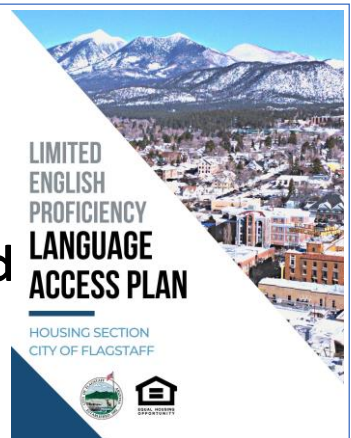
## Protect 2.1

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**.





# Completed Strategies

The following strategies were not identified in a past implementation plan but were implemented as opportunities arose during the reporting period:



## Create 4.1

Review and amend the **Planned Residential Development (PRD) standards** and process to address barriers for infill development and allow for more flexibility in development options, building types, and lot configurations.



## Protect 3.4

Support local social service networks in establishing a **home share program** inclusive of features like peer support and conflict resolution.

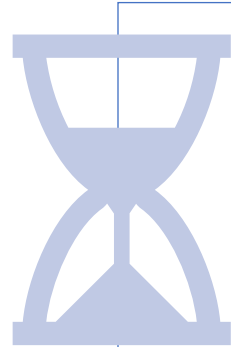




# Ongoing Strategies

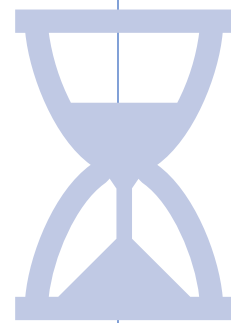


The two strategies below were identified in a past implementation plan and have not yet been completed:



## 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.



## Preserve 2.2

**Acquire and rehabilitate already built properties** for affordable housing projects when financially feasible.





# Housing Resources and Community Efforts



## Housing Authority:

- **Clark Homes: 80 Units**
- **Housing Choice Vouchers: 523 vouchers**
- **Low Income Public Housing: 265 units**





# Housing Resources and Community Efforts



## Community Housing Programs:

- **Affordable Homeownership Program**
- **Affordable Rental Housing**
- **American Rescue Plan Act: \$1.9 million**
- **Homeless Shelter and Services Funds**
- **Community Development Block Grant: \$1.1+ million between PY2023 & PY2024**
- **Fair Housing**
- **Homebuyer Assistance Program**
- **Incentive Policy for Affordable Housing**
- **Rental Incentive Bond Program: \$3.33 million of \$5 million distributed in March 2024**





# Legislative Efforts

*“Several widely used policies can increase access to and the affordability of housing. However, many of these tools are preempted or limited by Arizona law.”*

(Source: 10-Year Housing Plan)



Keep track of the Arizona Housing Coalition's state legislative priorities!

# Thank you!

# Comments or Questions?



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