

NOTICE AND AGENDA

HOUSING COMMISSION
THURSDAY
FEBRUARY 27, 2025
12:00 P.M.

HYBRID MEETING
MICROSOFT TEAMS MEETING
CITY OF FLAGSTAFF WATER SERVICES
BEARJAW TRAINING ROOM
2323 N WALGREENS ST, STE 1

ATTENTION

ATTEND IN-PERSON MEETINGS AT THE CITY OF FLAGSTAFF WATER SERVICES, LOCATED AT 2323 N WALGREENS ST, STE 1 (BEARJAW TRAINING ROOM), OR JOIN VIRTUALLY BY CLICKING ON THE LINK BELOW .

[Click here to participate in the online meeting](#)

The public can submit comments to AFisher@Flagstaff.gov. Public comment will be emailed to Housing Commissioners and will be read at the meeting by a staff member.

1. **Call to Order**

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Commission and to the general public that, at this regular meeting, the Commission may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. **Roll Call**

NOTE: One or more Commission members may be in attendance telephonically or by other technological means.

Kevin Bond
Eric Brownfield
Tyler Denham
Kevin Dobbe

Karen Flores
Sandi Flores, Vice Chair
Jacquie Kellogg
Devonna McLaughlin, Chair
Moses Milazzo

Cory Runge
Ross Schaefer
Glenn Slivers
Hayley Zoroya

3. **LAND ACKNOWLEDGMENT**

The Housing Commission humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.

4. **Public Comment**

At this time, any member of the public may address the Commission on any subject within their jurisdiction that is not scheduled before the Commission on that day. Due to Open Meeting Laws, the Commission cannot discuss or act on items presented during this portion of the agenda. To address the Commission on an item that is on the agenda, please wait for the Chair to call for Public Comment at the time the item is heard.

5. **APPROVAL OF MINUTES**

- A. Consideration and Approval of Minutes: Housing Commission Meeting - January 23, 2025
Approve the minutes from the January 23, 2025 Housing Commission meeting.
- B. Consideration and Approval of Minutes: Housing Commission Meeting - February 10, 2025
Approve the minutes from the February 10, 2025 Housing Commission meeting.

6. **ACTION ITEMS**

- A. Approval of Rental Incentive Bond Program Awards
Staff requests the Housing Commission's recommendation of approval for two Rental Incentive Bond Program Awards totaling \$1,670,000 resulting in a total of 62 affordable rental units, as recommended by the Ranking Committee.

7. **PRESENTATION AND DISCUSSION ITEMS**

- A. Discussion: Staff is requesting feedback from the Commission prior to drafting Zoning Code Text Amendments for Missing Middle housing types (duplex, triplex, fourplex, and townhomes) as required by HB 2721.

For discussion only.

- B. LASS + CAP Code Concepts Report Follow-Up
Discussion and recommendations

8. **INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA ITEM REQUESTS**

- A. Update from Housing Authority Liaison
- B. Update from Housing Commissioners and Other Informational Items
- C. Update from Housing Staff

9. **ADJOURNMENT**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. This notice has been posted on the City's website and can be downloaded at www.flagstaff.az.gov.

Dated this _____ day of _____, 2025.

Adriana Fisher, Housing Program Manager



Housing Commission

5. A.

From: Adriana Fisher, Housing Program Manager

DATE: 02/27/2025

SUBJECT: Consideration and Approval of Minutes: Housing Commission Meeting - January 23, 2025

STAFF RECOMMENDED ACTION:

Approve the minutes from the January 23, 2025 Housing Commission meeting.

Executive Summary:

Minutes of Commission meetings are the requirement of Arizona Revised Statutes and, additionally, provide a method of informing the public of discussions and actions taken by the Housing Commission.

Attachments

HC Draft Minutes - 01.23.2025

DRAFT MEETING MINUTES

**HOUSING COMMISSION
THURSDAY
JANUARY 23, 2025**

**HYBRID MEETING
MICROSOFT TEAMS MEETING
FLAGSTAFF AQUAPLEX
1702 N. FOURTH ST.
1:00 P.M.**

1.

Call to Order**NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION**

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Commission and to the general public that, at this regular meeting, the Commission may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

Chair Devonna McLaughlin called the meeting to order at 1:07 pm.

2. **Roll Call**

NOTE: One or more Commission members may be in attendance telephonically or by other technological means.

Kevin Bond - Present, Virtually
Eric Brownfield - Present, In Person
Tyler Denham - Present, In Person
Kevin Dobbe - Absent

Karen Flores - Present, In Person
Sandi Flores, Vice Chair - Absent
Jacquie Kellogg - Present, In Person
Devonna McLaughlin, Chair - Present, In Person
Moses Milazzo - Present, Virtually

Cory Runge - Present, In Person
Ross Schaefer - Present, Virtually (arrived at 1:11pm)
Glenn Slivers - Absent
Hayley Zoroya - Absent

OTHERS PRESENT:

- Tiffany Antol, Zoning Code Manager
- Justyna Costa, Assistant Housing Director
- Sarah Darr, Housing Director
- Jessica Donohoe, Housing Planner
- Adriana Fisher, Housing Program Manager
- Dan Folke, Community Development Director
- Khara House, Council Liaison
- Michelle Linton, President of the Northern Arizona Association of Realtors (NAAR)
- Michelle McNulty, Planning Director
- Jennifer Mikelson, Housing Planning Manager
- Marissa Molloy, Housing Specialist
- Jenny Niemann, Climate Section Director
- Kristine Pavlik, Housing and Grants Administrator
- Genevieve Pearthree, Sustainability Analyst
- Christina Rubalcava, Senior Assistant City Attorney

3. **LAND ACKNOWLEDGMENT**

The Housing Commission humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.

Read by Commissioner Cory Runge.

4. **Public Comment**

At this time, any member of the public may address the Commission on any subject within their jurisdiction that is not scheduled before the Commission on that day. Due to Open Meeting Laws, the Commission cannot discuss or act on items presented during this portion of the agenda. To address the Commission on an item that is on the agenda, please wait for the Chair to call for Public Comment at the time the item is heard.

No public comment.

5. **APPROVAL OF MINUTES**

- A.** Consideration and Approval of Minutes: Housing Commission Meeting - December 19, 2024
Approve the minutes from the December 19, 2024 Housing Commission meeting.

Moved by Karen Flores, **seconded by** Jacquie Kellogg to approve the minutes from the December 19, 2024 regular Housing Commission meeting.

Commissioner Ross Schaefer was absent during this vote.

Vote: 8 - 0 - Unanimously

6. **ACTION ITEMS**

None.

7. **PRESENTATION AND DISCUSSION ITEMS**

A. Presentation from the Northern Arizona Association of Realtors

Ms. Michelle Linton, President of the Northern Arizona Association of Realtors (NAAR), spoke about the importance of the Housing Commission in meeting Flagstaff's Housing needs.

Commissioners expressed appreciation for Ms. Linton's attendance and asked questions about what NAAR would suggest focusing on next, how the Commission can be more involved, and opportunities for sharing data. Ms. Linton answered. Ms. Sarah Darr, Housing Director commented on current collaborations. Ms. Linton shared a story about local sellers she is working with.

Councilmember Khara House asked what ideas or concepts NAAR would like to bring forward that the City may not have thought of yet. Ms. Linton answered.

B. Land Availability Suitability Study and Code Analysis Project - Code Concepts Report

Discussion item only

Ms. Michelle McNulty, Planning Director, Ms. Tiffany Antol, Zoning Code Manager, and Ms. Genevieve Pearthree, Sustainability Analyst, presented on the Land Availability Suitability Study and Code Analysis Project (LASS+CAP) Code Concepts Report and requested initial feedback from Commissioners.

Commissioners and Council Liaison Khara House asked questions and provided comments on the following:

- Regulation of intensity in residential neighborhoods, the definition of family, and student housing
- Single-Room Occupancy housing (SROs)
- How to provide feedback and the timeline for comments
- The ability to ensure developers benefit from incentives and forward cost savings to buyers
- Concern over certain incentive items not improving costs and decreasing City livability

- Incentives to ensure homes remain priced to meet missing middle needs
- Current examples of cities lowering housing costs with increased supply
- How sustainability improvements affect appraisal prices
- Retaining City bargaining power by not loosening too many code restrictions outside of development agreements that include affordability requirements
- The direction of the project

Ms. McNulty, Ms. Antol, Ms. Pearthree, Ms. Darr, and Ms. Justyna Costa, Assistant Housing Director, answered all questions and provided information about the next steps.

Councilmember Khara House spoke to Housing Commissioners about making public comments at City Council meetings.

Commissioners expressed a desire to have more time to discuss the matter and provide feedback. They brainstormed ways to ensure they have enough time to process the information and share their comments. They agreed that extending the February regular meeting would be a good solution. Housing staff will send out a poll to assess interest in extending the February meeting. Commissioners requested that more information be sent to them from staff before the next meeting.

Attachments: [/flagssharedocs/file/LASS CAP Presentation Code Concepts 2025.01.23.pdf](#)

8. INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA ITEM REQUESTS

A. Update from Housing Authority Liaison

This item was skipped due to time constraints. Updates will be emailed to the Commission.

B. Update from Housing Commissioners and Other Informational Items

This item was skipped due to time constraints. Updates will be emailed to the Commission.

C. Update from Housing Staff

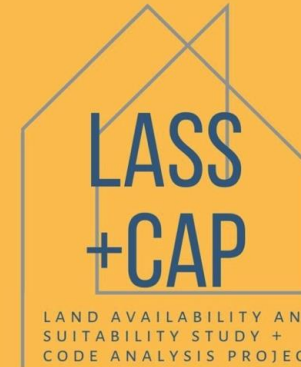
This item was skipped due to time constraints. Updates will be emailed to the Commission.

9. ADJOURNMENT

Chair McLaughlin adjourned the meeting at 3:10 pm.

Housing Commission

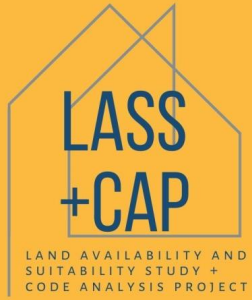
January 23, 2025



CITY OF FLAGSTAFF

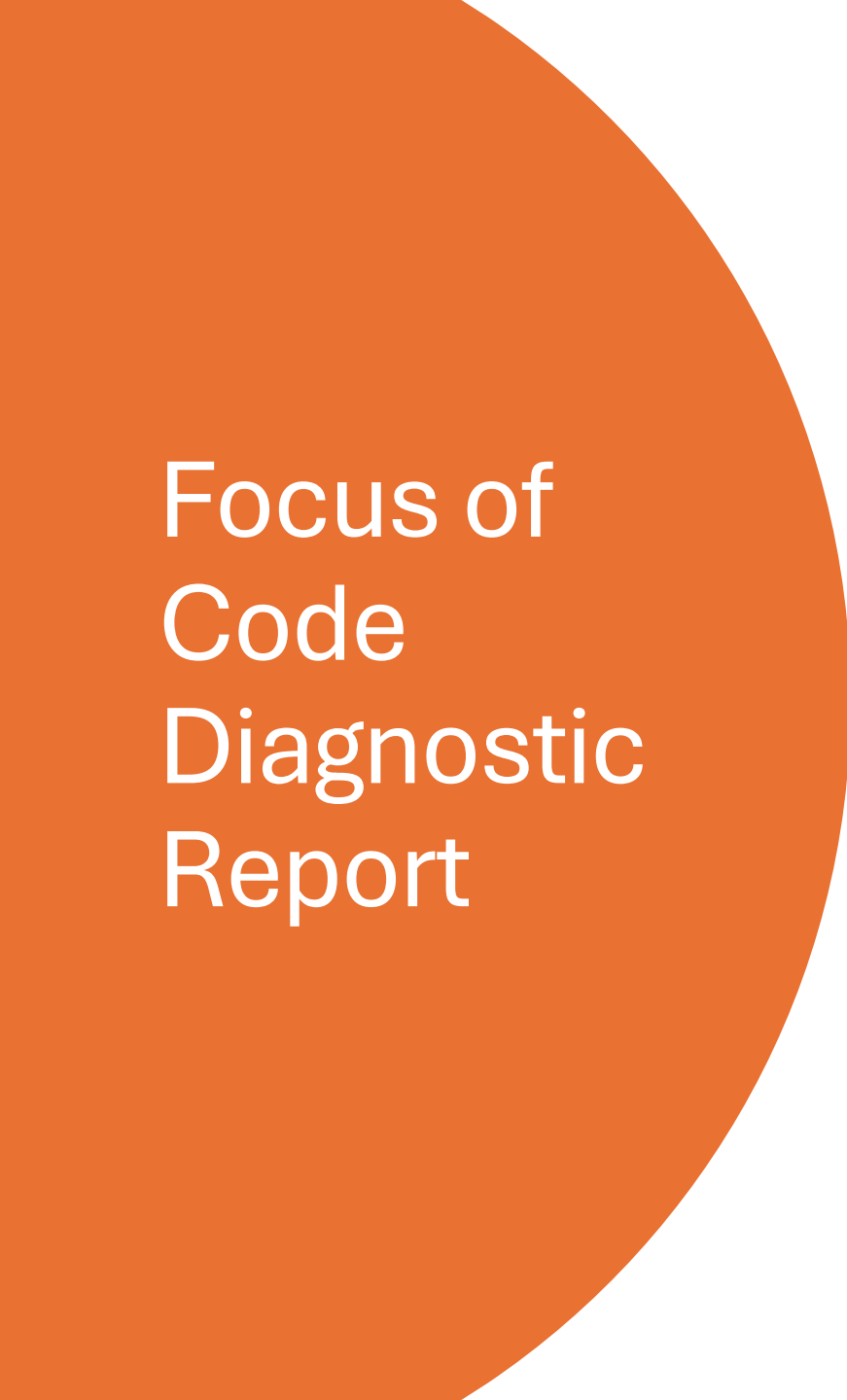
CODE ANALYSIS PROJECT—
CODE CONCEPTS REPORT

NOVEMBER 2024 DRAFT

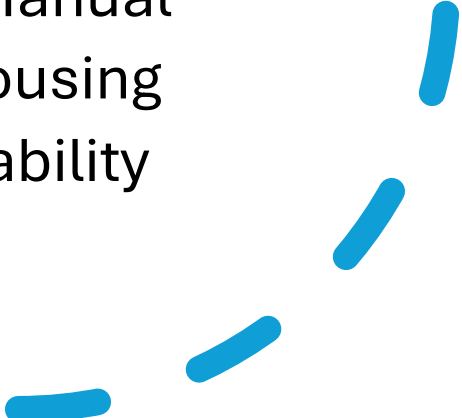


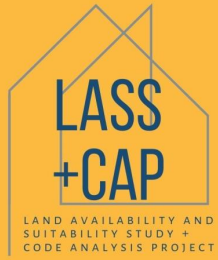
Overview & Objectives of the LASS+CAP Project

- The Land Availability & Site Suitability Study (LASS) examines the suitability of available land to determine opportunities and barriers to housing development (**Complete**)
 - Barriers include development codes, environmental constraints, and gaps in infrastructure
 - Opportunity sites are identified that have the greatest potential for increasing housing supply while promoting compact, walkable, multi-modal, and transit-oriented development, including mixed-use and infill development.
- The Code Analysis Project (CAP) is intended to evaluate development codes and processes to identify areas of improvement towards the City's housing and climate goals. The project has been broken into three separate tasks:
 - Code Diagnostic Report (**Complete**)
 - Code Concepts to address highest priority barriers (**We Are Here**)
 - Final Code Recommendations

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Focus of Code Diagnostic Report

- The Code Diagnostic included a review of the following:
 - Fire Code
 - Engineering Design Standards and Specifications for New Infrastructure
 - Zoning Code
 - General Plans and Subdivisions
 - Public Ways and Property
 - Building Code
 - Transportation Impact Analysis Manual
 - Incentive Policy for Affordable Housing
 - Equity and Displacement Vulnerability Assessment
- 
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Key Code Barriers



Residential Zones



Commercial Zones



Parking Requirements



High Occupancy Housing



ZONING MAP AMENDMENT PROCESS



SUBDIVISION PROCEDURES



STREET WIDTH AND DESIGN



WINTER PARKING ORDINANCE



Resource Protection Overlay



Affordable Housing Incentives



Sustainable Building Incentives



STREET CONNECTIVITY



TRANSPORTATION IMPACT FEES



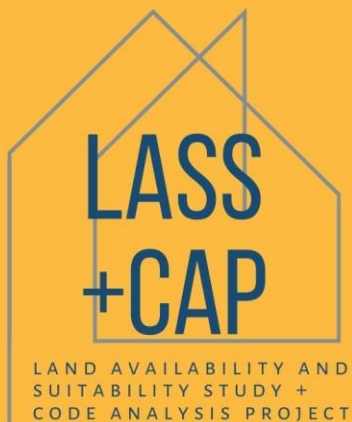
TRANSPORTATION DEMAND MANAGEMENT FOR TIAS.

Code Concepts Report

The purpose of this phase of the project is to develop conceptual alternatives for code updates that address some of the most significant barriers identified in the Code Diagnostic report.

The report is organized in two sections:

- Scenarios for Core Standards and Incentives
 - Use Regulations and Housing Types by Zone District
 - Maximum Density and Floor Area Ratio by Zone District
 - Maximum Parking Requirements
 - Affordable Housing Incentives
 - Sustainable Building Incentives
- Code Concepts
 - Sustainability Requirements and Incentives
 - Resource Protection Overlay Zone
 - Reduced Street Widths
 - Winter Parking Ordinance and Snow Removal

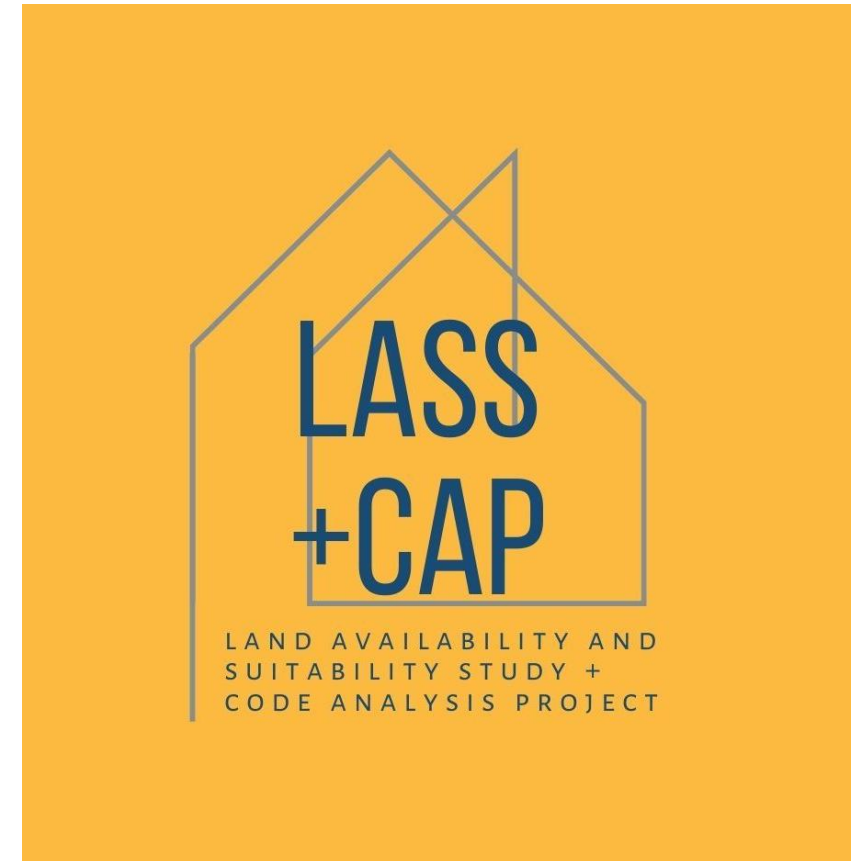


Code Concepts Report Methodology













- Impact Modeling – Prototypes
 - Intended to test both the revenue impacts of potential codes changes and the cost of impacts of code changes, in addition to options to reduce costs
- Impact Modeling – Spatial Analysis
 - Intended to test the impact of the code concepts on the capacity for new housing in certain locations across the City for the purpose of reducing transportation –related greenhouse gas emissions
- Best Practices Research
 - Transportation Demand Management strategies for parking reductions
 - Resource Protection Overlay
 - Sustainability Incentives and Requirements
 - Winter Parking Ordinance

Scenarios for Core Standards and Incentives

- **Scenario 1 – Optimize Incentives for Sustainable Design and Affordable Housing** seeks to encourage a higher share of future development projects to use incentive programs to improve housing and sustainability outcomes.
- **Scenario 2 – Elevate Sustainable Design and Increase Market Rate Housing Production** seeks to elevate the sustainability performance of all developments by applying new requirements for sustainable design balanced with higher maximum densities and lower minimum parking requirements for all development.
- **Scenario 3 – Support Sustainability Through Density and Maximize Market Rate Housing Production** seeks to maximize the economic feasibility of all housing development to increase overall housing supply, which may slow housing cost increases over the long term, by allowing for higher densities and lower minimum parking requirements for all development.



Prioritization of Outcomes Under Each Scenario

Outcome	Scenario 1	Scenario 2	Scenario 3
Increase overall housing production by reducing key barriers to development			
Elevate the sustainable design of all new projects			
Encourage more private market developers to use incentives for sustainable design and affordable units			
 = Low Priority  = Medium Priority  = High Priority			

Summary of Scenarios for Core Standards and Incentives

Scenario	By-Right Standards	Incentives
Existing Code	<ul style="list-style-type: none"> Density from 6-29 units per acre² Parking from 1-3 spaces per unit 	<ul style="list-style-type: none"> Density bonus for sustainability: 25% Density bonus for affordable units: Up to 45% Parking reduction limited to affordable units at 1 space per unit
Scenario 1 – Optimize Incentives for Sustainable Design and Affordable Housing	<ul style="list-style-type: none"> No increase in max density No parking reduction 	<ul style="list-style-type: none"> No change to incentive requirements. Major increase in density bonus and major parking reduction for incentive projects
Scenario 2 – Elevate Sustainable Design and Increase Housing Production	<ul style="list-style-type: none"> Increase max density to 10-80 units per acre Reduce base parking to between 1-1.5 spaces per unit Single-use residential buildings permitted in commercial zones. Introduce FAR caps in most zones Apply new sustainability requirements to all projects 	<ul style="list-style-type: none"> Elevated sustainability standards for projects that use sustainability incentives Minor increase in density bonus for incentive projects Major parking reduction for incentive projects
Scenario 3 – Support Sustainability Through Density and Maximize Housing Production	<ul style="list-style-type: none"> Increase max density to 10-80 units per acre Reduce base parking to between 1-1.5 spaces per unit Single-use residential buildings permitted in commercial zones. 	<ul style="list-style-type: none"> No change to incentive requirements. Minor increase in density bonus for incentive projects Major parking reduction for incentive projects

Use Regulations and Housing Types

All three scenarios include the following two changes to permitted uses/housing types:

- Allowing middle housing types (duplex, triplex fourplex and townhomes) in the R1 zone (as required by state law)
- Allowing single-use residential buildings in commercial zones as an incentive option (Scenario 1) or for by-right development (Scenarios 2 and 3)

Maximum Density by Scenario and Zone (units per acre)

Scenario	R1			MR			HR			CB			CC-HC-CS		
	B	S	A	B	S	A	B	S	A	B	S	A	B	S	A
Existing Code	6	8	9	14	18	20	29	36	42	29	36	42	29	36	42
Scenario 1: Optimize Incentives	6	9	12	14	21	28	29	44	58	29	73	87	29	73	87
Scenario 2: By-Right Sustainability	10	14	18	20	28	36	40	56	72	80	100	120	60	75	90
Scenario 3: By-Right Housing Production	10	14	18	20	28	36	40	56	72	80	100	120	80	100	120

B = By-Right; **S** = Sustainable Incentive Projects; **A** = Affordable Incentive Projects

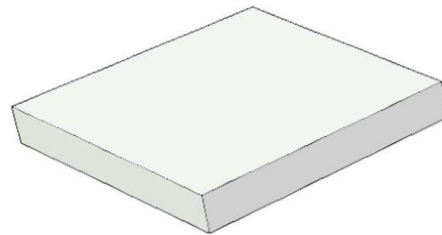
Density Bonuses by Scenario and Incentive Program

Concept	Residential Zones		Commercial Zones	
	Sustainable	Affordable	Sustainable	Affordable
Existing Code	25%	5-45%	25%	5-45%
Scenario 1	50%	100%	250%	300%
Scenario 2	40%	80%	25%	50%
Scenario 3	40%	80%	25%	50%

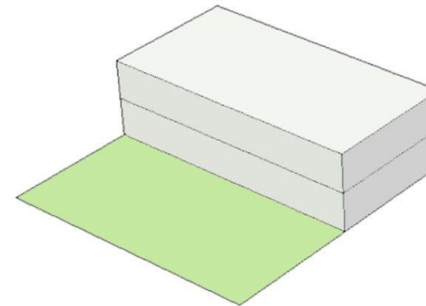
Floor Area Ratio


$$\text{FLOOR AREA RATIO} = \frac{\text{Gross Floor Area}}{\text{Parcel Size}}$$

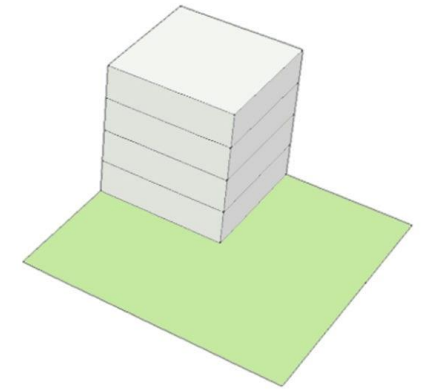
Floor Area Ratio (FAR)
An example of 1.0 FAR



1 storey
(100% lot coverage)



2 storeys
(50% lot coverage)



4 storeys
(25% lot coverage)

Maximum Floor Area Ratio (FAR) by Scenario and Zone

Scenario	R1			MR			HR			CB			CC-HC-CS		
	B	S	A	B	S	A	B	S	A	B	S	A	B	S	A
Existing Code	--	--	--	--	--	--	--	--	--	--	--	--	2.5	2.5	2.5
Scenario 1	--	--	--	--	--	--	--	--	--	--	--	--	2.5	2.5	2.5
Scenario 2	0.5	0.7	0.9	0.8	1.1	1.2	0.9	1.1	1.3	1.8	2.0	2.2	1.2	1.4	1.8
Scenario 3	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

B = By-Right; **S** = Sustainable Incentive Projects; **A** = Affordable Incentive Projects

Parking Standards by Scenario

Scenario	Residential Uses (spaces/unit)			Commercial Space in Mixed Use Building		
	B	S	A	B	S	A
Existing Code	1.75 ³	1.75	1.00 / 1.75 ⁴	1 per 300 GSF		
Scenario 1: Optimize Incentives	1.75	0.75	0.50	1 per 300 GSF	None required	
Scenario 2: By-Right Sustainability	1.25	0.75	0.50	None required		
Scenario 3: By-Right Housing Production	1.25	0.75	0.50	None required		
B = By-Right; S = Sustainable Incentive Projects; A = Affordable Incentive Projects						

Sustainability Standards by Scenario

Sustainability Features	Existing Code			Scenario 1 Optimize Incentives			Scenario 2 By-Right Sustainability			Scenario 3 By-Right Housing Production		
	B	S	A	B	S	A	B	S	A	B	S	A
Energy-Efficiency Standard	No	(1)	No	No	(1)	No	(1)	(2)	(1)	No	(1)	No
All-Electric Building	No	Yes	No	No	Yes	No	No	Yes	No	No	Yes	No
On-Site Solar	No	No	No	No	No	No	No	Yes	No	No	No	No
Water Resource Protection	No	Yes	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No
Sustainable Materials	No	No	No	No	No	No	Yes	Yes	Yes	No	No	No
Materials Management Plan	No	Yes	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No
Deconstruction Required	No	No	No	No	No	No	Yes	Yes	Yes	No	No	No
EV Charging Spaces	No	Yes	No	No	Yes	No	30%	50%	30%	No	Yes	No
Secure Bike Parking	No	No	No	No	No	No	Yes	Yes	Yes	No	No	No
Transit Passes	No	No	No	No	No	No	Yes	Yes	Yes	No	No	No

(1) Bronze-level certification within the National Green Building Standard (ICC-700) and a greater than a 15 percent improvement over the City of Flagstaff's current energy code

(2) Net Zero Energy Building as defined by U.S. Department of Energy.

B = By-Right; **S** = Sustainable Incentive Projects; **A** = Affordable Incentive Project

Carbon Emissions Modeling – Buildings

Analysis considered carbon emissions associated with site development, construction, and operation of the buildings over a 30-year timespan in a multifamily development in the HR zone:

- **Embodied Carbon Emissions.** Cumulative emissions associated with building materials, their replacements, and with landscape maintenance.
- **Electricity Emissions.** Cumulative emissions associated with the energy use from the electrical grid.
- **Fossil Fuel Emissions.** Cumulative emissions associated with onsite fossil fuel use.
- **Refrigerant Emissions.** Cumulative emissions associated with the refrigerant use in the building services.
- **Biogenic Carbon Storage.** Sequestered emissions from building structure and landscape planting.
- **Avoided Energy Emissions.** Avoided emissions from onsite energy generation in excess of use.

Carbon Emissions Modeling – Key Findings

- **Scenario 1 and Scenario 3** perform similarly to existing code.
 - By-right & affordable incentives projects: 160-170 metric tons of CO₂ emissions per dwelling unit over 30-years.
 - Sustainability incentives projects: 108-112 metric tons of CO₂ per dwelling unit (35% fewer emissions than current code).
- **Scenario 2** achieves substantial reductions in emissions for all development.
 - By-right and affordable incentive projects: 103-117 metric tons of CO₂ per dwelling unit (30-40% fewer emissions).
 - Sustainability incentives projects: 43 metric tons of CO₂ per dwelling unit (60% fewer emissions)

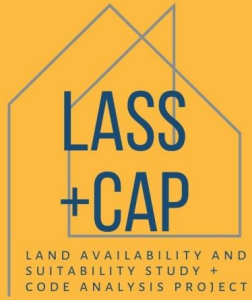
Prototype	30-Year Net Emissions (tCO ₂ e) ¹	30-Year Emissions Per Dwelling Unit (tCO ₂ e)
Existing Code - By-Right	19,925	166
Existing Code - Sustainable	16,399	108
Existing Code - Affordable	30,668	173
Scenario 1 - By-Right	19,925	166
Scenario 1 - Sustainable	20,708	112
Scenario 1 - Affordable	39,899	163
Scenario 2 - By-Right	19,756	117
Scenario 2 - Sustainable	10,215	43
Scenario 2 - Affordable	31,452	103
Scenario 3 - By-Right	27,461	162
Scenario 3 - Sustainable	26,036	110
Scenario 3 - Affordable	52,963	174

¹Emissions reported as metric tons of CO₂ emitted over 30-year time span (tCO₂e)

Total Capacity (New Net Units) for Code Scenarios

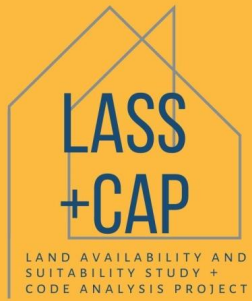
Table A3-7. Total Capacity (Net New Units) for Code Scenarios

Scenario	All Areas			Low VMT Areas			
	Net New Units	Increase from Existing Code	Percent Increase	Net New Units	Increase from Existing Code	Percent Increase	Share of Units in Low VMT Areas
Existing Code	47,592	N/A	N/A	9,607	N/A	N/A	20.7%
Scenario 1	63,599	16,007	34%	13,276	3,669	38%	21.3%
Scenario 2:	79,971	32,379	68%	17,202	7,595	79%	21.8%
Scenario 3	96,748	49,157	103%	20,807	11,200	117%	21.7%



Key Findings & Implications from Scenarios

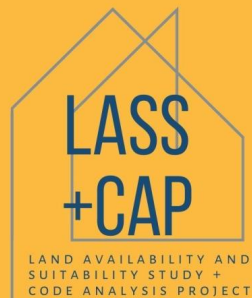
- The existing development environment is extremely challenging with the high cost of construction and land.
- Scenario 1 presents a viable opportunity for increasing the attractiveness of incentive programs.
 - It is a higher risk strategy for increasing housing production and achieving carbon neutrality.
 - It is the lowest risk option for Proposition 207 claims.
- Scenario 2 illustrates there is a viable opportunity to elevate sustainability standards for all new developments, so long as those increased costs are offset by the economic benefits of increased densities and reduced parking.
- Scenario 3 achieved similar results as Scenario 2 in improving housing outcomes but did not elevate sustainability outcomes relative to Scenario 2.



Key Findings & Implications from Scenarios

- Across all scenarios, parking reductions were critical to the market feasibility of higher density prototypes.
- If the City desires to concentrate density in areas where households are likely to drive less, then targeted rezoning, a new overlay zone, or proximity-based code regulation would be more effective than using existing base zones.
- If the policy goal is to broadly increase density throughout the community, then Scenarios 2 and 3 are a more effective approach for achieving this end. The increase in housing capacity under Scenario 1 is highly dependent on increased uptake of density bonuses under the incentive program.

Core Standards & Incentives Decision Points



Generally, if you had to pick one, which of the code update scenarios do you think is the best fit for the City's policy goals?

- Are there certain zone districts where you think it would make more sense to apply a different scenario or approach than citywide?
- Should the density bonus for affordable housing be higher than sustainability (as is generally true under current code and we applied to the scenarios) or should density bonuses be equal for both?
- Do you support moving forward with the substantial parking reductions that were modeled for incentive projects?
- Do you want to pursue a code and map concept that would more narrowly target upzoning to areas that are Low VMT or some other similar geography, such as areas close to transit? This may require area-wide rezoning or a new overlay zone.

Code Concepts



Sustainability and Transportation Demand Management Requirements

These code concepts propose adopting a menu or points-based approach to require and incent a higher level of sustainable design in all projects. Transportation Demand Management is a critical component of the menu.



Resource Protection Overlay.

These code concept propose migrating from a broad overlay zone that requires site-specific inventories to a more focused overlay that focuses on resources that were inventoried as part of a city-wide study. This concept could apply to both forest and slope resources. Resource protection standards should not restrict density more than base zoning and should allow overlapping slope and forest resources to count towards meeting both requirements.

Code Concepts



Reduced Street Widths

These code concepts propose new options for narrower street designs that would allow slightly higher density for some development types, reduce street construction costs for all developments, and calm traffic speeds.

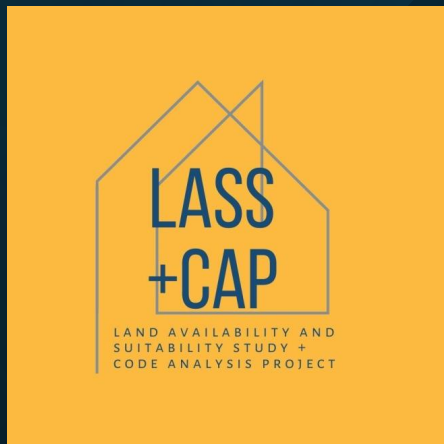


Winter Parking Ordinance and Snow Removal

Alternative code concepts include:

- Designating specific streets for snow removal based on traffic volumes and necessity for emergency services.
- Implementing a form of alternative/odd-even parking limitations so that at least one side of a public street is available for overnight parking during snow removal.
- Only prohibiting on-street parking during a declared snow accumulation event based on a specific amount of snow and ice accumulation so that on-street parking is available during non-accumulation.

Code Concepts Decision Points



Sustainability and TDM:

- Do you support the concept of a new points-based sustainability requirement?
- Should a wider menu of TDM strategies be included as an option for meeting this requirement or should the standards focus more solely on reducing emissions from construction and energy use?

Resource Protection Overlay:

- In the longer term, do you support the concept that the City should replace the RPO with a more narrowly drawn overlay that is based on a citywide inventory of resources (Concepts 1 and 2)?
- In the short term, do you support concepts for providing more flexibility for development in current RPO (remove additional density restriction below base zone, allow slopes and trees to be double-counted)?

Street Width:

- Do you support us developing a strategy and outlining a process for creating a narrower local street design option?

Winter Parking Ordinance:

- Do you support us developing a strategy and outlining a process for replacing the current Winter Parking Ordinance?

Next Steps

- Public Outreach
 - Will occur at several points in the overall process.
- Resolve outstanding Decision Point questions for consulting team
- Formal Code Recommendations
- Preparation and adoption of Code Amendments





Housing Commission

5. B.

From: Adriana Fisher, Housing Program Manager

DATE: 02/27/2025

SUBJECT: Consideration and Approval of Minutes: Housing Commission Meeting - February 10, 2025

STAFF RECOMMENDED ACTION:

Approve the minutes from the February 10, 2025 Housing Commission meeting.

Executive Summary:

Minutes of Commission meetings are the requirement of Arizona Revised Statutes and, additionally, provide a method of informing the public of discussions and actions taken by the Housing Commission.

Attachments

HC Draft Minutes - 02.10.2025

DRAFT MEETING MINUTES

HOUSING COMMISSION
MONDAY
FEBRUARY 10, 2025

VIRTUAL MEETING ONLY
MICROSOFT TEAMS MEETING
1:00 PM

1. **Call to Order**

Commissioner Tyler Denham called the meeting to order at 1:05 pm

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Commission and to the general public that, at this regular meeting, the Commission may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. **Roll Call**

NOTE: One or more Commission members may be in attendance telephonically or by other technological means.

Kevin Bond - Absent	Karen Flores - Present	Cory Runge - Present
Eric Brownfield - Present	Sandi Flores, Vice Chair - Present	Ross Schaefer - Present
Tyler Denham - Present	Jacquie Kellogg - Present, arrived at 1:10 pm	Glenn Slivers - Absent
Kevin Dobbe - Absent	Devonna McLaughlin, Chair - Absent	Hayley Zoroya - Present
	Moses Milazzo - Present	

OTHERS PRESENT:

Adriana Fisher, Housing Program Manager
Jennifer Mikelson, Housing Planning Manager
Marissa Molloy, Housing Specialist
Jessica Donohoe, Housing Planner
Kristine Pavlik, Housing and Grants Administrator
Sarah Darr, Housing Director
Justyna Costa, Assistant Housing Director
Dan Folke, Community Development Director
Khara House, Council Liaison
Christina Rubalcava, Senior Assistant City Attorney
Anthony Garcia, Councilmember
David Spence, Councilmember
Sarah Langlely, Public Affairs Director

3. **LAND ACKNOWLEDGMENT**

The Housing Commission humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.

Read by Commissioner Cory Runge

4. Public Comment

At this time, any member of the public may address the Commission on any subject within their jurisdiction that is not scheduled before the Commission on that day. Due to Open Meeting Laws, the Commission cannot discuss or act on items presented during this portion of the agenda. To address the Commission on an item that is on the agenda, please wait for the Chair to call for Public Comment at the time the item is heard.

David Spence, as an individual, asked about co-housing. Ms. Sarah Darr, Housing Director, noted that she would be in contact after the meeting.

5. APPROVAL OF MINUTES

None.

6. ACTION ITEMS

- A. Discussion and consideration of recommendation to City Council for approval of A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL RECOGNIZING THE HOUSING EMERGENCY DECLARED BY RESOLUTION NO. 2020-66 IS EXACERBATED BY THE PROLIFERATION OF SHORT-TERM RENTALS LIMITING HOUSING STOCK AVAILABLE TO FLAGSTAFF RESIDENTS; AND URGING THE STATE LEGISLATURE OF THE STATE OF ARIZONA TO ADDRESS THE IMPACTS OF SHORT-TERM RENTALS ON THE SUPPLY OF HOUSING FOR ARIZONA RESIDENTS
Discuss the proposed resolution and recommend approval for City Council meeting on March 4, 2025.

Ms. Justyna Costa, Assistant Housing Director, and Ms. Sarah Langley, Public Affairs Director, gave an introduction to the discussion: </flagsshareddocs/file/2.10.25 PowerPoint.pdf>

Commissioners made comments and asked questions on the following topics:

- The percentage of Short-Term Rentals (STRs) in Flagstaff's housing stock
- Generation of tax revenue from STRs and economic risks on regulating STRs
- Other ways to address noise and disorderly conduct
- Regulations on second homes
- How the administration of this resolution will work
- HOA involvement
- Affordability of homes being used as STRs
- The potential growth of STRs in the future
- Where the request came from
- The effectiveness of the resolution
- The ability to regulate STRs locally instead of at the State level

Ms. Langley and Ms. Darr answered questions. Christina Rubalcava, Senior Assistant City Attorney, provided clarification on the legality of HOA STR restrictions.

Moved by Sandi Flores, seconded by Moses Milazzo to forward the resolution to City Council with a recommendation for approval.

Vote: 5 - 4

NAY: Cory Runge
Eric Brownfield
Jacquie Kellogg
Karen Flores

AYE - Hayley Zoroya
Moses Milazzo
Ross Schaefer
Sandi Flores
Tyler Denham

Commissioner Cory Runge noted, in discussion after the motion and a second was made to forward the resolution with a recommendation to approve, that he would have recommended forwarding the resolution to the City Council with a recommendation for denial. He said he did not believe that imposing further regulations on STRs would benefit the City and that there are other avenues to regulate potential impacts STRs may have on neighborhoods.

Council Liaison Khara House invited Commissioners to come as individuals to the Council Meeting where this resolution will be discussed.

7. PRESENTATION AND DISCUSSION ITEMS

None.

8. INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA ITEM REQUESTS

A. Update from Housing Authority Liaison

This item was deferred to the next regular Housing Commission meeting.

B. Update from Housing Commissioners and Other Informational Items

Commissioner Tyler Denham requested to give a presentation on development regulations at the Housing Commission's regular February meeting. Ms. Darr said the February meeting was already heavily booked, but that they could schedule it for a future meeting.

C. Update from Housing Staff

This item was deferred to the next regular Housing Commission meeting.

9. ADJOURNMENT

Commissioner Tyler Denham adjourned the meeting at 1:58 pm.



Housing Commission

6. A.

From: Jennifer Mikelson, Housing Planning Manager
DATE: 02/27/2025
SUBJECT: Approval of Rental Incentive Bond Program Awards

STAFF RECOMMENDED ACTION:

Staff requests the Housing Commission's recommendation of approval for two Rental Incentive Bond Program Awards totaling \$1,670,000 resulting in a total of 62 affordable rental units, as recommended by the Ranking Committee.

Executive Summary:

The Rental Incentive Bond Program (RIBP) was approved by City Council in November 2023. Two Notices of Funding Availability (NOFAs) have been conducted -- the first in February 2024 and second in February 2025. As a result of the latest NOFA, three affordable rental project applications were determined eligible for funding and were scored by a Ranking Committee. Staff is requesting the Housing Commission's recommendation to approve two funding awards, per the Committee's recommendation.

The project details and recommended award amounts are as follows:

1. Elkwood Apartments
 - o Developer: Wexford Developments
 - o 224 units total: 202 market rate / 22 affordable (serving households up to 70% AMI)
 - o Award Amount: \$528,000
2. Lake Mary Housing
 - o Developer: Atlantic Development & Investments, Inc.
 - o 202 units total: 162 market rate / 40 affordable (serving households up to 80% AMI)
 - o Award Amount: \$1,142,000

If approved by City Council, funding will be provided as two separate loans. Loan documents will be drafted and brought forward as consent items at a future City Council meeting.

Attachments

RIBP Award Approval

Rental Incentive Bond Program Awards

March 18, 2025

Jennifer Mikelson, Housing Planning Manager





Staff Recommended Action

Staff requests the Commission's recommendation of approval:

Two Rental Incentive Bond Program Awards totaling \$1,670,000 for projects resulting in a total of 62 affordable rental units, per the Ranking Committee's recommendation.

How we got here

Prop 442 – Affordable Housing Bond

- Approved by voters 2022
- “Incentivize private sector to incorporate affordable rental units” (\$5M)



Rental Incentive Bond Program

- Approved by Council Fall 2023
- 1st Round NOFA: Spring 2024
 - \$3,330,000 awarded
- 2nd Round NOFA: Winter 24/25
 - \$1,670,000 available



Funding Recommendations

	Application # 1	Application #2
Project Name	Elkwood Apartments	Lake Mary Housing
Applicant Name	Wexford Developments	Atlantic Development & Investments, Inc.
Requested Award Amount	\$528,000	\$1,670,000
Total Project Cost	\$83,250,000	\$106,852,703
Number of Affordable Units	22	40
Total Number of Units	224	202
Max AMI Served	70% AMI	80% AMI
Affordability Period	50 years	30 years
Recommended Funding Amount	\$528,000	\$1,142,000



Award Process



- If award amounts are approved, staff will issue notices of award to the developers.
- Funding will be provided as:
 - 50-year forgivable loan (Elkwood)
 - 30-year loan (Lake Mary Housing)
- Loan docs will be drafted and placed on a future Council agenda

Thank you

Jennifer Mikelson

Housing Planning Manager





Housing Commission

7. A.

From: Tiffany Antol, Zoning Code Manager

DATE: 02/27/2025

SUBJECT: Discussion: Staff is requesting feedback from the Commission prior to drafting Zoning Code Text Amendments for Missing Middle housing types (duplex, triplex, fourplex, and townhomes) as required by HB 2721.

STAFF RECOMMENDED ACTION:

For discussion only.

Executive Summary:

The proposed amendment will be drafted to meet the requirements of HB 2721, which is attached for the Commission's Review. The bill requires the City to amend the Zoning Code on or before January 1, 2026, to do the following:

- Allow duplexes, triplexes, fourplexes, and townhomes as a permitted use on both of the following:
 - All lots zoned for single-family residential use within one mile of the municipality's central business district, and
 - At least twenty percent of any new development of more than ten contiguous acres.

Attachments

Staff Report
Presentation



Date: February 11, 2025
TO: Planning and Zoning Commission
FROM: Tiffany Antol, AICP, Zoning Code Manager
Through: Michelle McNulty, AICP, Planning Director
Alaxandra Pucciarelli, Current Planning Manager
RE: **PZ-25-00027 – Missing Middle Zoning Code Text Amendment**
PZ-25-00041 – Single Use Residential & Adaptive Reuse Zoning Code Text Amendment

I. Purpose of the Work Session:

Staff is requesting feedback from the Commission prior to drafting Zoning Code Text Amendments for Missing Middle housing types (duplex, triplex, fourplex, and townhomes) as required by HB 2721 and for allowing Single-Use Residential development in commercial uses as either an affordable housing incentive or as an adaptive reuse project.

II. Overview of Proposed Amendments:

A. PZ-25-00027 – Missing Middle

The proposed amendment will be drafted to meet the requirements of HB 2721, which is attached for the Commission’s Review. The bill requires the City to amend the Zoning Code on or before January 1, 2026, to do the following:

- Allow duplexes, triplexes, fourplexes, and townhomes as a permitted use on both of the following:
 - All lots zoned for single-family residential use within one mile of the municipality’s central business district, and
 - At least twenty percent of any new development of more than ten contiguous acres.
- Zoning districts most impacted by this amendment include Rural Residential (RR), Estate Residential (ER), Single-family Residential (R1), Single-family Residential Neighborhood (R1N), Community Commercial (CC) on lots less than 9,000 square feet, and Manufactured Housing (MF).
- The City may not do any of the following:
 - Discourage the development of middle housing through requirements or actions that individually or cumulatively make impractical the permitting, siting, or construction of middle housing.
 - Restrict middle housing types to less than two floors.
 - Restrict middle housing types to a floor area ratio of less than fifty percent. **(The City Zoning Code does not currently apply FAR to these types of development.)**
 - Set restrictions, permitting, or review processes for middle housing that are more restrictive than those for single-family dwellings within the same zone.

- Require owner occupancy of any structures on the lot.
 - Require any structures to comply with a commercial building code or to contain a fire sprinkler.
 - Require more than one off-street parking space per unit. **(This may conflict with HOH requirements.)**
- How should the City move forward with this amendment in terms of the location requirements listed above?
 - The City does not currently have a defined Central Business District (CBD). For illustration purposes, staff prepared a location map of a 1-mile buffer from the Central Business Zoning District.
 - The City could define multiple Central Business Districts.
 - What areas of the City should be considered for the new development provisions?
 - If the City decides to apply these provisions based on the location standards in the bill, new overlay zones will need to be adopted for the specific areas where the provisions will apply.
 - The Code Analysis Project suggests that the City should apply these provisions citywide. Should the City pursue this amendment citywide?

III. Community Involvement:

Staff will pursue community involvement in the review of these amendments after staff has completed the draft text amendments. A formal work session with the Planning & Zoning Commission will be noticed to the public after the text amendments have been drafted.

IV. Conclusion:

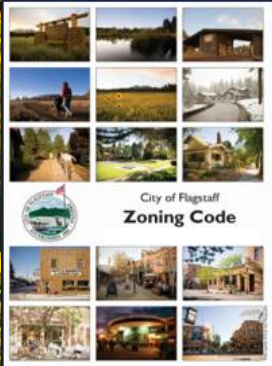
As indicated above, the purpose of the work session is for staff to present an overview of the Zoning Code's proposed amendments and allow interested individuals, residents, and business owners to provide comments. The work session also allows the Commission to ask questions, seek clarification, have discussions, and offer comments on the proposed amendments. No formal recommendation or action by the Commission to the City Council is to occur at the work session. Additional opportunities for discussion, public comment, and action by the Commission will occur at a future public hearing.

Attachments:

- HB 2721
- Central Business Zoning 1 Mile Buffer Map

Missing Middle Zoning Code Text Amendment

Tiffany Antol, AICP
Zoning Code Manager





Missing Middle Zoning Code Text Amendment

Required Changes to City Code

The conclusion of fiscal year 2023-2024 saw the passage of several bills requiring amendments to City Code including the Zoning Code. The following will need to be addressed in upcoming amendments:

- **[House Bill 2721](#)** necessitates municipalities to enact ordinances, by or before January 1, 2026, to allow the construction of duplexes, triplexes, fourplexes, and townhomes, as a permitted use, on all lots zoned for single-family residential use.



Missing Middle Zoning Code Text Amendment



HB 2721 - Missing Middle Housing

On or before January 1, 2026, a municipality with a population of 75,000 or more must authorize by ordinance and incorporate into its development regulations, zoning regulations and other official controls the development of duplexes, triplexes, fourplexes and townhomes as a permitted use on both of the following:

- All lots zoned for single-family residential use within one mile of the municipality's central business district.
- At least twenty percent of any new development of more than ten contiguous acres.

If a municipality does not adopt the regulations required by this section on or before January 1, 2026, middle housing shall be allowed on all lots in the municipality zoned for single-family residential use without any limitations.



Missing Middle Zoning Code Text Amendment



HB 2721 - Missing Middle Housing

The municipality may not do any of the following:

- Discourage the development of middle housing through requirements or actions that individually or cumulatively make impracticable the permitting, siting, or construction of middle housing.
- Restrict middle housing types to less than two floors.
- Restrict middle housing types to a floor area ratio of less than fifty percent.
- Set restrictions, permitting or review processes for middle housing that are more restrictive than those for single-family dwellings within the same zone.
- Require owner occupancy of any structures on the lot.
- Require any structures to comply with a commercial building code or to contain a fire sprinkler.
- Require more than one off-street parking space per unit.



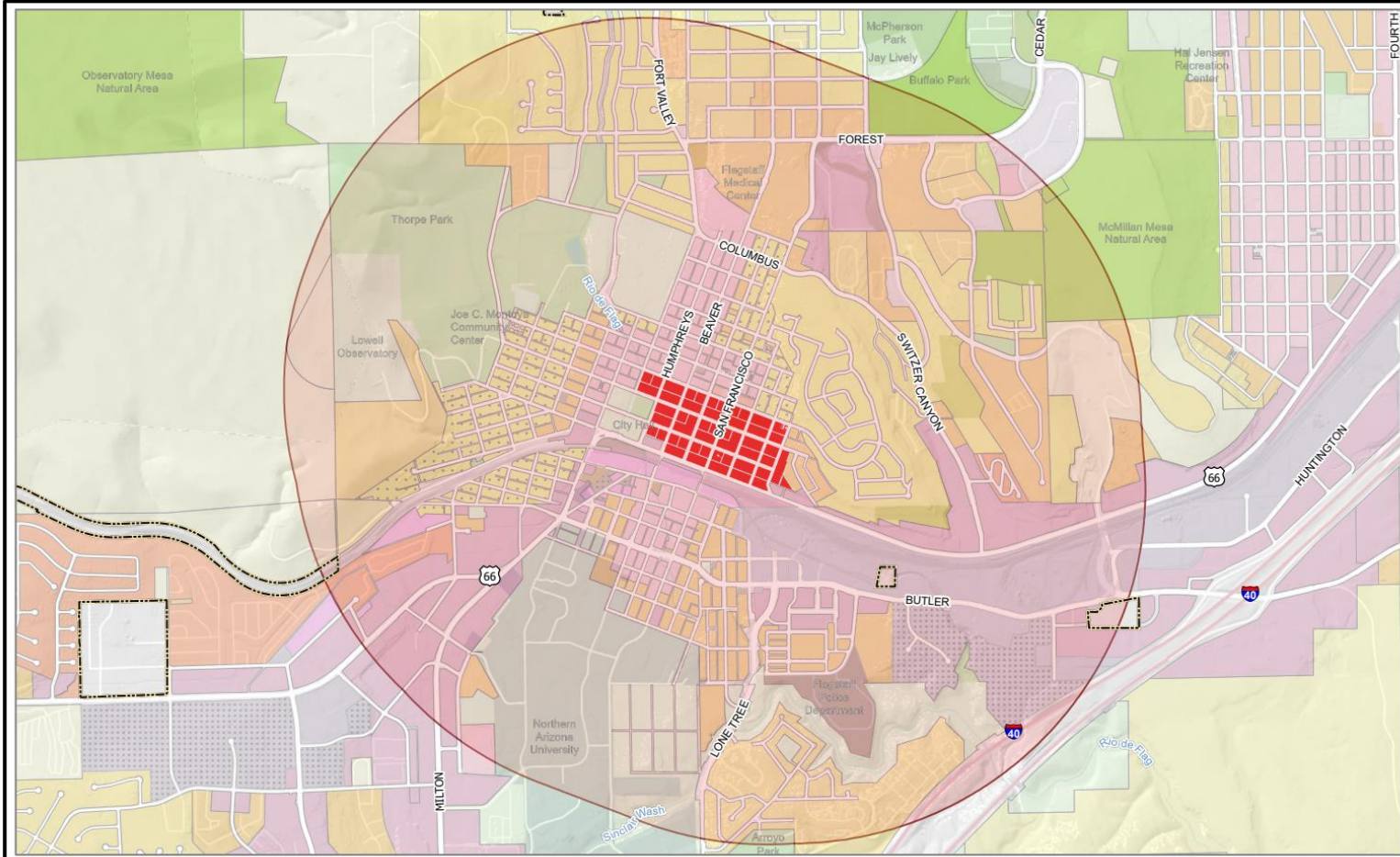
Missing Middle Zoning Code Text Amendment



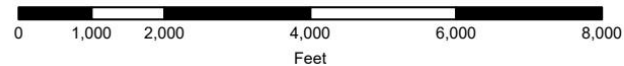
- **HB 2721** defines **Central Business District** as an area or series of areas designated by a municipality that are primarily nonindustrial and that attract community activity, including the entire geographic area that the municipality has officially designated as its downtown or equivalent.
- The City of Flagstaff has not officially designated either a **Central Business District** or its **Downtown**.
- The definition of **Central Business District** does not need to be limited to the **Downtown** and for the purposes of other Economic Development incentives such as the Government Property Lease Excise Tax (GPLET) the City may wish to define additional areas such as **Aspen Sawmill, Milton Corridor, 4th Street Corridor, the Mall and Marketplace**.



Missing Middle Zoning Code Text Amendment



Central Business Zoning 1 Mile Buffer



City of Flagstaff maps and data are updated on a regular basis from data obtained from various sources. The City of Flagstaff endeavors to provide accurate information, but accuracy is not guaranteed. You are strongly encouraged to obtain any information you need for a business or legal transaction from a surveyor, engineer, title company, or other licensed professional as appropriate. Information is provided subject to the express condition that you knowingly waive any and all claims for damages against the City of Flagstaff relating to use of this information.



1/15/2025 8:48 AM



Missing Middle Zoning Code Text Amendment



- A new bill (**HB 2719**) was introduced at the end of January 2025 to exclude areas that are designated as **Historic** by the municipality or on the **National Register of Historic Places** from the requirements of the **Missing Middle** (HB 2721).



Missing Middle Zoning Code Text Amendment

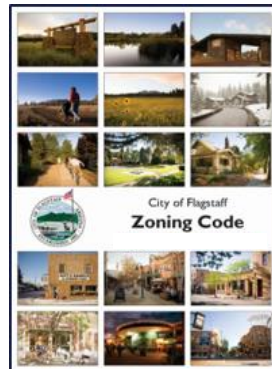


- How should the City move forward on this amendment?
 - Should the City consider adopting the provisions **city-wide**?
 - Most impact zoning districts include ER, RR, R1, R1N, MH, and CC.
 - If not city-wide, what makes sense for the **Downtown**?
 - What other areas should be included as potential **Central Business Districts**?
 - What **new development areas** should be considered?



Missing Middle Zoning Code Text Amendment

Questions?





Housing Commission

7. B.

From: Jennifer Mikelson, Housing Planning Manager

DATE: 02/27/2025

SUBJECT: LASS + CAP Code Concepts Report Follow-Up

STAFF RECOMMENDED ACTION:

Discussion and recommendations

Executive Summary:

See attached staff report.

Attachments

Code Concepts and Decision Points Presentation

Staff Report

Housing and Sustainability Commissions

Same Day – Different Times

February 27, 2025

12:00 pm - Housing

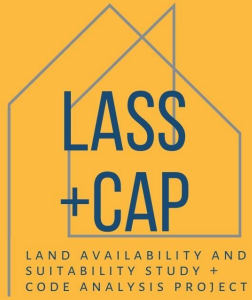
4:30 pm - Sustainability



CITY OF FLAGSTAFF

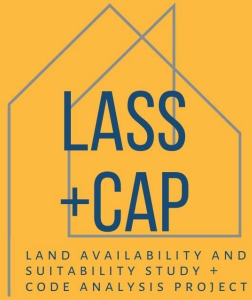
CODE ANALYSIS PROJECT—
CODE CONCEPTS REPORT

NOVEMBER 2024 DRAFT



Agenda

1. City of Flagstaff Housing & Climate Goals
2. LASS+CAP purpose and progress to-date
3. Code Concepts Overview
 - Code Concepts
 - Scenarios
 - Key findings
4. Decision Points / Q&A



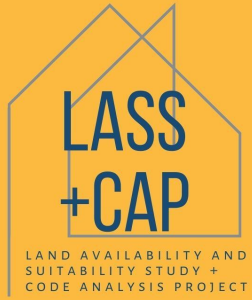
City Housing and Climate Goals

The 10-Year Housing Plan aims to reduce the affordable housing need in our community by half over the next ten years through two elements:

1. Impact at least 6,000 low-to-moderate income Flagstaff residents through a combination of unit creation or subsidy provision
2. 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

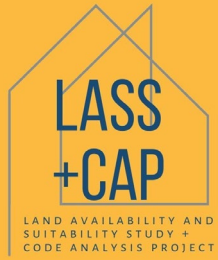
The Carbon Neutrality Plan has three primary goals:

1. Achieve carbon neutrality by 2030 through a 44% reduction in greenhouse gas emissions
2. Prepare Flagstaff's communities, systems, and resources to be more resilient to climate change impacts
3. Address climate change in a manner that prioritizes those most impacted and ensures the costs and benefits of climate adaptation and mitigation are equitably distributed



Overview & Objectives of the LASS+CAP Project

- The Land Availability & Site Suitability Study (LASS) examines the suitability of available land to determine opportunities and barriers to housing development (**Complete**)
- The Code Analysis Project (CAP) is intended to evaluate development codes and processes to identify areas of improvement towards the City's housing and climate goals. The project has been broken into three separate tasks:
 - Code Diagnostic Report (**Complete**)
 - **Code Concepts to address highest priority barriers (We Are Here)**
 - Final Code Recommendations



Code Diagnostic Report Identified Key Code Barriers:



Residential Zones



Commercial Zones



Parking Requirements



High Occupancy Housing



ZONING MAP AMENDMENT PROCESS



SUBDIVISION PROCEDURES



STREET WIDTH AND DESIGN



WINTER PARKING ORDINANCE



Resource Protection Overlay



Affordable Housing Incentives



Sustainable Building Incentives



STREET CONNECTIVITY



TRANSPORTATION IMPACT FEES



TRANSPORTATION DEMAND MANAGEMENT FOR TIAS.

Code Concepts Report Methodology

Impact Modeling – Prototypes

- Tests both the revenue impacts of potential code changes and the cost of impacts of code changes, in addition to options to reduce costs

Impact Modeling – Spatial Analysis

- Tests the impact of the code concepts on the capacity for new housing in certain locations across the City for the purpose of reducing transportation-related greenhouse gas emissions

Best Practices Research

- Sustainability Requirements and Incentives
- Resource Protection Overlay Zone
- Reduced Street Widths
- Winter Parking Ordinance and Snow Removal



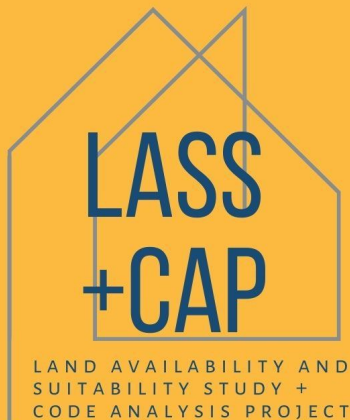
Code Concepts Report

Code Concepts

1. Sustainability Requirements and Incentives
2. Resource Protection Overlay Zone
3. Reduced Street Widths
4. Winter Parking Ordinance and Snow Removal

Scenarios for Core Standards and Incentives

1. Use Regulations and Housing Types by Zone District
2. Maximum Density
3. Floor Area Ratio (FAR)
4. Minimum Parking Requirements
5. Affordable Housing Incentives
6. Sustainable Building Incentives
7. Menu of Sustainable Development Standards



Code Concepts



Menu of Sustainability and Transportation Demand Management (TDM) Standards

- **Menu or points-based approach** of standards and incentives that developers can choose from to foster a higher level of sustainable design in all projects
- **TDM is a critical component** (carpooling, transit-oriented design, bicycle facilities, transit passes, site design, etc.)



Resource Protection Overlay

- Migrate from a broad overlay zone that requires site-specific inventories to a more **focused overlay that focuses on resources that were inventoried as part of a city-wide study** (could apply to both forest and slope resources)
- Resource protection standards should **not restrict density more than base zoning** and should allow overlapping slope and forest resources to count towards meeting both requirements

Code Concepts



Reduced Street Widths

- **New options for narrower street designs** that would allow slightly higher density for some development types, reduce street construction costs for all developments, and calm traffic speeds



Winter Parking Ordinance and Snow Removal

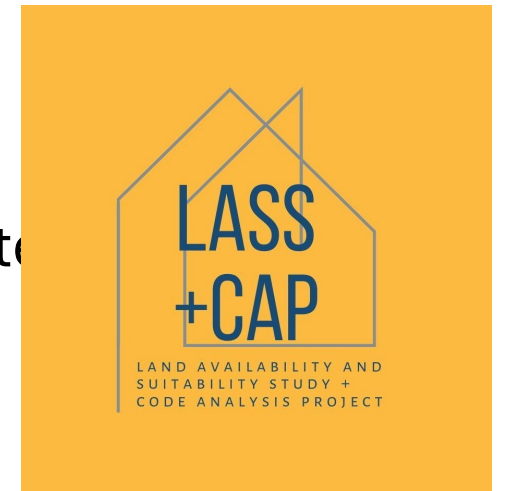
Alternative code concepts include:

- **Designating specific streets for snow removal** based on traffic volumes and necessity for emergency services
- Implementing a form of **alternative/odd-even parking limitations** so that at least one side of a public street is available for overnight parking during snow removal
- **Only prohibiting on-street parking during a declared snow accumulation** event based on a specific amount of snow and ice accumulation so that on-street parking is available during non-accumulation

Scenarios for Core Standards and Incentives

- Scenario 1** – Optimize Incentives for Sustainable Design and Affordable Housing
- Scenario 2** – Elevate Sustainable Design and Increase Market Rate Housing Production
- Scenario 3** – Increase Density to support Market Rate Housing Production and Indirectly Support Sustainability*

*Scenario 3 was formerly titled 'Support Sustainability Through Density and Maximize Housing Production'



City Council may provide direction on a final scenario based on the code concepts, core development standards, and incentives. It may include a combination of elements from each of the three scenarios that best advance housing and climate goals

Scenario 1

Scenario	By-Right Standards	Incentives
Existing Code	<ul style="list-style-type: none">• Density from 6-29 units per acre• Parking from 1-3 spaces per unit	<ul style="list-style-type: none">• Density bonus for sustainability: 25%• Density bonus affordable units: Up to 45%• Parking reduction limited to affordable units at 1 space at unit
Scenario 1 – Optimize incentives for sustainable design and affordable housing	<ul style="list-style-type: none">• No increase in max density• No parking reduction	<ul style="list-style-type: none">• No change to incentive requirements• Major increase in density bonus and major parking reduction for incentive projects

Scenario 2

Scenario	By-Right Standards	Incentives
Scenario 2 – Elevate Sustainable Design and Increase Housing Production	<ul style="list-style-type: none">• Increase max density to 10-80 units per acre• Reduce base parking to between 1-1.5 spaces per unit• Single-use residential buildings permitted in commercial zones• Introduce FAR caps in most zones• Apply new sustainability requirements to all projects.	<ul style="list-style-type: none">• Elevated sustainability standards for projects that use sustainability incentives• Minor increases in density bonus for incentive projects• Major parking reduction for incentive projects

Scenario 3

Scenario	By-Right Standards	Incentives
Scenario 3 – Support Sustainability Through Density and Maximize Housing Production	<ul style="list-style-type: none">• Increase max density to 10-80 units per acre• Reduce base parking to between 1-1.5 spaces per unit• Single-use residential buildings permitted in commercial zones	<ul style="list-style-type: none">• No change to incentive requirements.• Minor increase in density bonus for incentive projects• Major parking reduction for incentive projects

Scenario Features Overview

- 1. Density**
- 2. Density Bonuses**
- 3. Floor Area Ratio**
- 4. Parking Standards**
- 5. Sustainability Standards**

Maximum Density by Scenario and Zone (units per acre)

Scenario	R1			MR			HR			CB			CC-HC-CS		
	B	S	A	B	S	A	B	S	A	B	S	A	B	S	A
Existing Code	6	8	9	14	18	20	29	36	42	29	36	42	29	36	42
Scenario 1	6	9	12	14	21	28	29	44	58	29	73	87	29	73	87
Scenario 2	10	14	18	20	28	36	40	56	72	80	100	120	60	75	90
Scenario 3	10	14	18	20	28	36	40	56	72	80	100	120	80	100	120

B = By-Right; **S** = Sustainable Incentive Projects; **A** = Affordable Incentive Projects

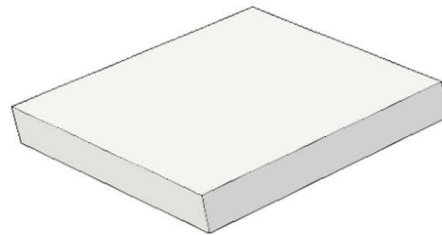
Density Bonuses by Scenario and Incentive Program

Concept	Residential Zones		Commercial Zones	
	Sustainable	Affordable	Sustainable	Affordable
Existing Code	25%	5-45%	25%	5-45%
Scenario 1	50%	100%	250%	300%
Scenario 2	40%	80%	25%	50%
Scenario 3	40%	80%	25%	50%

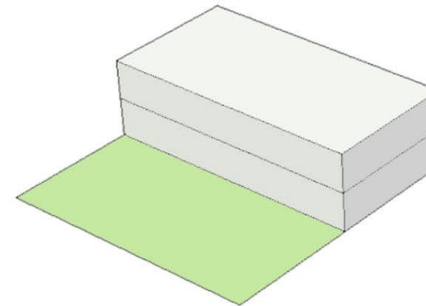
Floor Area Ratio


$$\text{FLOOR AREA RATIO} = \frac{\text{Gross Floor Area}}{\text{Parcel Size}}$$

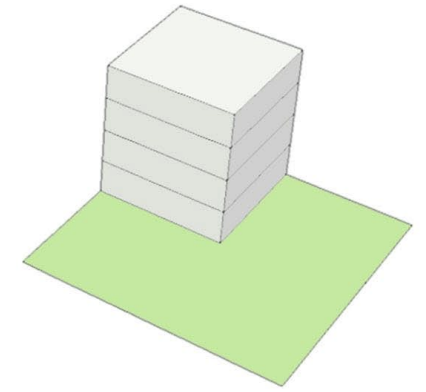
Floor Area Ratio (FAR)
An example of 1.0 FAR



1 storey
(100% lot coverage)



2 storeys
(50% lot coverage)



4 storeys
(25% lot coverage)

Maximum Floor Area Ratio by Zone

Scenario	R1			MR			HR			CB			CC-HC-CS		
	B	S	A	B	S	A	B	S	A	B	S	A	B	S	A
Existing Code	--	--	--	--	--	--	--	--	--	--	--	--	2.5	2.5	2.5
Scenario 1	--	--	--	--	--	--	--	--	--	--	--	--	2.5	2.5	2.5
Scenario 2	0.5	0.7	0.9	0.8	1.1	1.2	0.9	1.1	1.3	1.8	2.0	2.2	1.2	1.4	1.8
Scenario 3	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<p>B = By-Right; S = Sustainable Incentive Projects; A = Affordable Incentive Projects</p>															

Parking Standards by Scenario: 20-Unit Multifamily Development (Example)

Scenario 1 Enhanced Incentives

- 0.75 parking spaces required per unit ($0.75 \times 20 = 15$)
- 0.25 guest parking spaces required per unit ($0.25 \times 20 = 5$)
- Total Required = 20 parking spaces



Scenarios 2 & 3: Enhanced Core Development Standards

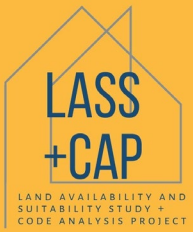
- 1.25 parking spaces per unit ($1.25 \times 20 = 25$)
- .25 guest parking spaces required per unit ($.25 \times 20 = 5$)
- Total Required = 30 parking spaces



Sustainability Standards by Scenario

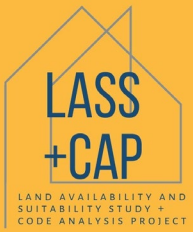
Sustainability Features	Existing Code			Scenario 1 Optimize Incentives			Scenario 2 By-Right Sustainability			Scenario 3 By-Right Housing Production		
	B	S	A	B	S	A	B	S	A	B	S	A
Energy-Efficiency Standard	No	(1)	No	No	(1)	No	(1)	(2)	(1)	No	(1)	No
All-Electric Building	No	Yes	No	No	Yes	No	No	Yes	No	No	Yes	No
On-Site Solar	No	No	No	No	No	No	No	Yes	No	No	No	No
Water Resource Protection	No	Yes	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No
Sustainable Materials	No	No	No	No	No	No	Yes	Yes	Yes	No	No	No
Materials Management Plan	No	Yes	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No
Deconstruction Required	No	No	No	No	No	No	Yes	Yes	Yes	No	No	No
EV Charging Spaces	No	Yes	No	No	Yes	No	30%	50%	30%	No	Yes	No
Secure Bike Parking	No	No	No	No	No	No	Yes	Yes	Yes	No	No	No
Transit Passes	No	No	No	No	No	No	Yes	Yes	Yes	No	No	No

B = By-Right; **S** = Sustainable Incentive Projects; **A** = Affordable Incentive Project



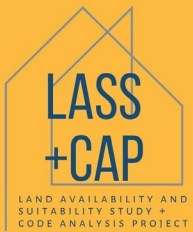
Key Findings & Implications from Scenarios

- **Scenario 1: increasing the attractiveness of incentives presents a viable opportunity to incentivize affordable housing and elevated sustainable design**
 - Unlikely to increase the overall housing stock on its own
 - Lowest risk option for Proposition 207 claims
- **Scenario 2: it is viable to elevate sustainability standards for all new development and increase market-rate housing production by pairing these standards with increased density and reduced parking**
 - Unlikely to increase affordable housing stock on its own
 - FAR caps can regulate development intensity and promote smaller housing units
- **Scenario 3: increasing density and reducing parking can increase market-rate housing production but achieves fewer sustainability outcomes than Scenario 2**
 - Unlikely to increase the affordable housing stock on its own



Key Findings & Implications from Scenarios

1. On an absolute basis, the existing development environment is extremely challenging due to the high cost of construction and land
2. Across all scenarios, parking reductions are critical to the market feasibility of higher-density housing
3. If the City desires to concentrate density in areas where households are likely to drive less, then targeted rezoning, a new overlay zone, or proximity-based code regulations would be more effective than using existing base zones
4. If the policy goal is to broadly increase density throughout the community (Scenarios 2 and 3), then updating the core development standards is the most effective approach
5. The increase in housing capacity under Scenario 1 is highly dependent on increased uptake of density bonuses under the incentive program



Outcomes Summary

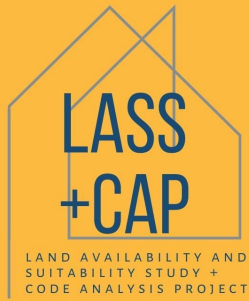
Anticipated Housing and Climate Outcomes by Scenario

	Scenario 1	Scenario 2	Scenario 3
10-Year Housing Plan	Moderate	High	High
Carbon Neutrality Plan	Low	High	Moderate

Total Capacity (New Net Units) by Scenario

Table A3-7. Total Capacity (Net New Units) for Code Scenarios

Scenario	All Areas			Low VMT Areas			
	Net New Units	Increase from Existing Code	Percent Increase	Net New Units	Increase from Existing Code	Percent Increase	Share of Units in Low VMT Areas
Existing Code	47,592	N/A	N/A	9,607	N/A	N/A	20.7%
Scenario 1	63,599	16,007	34%	13,276	3,669	38%	21.3%
Scenario 2:	79,971	32,379	68%	17,202	7,595	79%	21.8%
Scenario 3	96,748	49,157	103%	20,807	11,200	117%	21.7%

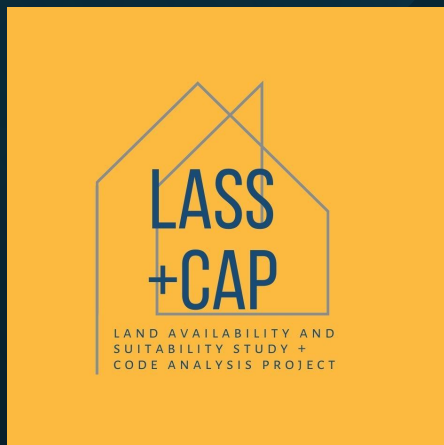


Greenhouse Gas Emissions Reductions by Scenario

- **Scenario 2 achieves substantial reductions in emissions for all development compared to current code**
 - By-right and affordable housing incentive projects: 30-40% fewer emissions
 - Sustainability incentives projects: 60% fewer emissions
- **Scenario 1 and Scenario 3 perform similarly to existing code**
 - By-right & affordable incentives projects: same as current code
 - Sustainability incentives projects: 35% fewer emissions

Decision Points

Q1: Outcomes



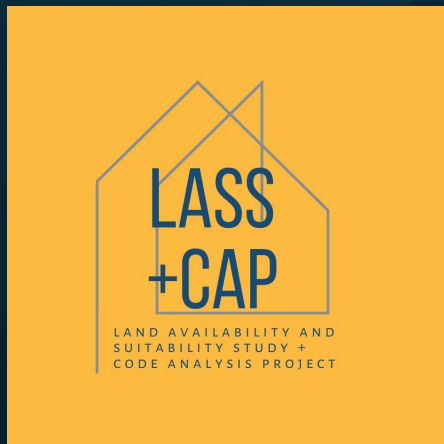
Which outcomes are preferred to address housing and climate outcomes together?

Anticipated Housing and Climate Outcomes by Scenario			
	Scenario 1	Scenario 2	Scenario 3
10-Year Housing Plan	Moderate	High	High
Carbon Neutrality Plan	Low	High	Moderate

Are there any zoning districts that should be excluded or treated differently?

Decision Points

Q2: Density



Should by-right density increases be limited to areas that have Low Vehicles Miles Traveled or some similar geography?

- The report identified areas where people tend to drive less than average.
- Concentrating density in these areas may require area-wide rezoning, a new overlay zone, or new zoning standards that incentivize transit-oriented projects.

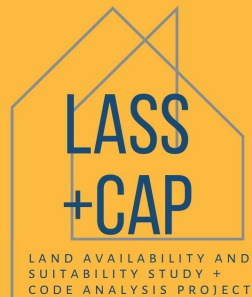
Do we want to increase density allowances for affordable housing projects (those that serve a certain Area Median Income—AMI) or all Market Rate Housing?

Decision Points

Q3: FAR

Do you support managing the intensity of residential land uses with a tool like floor area ratio (FAR) caps?

- Density increases will impact the current High Occupancy Housing (HOH) standards, which are intended to address the intensity of residential land uses
- FAR caps are another tool to regulate intensity and can encourage smaller unit sizes

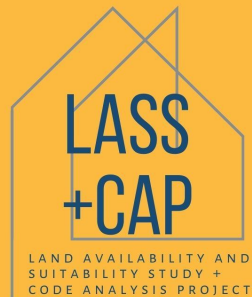


Decision Points

Q4: Parking

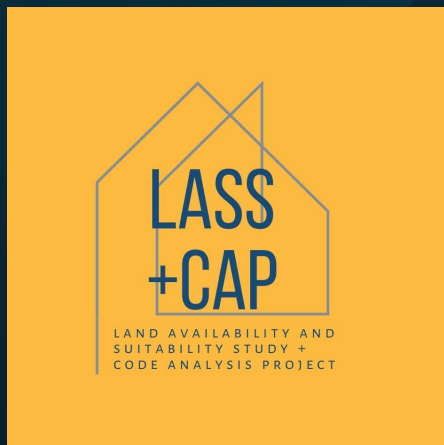
Do you support moving forward with substantial parking reductions?

- Should parking be left to the developer or the market to decide (no minimum standards)?
- Or, should there be standards?
- Should on-street parking be addressed in conjunction with reducing parking standards?



Decision Points

Q5: Menu of Sustainability Options



Do you support creating a menu of sustainable design standards for developers to choose from?

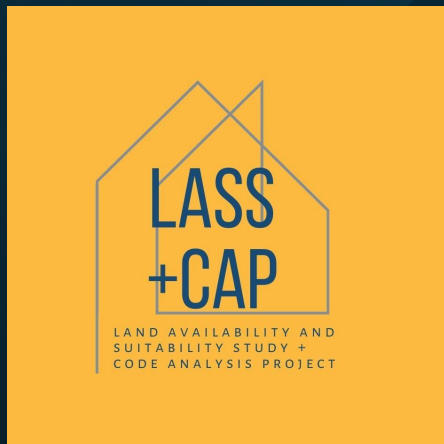
- A menu or points-based approach would provide flexibility while raising standards for reducing energy and water use, waste, and greenhouse gas emissions
- These standards would be accompanied by an increase in density and a reduction in parking

Should a wider menu of Transportation Demand Management (TD) strategies (such as carpooling, transit-oriented design, bicycle facilities, transit passes, site design, etc.) be included as part of this menu?

- The Code Concepts Report found TDM is a critical component of a sustainable design standards menu

Decision Points

Q6: Reduced Street Widths



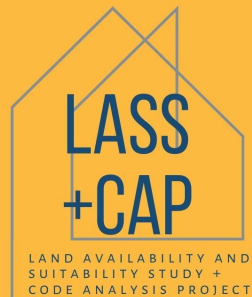
Reduced Street Widths

These code concepts propose new options for narrower street designs that would allow slightly higher density for some development types, reduce street construction costs for all developments, and calm traffic speeds.

Do you support developing a strategy and outlining a process for creating a narrower local street design option?

Decision Points

Q7: Winter Parking Ordinance



Alternative code concepts include:

- Designating specific streets for snow removal based on traffic volumes and necessity for emergency services.
- Implementing a form of alternative/odd-even parking limitations so that at least one side of a public street is available for overnight parking during snow removal.
- Only prohibiting on-street parking during a declared snow accumulation event based on a specific amount of snow and ice accumulation so that on-street parking is available during non-accumulation.

Do you support developing a strategy and outlining a process for replacing the current Winter Parking Ordinance?

Next Steps

Public Outreach

- Will occur at several points in the overall process
- Town Hall

Resolve outstanding Decision Point questions for consulting team

Formal Code Recommendations

Preparation and adoption of Code Amendments



DATE: February 27, 2025

TO: Housing Commission

FROM: Michelle McNulty, AICP, Planning Director
Tiffany Antol, AICP, Zoning Code Manager
Genevieve Pearthree, AICP, Sustainability Analyst
Jennifer Mikelson, Housing Planning Manager



RE: LASS + CAP Code Concepts Report Follow-Up

I. Purpose of the Work Session:

Staff seeks direction on the Land Availability and Suitability Study and Code Analysis Project (LASS+CAP) draft [Code Concepts Reports](#) to identify the focus of the next phase, which includes refining the core development standards, incentives, and concepts into more detailed, actionable recommendations for either specific code amendments or further analysis.

II. Project Purpose:

The purpose of the CAP is to analyze and evaluate the City's development codes and processes to understand and identify ways to overcome barriers to the City's 10-Year Housing Plan and Carbon Neutrality Plan. Through these plans, the City has committed to achieving the following goals:

The 10-Year Housing Plan aims to reduce the affordable housing need in our community by half over the next ten years through two elements:

1. Impact at least 6,000 low-to-moderate income Flagstaff residents through a combination of unit creation or subsidy provision.
2. 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.

The Carbon Neutrality Plan has three primary goals:

1. Achieve **carbon neutrality** by 2030 through a 44% reduction in greenhouse gas emissions.
2. Prepare Flagstaff's communities, systems, and resources to be more **resilient** to climate change impacts.
3. Address climate change in a manner that **prioritizes those most impacted** and ensures the costs and benefits of climate adaptation and mitigation are equitably distributed.

III. Project Overview:

The CAP already produced a [Code Diagnostic Report](#), which identified and analyzed barriers to key outcomes in the 10-Year Housing Plan and the Carbon Neutrality Plan. The current phase explores options for code updates to address the most significant barriers. The report is organized into:

1. **Code Concepts** focus on conceptual updates to address key barriers associated with the following code sections/topics:
 1. Sustainable Development Standards and Incentives, including Transportation Demand Management (TDM)
 2. Resource Protection Overlay Zone
 3. Reduced Street Widths
 4. Winter Parking Ordinance and Snow Removal

The Code Concepts are independent of, and intended to complement and inform, the three scenarios for core development standards and incentives.

2. **Scenarios for Core Development Standards and Incentives** focus on how different combinations and calibrations of interrelated core development standards and incentives impact housing and climate outcomes associated with new development and redevelopment. They are packaged into three conceptual scenarios, each of which explores variations on:

1. Use Regulations and Housing Types by Zone District
2. Maximum Density
3. Floor Area Ratio (FAR)
4. Minimum Parking Requirements
5. Affordable Housing Incentives
6. Sustainable Building Incentives
7. Menu of Sustainable Development Standards

IV. Summary of Findings: Code Concepts

The report proposes concepts for updating key code provisions that may have a significant impact on the City's desired housing and sustainability outcomes:

1. **Menu of Sustainability and Transportation Demand Management (TDM) Standards.** This code concept proposes adopting a menu or points-based approach to require and incentivize a sustainable design in all projects, consistent with Scenario 2. TDM should be conceived as a critical component of the menu or points-based system.
2. **Resource Protection Overlay.** This code concept proposes migrating from a broad overlay zone that requires site-specific inventories to a more focused overlay that focuses on resources that were inventoried as part of a citywide study. This concept could apply to both forest and slope resources. Resource Protection standards should not restrict density more than base zoning and should allow overlapping slope and forest resources to count towards meeting both requirements.
3. **Reduced Street Widths.** This code concept proposes new options for narrower street designs that would allow slightly higher density for some development types, reduce street construction costs for all developments, and calm traffic speeds.
4. **Winter Parking Ordinance and Snow Removal.** Based on a review of snow removal and parking management programs in comparison cities, alternative code concepts to the existing Winter Parking Ordinance include:
 - a. Designate specific streets for snow removal based on traffic volumes and necessity for emergency services.
 - b. Implement a form of alternate/odd-even parking limitations so that at least one side of a public street is available for overnight, on-street parking during snow removal operations.
 - c. Only prohibit on-street parking during a declared snow accumulation event based on a specific amount of snow and ice accumulations so that on-street parking is available during non-accumulation.

V. Summary of Findings: Scenarios - Calibrating Core Development Standards and Incentives

Each of the following scenarios represents a different calibration of the core development standards and incentives, showing how different sets of changes can advance the City's housing and climate goals to varying degrees. Each scenario is analyzed below against the key housing and climate outcomes identified in the CAP Code Diagnostic Report.

In addition, the consultant team identified the following key findings and implications:

1. On an absolute basis, the existing development environment is extremely challenging. The high cost of construction and land appear to be rendering residential development infeasible in many situations.
2. Across all scenarios, parking reductions were critical to the market feasibility of higher density prototypes.
3. Scenario 1 shows that increasing the attractiveness of incentives presents a viable opportunity to incentivize affordable housing and elevated sustainable design but is unlikely to increase the overall housing stock on its own. It is also the lowest risk option for Proposition 207 claims.
4. Scenario 2 shows that it is viable to elevate sustainability standards for all new development and increase market-rate housing production by pairing these standards with increased density and reduced parking, but is unlikely to increase the affordable housing stock on its own. Scenario 2 also shows that FAR caps can regulate development intensity and promote smaller housing units.
5. Scenario 3 shows that increasing density and reducing parking can increase market-rate housing production, but achieves fewer sustainability outcomes than Scenario 2 and is unlikely to increase the affordable housing stock on its own.
6. **Ultimately, City Council may provide direction on a final scenario based on the code concepts, core development standards, and incentives. It may include a combination of elements from each of the three scenarios that best advance housing and climate goals.**

A summary of each scenario and its anticipated housing and climate outcomes are described below. These outcomes were first explored in the Code Diagnostic Report, which evaluated the extent to which the City’s development codes and processes are a barrier (or not) to these desired outcomes.

Scenario 1 – Optimize Incentives for Sustainable Design and Affordable Housing

This scenario optimizes the benefits that developers would receive from taking either the Affordable Housing or the Sustainable Residential Building Incentives by significantly increasing the density bonuses and parking reductions from taking these incentives. No other code changes are proposed.

Scenario 1: Anticipated Impacts on Housing and Climate Outcomes			
10-Year Housing Plan: Moderate Impact		Carbon Neutrality Plan: Low Impact	
Abundant Housing Supply	Low	Community Resilience, Health & Safety	Moderate
Diversity of Housing Types	Moderate	Sustainable Transportation Networks and Neighborhoods	Low
Lower Cost Market Rate Housing Production	Low	Electric Mobility	Low
Income-Restricted Affordable Housing Production	High	Energy	Low
Mixed-Use Development and Neighborhoods	Low	Waste and Water	Low
Infill Development and Compact Land Use Patterns	Moderate	Healthy Forests and Carbon Dioxide Removal	Moderate
Equity and Fair Housing	Moderate		

Scenario 2 – Elevate Sustainable Design and Increase Market Rate Housing Production

This scenario focuses on substantial updates to the core development standards (base code) along with smaller updates to the incentives, including:

1. A menu of sustainable design standards for developers to choose from
2. Substantial increases in maximum allowed density
3. Substantial decreases in minimum parking standards
4. Floor Area Ratio (FAR) caps in most zones
5. Single-use residential buildings in commercial zones
6. A small increase in the density bonus and a large decrease in minimum parking for projects that use either Affordable Housing or Sustainability Residential Building Incentives
7. Additional sustainable design features for projects that use the Sustainability Residential Building Incentives

Scenario 2: Anticipated Impacts on Housing and Climate Outcomes			
10-Year Housing Plan: High Impact		Carbon Neutrality Plan: High Impact	
Abundant Housing Supply	Moderate	Community Resilience, Health & Safety	Moderate
Diversity of Housing Types	High	Sustainable Transportation Networks and Neighborhoods	High
Lower Cost Market Rate Housing Production	High	Electric Mobility	High
Income-Restricted Affordable Housing Production	Low	Energy	High
Mixed-Use Development & Neighborhoods	High	Waste and Water	High
Infill Development and Compact Land Use Patterns	High	Healthy Forests & Carbon Dioxide Removal	Moderate
Equity and Fair Housing	High		

Scenario 3 – Increase Density to Support Market Rate Housing Production and Indirectly Support Sustainability *

This scenario proposes the same updates as Scenario 2, but it includes higher density increases in commercial zones and does not include FAR caps and the menu of sustainable design standards.

** Note: the Scenario 3 title was revised for clarity. Former title: 'Support Sustainability Through Density and Maximize Housing Production.'*

Scenario 3: Anticipated Impacts on Housing and Climate Outcomes			
10-Year Housing Plan: High Impact		Carbon Neutrality Plan: Moderate Impact	
Abundant Housing Supply	High	Community Resilience, Health & Safety	Moderate
Diversity of Housing Types	High	Sustainable Transportation Networks and Neighborhoods	High
Lower Cost Market Rate Housing Production	Moderate	Electric Mobility	Moderate
Income-Restricted Affordable Housing Production	Low	Energy	Moderate
Mixed-Use Development & Neighborhoods	High	Waste and Water	Moderate
Infill Development and Compact Land Use Patterns	High	Healthy Forests & Carbon Dioxide Removal	Moderate
Equity and Fair Housing	High		

VI. Decision Points:

City staff are seeking direction on the questions below. Decisions will inform LASS+CAP Task Five to prepare final recommendations for code, incentive, and policy changes.

1. **Which outcomes are preferred to address housing and climate outcomes together?**
 - a. Are there any zoning districts that should be excluded or treated differently?
2. **Should by right density increases be limited to areas that have Low Vehicles Miles Traveled or some similar geography?** This may require area-wide rezoning, a new overlay zone, or new zoning standards that incentivize transit-oriented projects.
 - a. Do we want to increase density allowances for affordable housing projects (those that serve a certain Area Median Income—AMI) or all Market Rate Housing?
3. **Floor Area Ratio (FAR) caps**
 - a. Do you support managing the intensity of residential land uses with a tool like FAR caps? Density increases will impact the current High Occupancy Housing (HOH) standards, which are intended to address the intensity of residential land uses.
4. **Do you support moving forward with substantial reductions in parking minimums?**
 - a. Should parking be left to the developer or market to decide? (No minimum standards). Or should there still be standards?
 - b. Should on-street parking be addressed in conjunction with reducing parking requirements?
5. **Sustainability and Transportation Demand Management (TDM)**
 - a. Do you support creating a menu of sustainable design standards for developers to choose from? This would provide flexibility while raising standards. These standards would be accompanied by an increase in density and reduction in parking.
 - b. Should a wider menu of TDM strategies (such as carpooling, transit-oriented design, bicycle facilities, transit passes, site design, etc.) be included as part of this menu, in addition to standards focused reductions in energy, water, waste, and greenhouse gas emissions?
6. **Reduced Street Width:**
 - a. Do you support developing a strategy and outlining a process for creating a narrower local street design option?
7. **Winter Parking Ordinance:**
 - b. Do you support developing a strategy and outlining a process for replacing the current Winter Parking Ordinance?