

RESOLUTION NO. 2025-57

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, ADOPTING THE COMMUNITY HOMEBUYER ASSISTANCE PROGRAM – BOND-FUNDED EXPANSION; AUTHORIZING USE OF BOND FUNDS FOR THE PROGRAM; PROVIDING FOR DELEGATION OF AUTHORITY TO IMPLEMENT THE PROGRAM; AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, affordable housing in Flagstaff has been a documented need for more than 50 years and has reached crisis levels in recent years with data showing housing costs pushed higher by limited supply and external demand exceeding the buying and renting power of the local workforce; and

WHEREAS, in response to a citizen's petition, in December 2020, Flagstaff City Council adopted Resolution 2020-66 declaring a Housing Emergency for the City of Flagstaff, prioritizing affordable housing within City operations to create safe, decent and affordable housing opportunities for all community members; and

WHEREAS, on February 15, 2022, Council adopted Resolution 2022-03, approving the City of Flagstaff's 10-Year Housing Plan, which identifies a strategy to "Present 2022 Bond Measure to Council and Community for consideration for additional funding to be leveraged with local, state, and federal dollars" to fund the creation of affordable housing programs; and

WHEREAS, on November 8, 2022 a majority of the City voters voting in the General Election approved Proposition 442, authorizing the City to issue and sell \$20 million in general obligation bonds to be repaid with secondary property taxes, for the purposes of: (i) redeveloping City owned housing to create additional affordable rental units, (ii) repurposing existing available buildings into rental units, (iii) incentivizing the private sector to incorporate affordable rental housing into new developments, and (iv) expanding the homebuyer assistance program; and

WHEREAS, the City desires to implement the bond measure approved by the voters, by adopting a Community Homebuyer Assistance Program – Bond-Funded Expansion and authorizing the expenditure of approximately \$7 million for such program; and

WHEREAS, eligible first-time Flagstaff homebuyers seeking to purchase their first home within City limits may apply for assistance under this program.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General

The Community Homebuyer Assistance Program – Bond-Funded Expansion, a copy of which is attached as Exhibit A to this Resolution, is hereby adopted. This bond-funded program replaces

the prior program financed with General Fund monies.

SECTION 2. Financial Authorization

The City Council hereby authorizes the use of approximately \$7 million in general bond funding for the Community Homebuyer Assistance Program – Bond-Funded Expansion, as contemplated by the publicity pamphlet for Proposition 442; provided, however, nothing herein requires the City Housing Division to use all such funding for the program and the City Council reserves the right to reallocate use of bond monies for any of the affordable housing purposes described in Proposition 442 at a future date.

Any General Fund monies returned to the City under the revolving loan provisions of the prior City Homebuyer Assistance program shall be applied and used under the new program adopted herein.

SECTION 3. Delegation of Authority

The Housing Director is hereby authorized to make minor programmatic and administrative changes to the Community Homebuyer Assistance Program with written approval of the City Manager.

City Housing staff are hereby authorized to take such other and further measures and actions as are necessary and appropriate to carry out the terms, provisions, and intents of this Resolution.

SECTION 4. Effective Date

This Resolution shall be immediately effective upon adoption.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October, 2025.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Exhibits:
Community Homebuyer Assistance Program – Bond-Funded Expansion