

Case No. PZ-25-00041 – Single Use Residential in Commercial Zones and Adaptive Reuse Incentives

Provisions that are being deleted are shown in bold ~~strikethrough~~ text.

Provisions that are being added are shown in bold red text.

Section 1. Amend Title 10 Flagstaff Zoning Code, Chapter 10-30: General to All, Division 10-30.20: Affordable Housing Incentives, Section 10-30.20.040: Affordable Housing Incentives, as follows:

B. Incentives Defined. For the purposes of this division, developer incentives for affordable housing development are defined below.

1. Resource Protection Standards.

a. Where forest resources on a site overlap with steep slope resources, the forest resources in the steep slope area may be counted toward the required amount of forest resources for the whole site. (See Division 10-50.90, Resource Protection Standards.)

b. In addition, the forest resources that must be retained on-site in the Resource Protection Overlay (RPO) zone may be reduced for affordable housing developments based on the percentage of affordable units provided and the category of affordability. (Forest resource protection requirements are provided in Table 10-50.90.060.A, Forest Resource Protection Thresholds as a Percentage of Site Area, in Division 10-50.90, Resource Protection Standards.

(1) The potential forest resource reductions for affordable housing are shown in Table 10-30.20.030.B, Reduction in Forest Resource Protection Thresholds for Affordable Housing Developments.

(2) For example, an affordable housing development in category 2 that provides 10 percent of the units as affordable could reduce the forest resource protection by 20 percent, so that 40 percent of the forest must be retained instead of 50 percent (i.e., the 50 percent requirement for forest resource protection [Table 10-50.90.060.A, Forest Resource Protection Thresholds as a Percentage of Site Area] is reduced by 20 percent).

(3) For categories 1 and 2, the forest resource reduction could be additive for a development, if the percentage of affordable units is met. Category 3 stands alone and cannot be combined with forest resource reductions in other categories. However, the maximum amount that forest resources may be reduced for an affordable housing development is 50 percent.

Table 10-30.20.040.B: Reduction in Forest Resource Protection Thresholds for Affordable Housing Developments

Category 1 ¹ (Permanent Affordability)		Category 2 ¹ (Permanent Affordability)		Category 3 ¹ (Permanent Affordability and Sustainable Building – Division 10-30.70)	
Percentage of Affordable Units	Resource Reductions	Percentage of Affordable Units	Resource Reductions	Percentage of Affordable Units	Resource Reductions
10%	25%	10%	20%	10%	25%
11%	30%	12%	25%	12%	30%
12%	35%	14%	30%	14%	35%
13%	40%	16%	35%	16%	40%
14%	45%	18%	40%	18%	45%
15%	50%	20%	45%	20%	50%

End Notes

1. The income ranges associated with Categories 1 through 3 shall be determined by the Council in the most recently adopted IPAH document (see Appendix 6 (Additional Information on Affordable Housing)).

2. Density Bonus. Affordable housing developments may be eligible for a density bonus if at least 10 percent of the proposed units are affordable in compliance with Section 10-30.20.050, Density Bonus.

3. Parking Incentives.

a. The number of required parking spaces for affordable housing is reduced as specified in Table 10-50.80.040.A, Number of Motor Vehicle Parking Spaces Required; and

b. Modifications to parking requirements for affordable housing developments within one-quarter mile of a transit stop may be reduced up to 15 percent.

4. Adjustment of Property Development Standards.

a. Affordable housing can utilize Planned Residential Development (Section 10-40.60.280) in any zone to provide flexibility in the application of building form requirements and to increase the potential building types.

b. Minor modifications to property development standards for affordable housing developments may be modified up to 15 percent.

c. Additional modifications to the property development standards may be approved by the City Council for a Category 1 affordable housing development that provides 100 percent of the dwelling units to persons or families with a household income equal to 80 percent or less of the area median income as published annually by the U.S. Department of Housing and Urban Development for the City of Flagstaff.

(i) To approve a request to modify the property development standards, the City Council shall find that the following criteria have been met:

(a) The modifications are consistent with and conform to the goals of the General Plan and any applicable specific plans;

(b) The modifications will not be detrimental to the public interest, health, safety, convenience, or welfare of the City and will add to the public good as described in the General Plan;

(c) The requested modifications will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located;

(d) The proposed development is consistent with the character of the area; and

(e) The type, quality, and amenities of the development are consistent with those found in similar developments that are available to the public at market rate.

(ii) Additional findings to approve a request to modify the number of motor vehicle parking spaces required (Section 10-50.80.040). To approve a request to modify the motor vehicle parking requirements, the City Council shall also find that:

(a) Adequate transit service is available to the development site. Adequate transit service from a development site to a permanent transit stop is:

(1) Less than or equal to 1,320 feet; or

(2) A distance greater than 1,320 feet when the City Council finds that the route to the permanent transit stop has adequate nighttime lighting and does not have a significant grade change, and the distance does not impede reasonable access to transit.

The distance between the permanent transit stop to the development site shall be measured following a continuously improved sidewalk and/or public paved trail.

(iii) Notice of the City Council Meeting. A minimum of 15 days prior to the City Council meeting, the applicant shall:

(a) Notify by first-class mail all property owners of record within 300 feet of the subject property of the purpose of the request, and the time, date, and place of the City Council meeting;

(b) Notify by first-class mail all homeowners' associations (HOAs) that govern land within 1,000 feet of the subject property as well as all persons or groups whose names are on the registry of persons and groups described in Section 10-20.30.080.C who are interested in receiving such notice, of the purpose of the request, and the time, date, and place of the City Council meeting;

(c) Notify by first-class mail all affordable housing advocacy agencies on file with the City of Flagstaff's Housing Section of the purpose of the request, and the time, date, and place of the City Council meeting; and

(d) Install a minimum of one sign that is at least four feet by four feet on the development site in a location clearly visible from a public right-of-way and adjacent residents setting forth the purpose, time, date, and place of the City

Council meeting, with an attached information tube containing copies of the meeting notice. All print on the sign shall be visible from a distance of 100 feet.

d. For the purposes of this section, the “property development standards” means building form, building placement, building types, encroachments and frontage types, fences and screening, landscape standards, lot requirements, common space, parking standards and required parking, private frontage types, and any other amount, area, dimension, quantity, size, or design requirement of the Zoning Code as determined by the Zoning Administrator. Property development standards that may be modified pursuant to this section do not include building height, density, the number of units per building type, outdoor lighting standards, signs, and the standards or guidelines of the overlay zones specified in Section 10-40.50.030.A.1. (Airport Overlay (AO)), A.2. (Downtown Overlay (DO)), A.3. (Landmarks Overlay (LO)) and A.5 (Townsite Overlay (TO)), and any historic overlay zone adopted after April 22, 2021.

5. Landscaping Standards Reductions. Minor modifications to landscaping standards for affordable housing developments may be reduced by no more than 10 percent.

6. High Occupancy Housing. Housing developments, either for rental or purchase, in which all dwelling units are permanently affordable and offered at 60 percent or less of the Area Median Income (AMI) in compliance with the Department of Housing and Urban Development regulations shall not be categorized as High Occupancy Housing Development, regardless of the number units, bedrooms, or zoning.

7. Single Use Residential in Commercial Zones. Projects providing a minimum of 20 percent of all housing units within the development at an average of 80 percent AMI with a maximum household income of 100 percent AMI for a period of 30 years for rental or a minimum of 15 percent of all housing units at a maximum of 150 percent AMI for a period of 99 years for ownership are not required to obtain a Conditional Use Permit as designated in Table 10-40.30.040.B.

8. Adaptive Reuse Projects. Projects providing a minimum of 20 percent of all housing units within the development at an average of 80 percent Area Median Income with a maximum household income of 100 percent AMI for a period of 30 years for rental or a minimum of 15

percent of all housing units at a maximum of 150 percent AMI for a period of 99 years for ownership.

a. **Applicability.** To be eligible for the Adaptive Reuse Project incentives, the following criteria must be met:

(i) The building shall be a minimum of 15 years of age; and

(ii) The project may not include additions that exceed 25 percent of the floor area of the existing building.

b. **Adaptive Reuse Project Incentives.** Applicable projects are not required to do the following:

(i) Provide additional parking spaces or update the existing parking spaces in accordance with Division 10-50.80: Parking Standards or Division 10-30.60: Site Planning Design Standards. All Zoning Ordinance requirements for accessible parking shall apply. If the total parking required is less than the number of spaces that exist, then the number of parking spaces may be reduced to that number of required parking spaces, and

(ii) Provide additional or update the existing on-site landscaping in accordance with Division 10-50.60: Landscaping Standards, and

(iii) Provide Common Space as required by the zoning district, and

(iv) Comply with the provisions of Division 10-50.020: Architectural Design Standards.

Section 2. Amend Title 10 Flagstaff Zoning Code, Chapter 10-40: Specific to Zones, Division 10-40.30: Non-Transsect Zones, Section 10-40.30.040: Commercial Zones, Table 10-40.30.030.C.: Residential Zones – Building Form and Property Development Standards, as follows:

Table 10-40.30.040.B. Commercial Zones – Allowed Uses							
Primary Land Use ¹	Specific Use Regulations	Commercial Zones					
		SC	CC	NCC	HC	CS	CB
Residential ⁵							
Co-Housing	10-40.60.120	UP ⁹	UP ⁹	UP ⁹	UP ⁹	UP ⁹	UP ⁹
Co-Housing as Part of a Mixed-Use Development	10-40.60.120	P	P	P	P	P	P
Congregate Care Facilities		UP	P	P	P	P	UP
Day Care, Centers	10-40.60.150.B	P	P	P	P	UP	UP
Day Care, Home	10-40.60.150.A	P	P	P	P	P	P
Dwelling, Duplex		UP ^{5,9}	UP ^{5,9}	UP ^{5,9}	UP ^{5,9}	UP ^{5,9}	UP ^{5,9}
Dwelling, Duplex as Part of a Mixed-Use Development		P	P	P	P	P	P
Dwelling, Multiple-Family		UP ^{5,9}	UP ^{5,9}	UP ^{5,9}	UP ^{5,9}	UP ^{5,9}	UP ^{5,9}
Dwelling, Multiple-Family as Part of a Mixed-Use Development		P	P	P	P	P	P
Dwelling, Single-Family Attached			p ^{5,7}	p ^{5,7}			
Dwelling, Single-Family Detached		--	p ^{5,7}	p ^{5,7}	--	--	--
Dwelling, Single-Family as Part of a Mixed-Use Development		P	P	P	P	P	P
Dormitories		UP	UP	UP	UP	UP	UP
Fraternities and Sororities		UP	UP	UP	UP	UP	UP

Table 10-40.30.040.B.
Commercial Zones – Allowed Uses

Primary Land Use ¹	Specific Use Regulations	Commercial Zones					
		SC	CC	NCC	HC	CS	CB
Group Homes		p ^{5,8}	p ⁵	p ⁵	p ^{5,8}	p ^{5,8}	p ^{5,8}
High Occupancy Housing Development, Single-Family	10-40.60.170	--	UP	UP	--	--	--
High Occupancy Housing Development, Two Units	10-40.60.170	UP	UP	UP	UP	UP	UP
High Occupancy Housing Development, Three Units	10-40.60.170	UP	UP	UP	UP	UP	UP
High Occupancy Housing Development, Four Units and Greater	10-40.60.170	UP	UP	UP	UP	UP	UP
Home Occupation	10-40.60.180	P	P	P	P	P	P
Institutional Residential							
Custodial Care Facilities		p ⁶	p ⁶	p ⁶	p ⁶	p ⁶	p ⁶
Homeless Shelters							
Emergency Shelters	10-40.60.190	p ⁶	p ⁶	p ⁶	p ⁶	p ⁶	p ⁶
Short Term Housing		p ⁶	p ⁶	p ⁶	p ⁶	p ⁶	p ⁶
Transitional Housing		P	P	P	P	P	P
Sheltered Care Homes		P	P	P	P	P	P
Nursing Homes		UP	UP	UP	UP	UP	UP
Live/Work	10-40.60.200	P	P	P	P	P	P
Residence for Owner, Caretaker or Manager		P	P	P	P	P	P
Single Room Occupancy		UP	--	--	P	--	P
Retail Trade							

Table 10-40.30.040.B.
Commercial Zones – Allowed Uses

Primary Land Use ¹	Specific Use Regulations	Commercial Zones					
		SC	CC	NCC	HC	CS	CB
Bars/Taverns		P	P	P	P	P	P
Crematorium		P	P	P	P	P	--
Drive-through Retail	10-40.60.160	P	P	P	P	--	--
Drive-through Service		P	P	P	P	--	--
Farmers Markets and Flea Markets		--	P	P	P	P	P
General Retail Business		P	P	P	P	P	P
Mixed Use	10-40.60.260	P	P	P	P	P	P
Mixed-Use High Occupancy Housing Development	10-40.60.170 and 10-40.60.260	UP	UP	UP	UP	UP	UP
Restaurant or Cafe		P	P	P	P	P	P

End Notes

1. A definition of each listed use type is in Chapter 10-80, Definitions.
2. Only allowed on lots that do not have highway frontage or behind existing/new commercial uses.
3. Only permitted when incidental to permitted use.
4. This use shall be screened. See Division 10-50.50, Fences and Screening, for fencing and screening requirements.
5. Residential uses in the SC, CC, HC, CS and CB zones existing prior to the effective date of this Zoning Code are considered legal, conforming uses. Residential uses in the HC, CS and CB zones shall be subject to the development standards established in the HR zone. Residential uses in the SC, CC and NCC zones shall be subject to the development standards established in the MR zone.

Table 10-40.30.040.B.
Commercial Zones – Allowed Uses

Primary Land Use ¹	Specific Use Regulations	Commercial Zones					
		SC	CC	NCC	HC	CS	CB
6.	Conditional use permit is required if proximity between shelter facilities is less than one-quarter mile.						
7.	Single-family and duplex dwellings are permitted by right on existing lots 9,000 square feet or less subject to the building placement and building form requirements of the MR zone.						
8.	Only permitted in legal nonconforming single-family dwellings (attached or detached).						
9.	Permitted without a Conditional Use Permit as a Single-Use Residential development per the provisions of Division 10-30.20: Affordable Housing Incentives.						
Key							
P = Permitted Use							
UP = Conditional Use Permit Required							
-- = Use Not Allowed							

Section 3. Amend Title 10 Flagstaff Zoning Code, Chapter 10-50: Supplemental to Zones, Division 10-50.80: Parking Standards, as follows:

Division 10-50.80:

Parking Standards

Sections:

- 10-50.80.010 Purpose
- 10-50.80.020 Applicability
- 10-50.80.030 General Parking Standards
- 10-50.80.040 Number of Motor Vehicle Parking Spaces Required
- 10-50.80.050 Bicycle Parking
- 10-50.80.060 Parking ~~Adjustments~~ **Reductions**
- 10-50.80.061 Transit Pass Parking Reduction Pilot Program
- 10-50.80.070 Parking Alternatives
- 10-50.80.080 Parking Spaces, Parking Lot Design and Layout
- 10-50.80.090 Development and Maintenance

Section 4. Amend Title 10 Flagstaff Zoning Code, Chapter 10-50: Supplemental to Zones, Division 10-50.80: Parking Standards, Section 10-50.80.060: Parking Adjustments, as follows:

10-50.80.060 Parking ~~Adjustments~~ **Reductions**

The purpose of these reductions is to allow applicable developments to reduce the required off-street parking to encourage more pedestrian activity, less vehicle trips between land uses, promote re-investment, preservation, and revitalization of existing neighborhoods as well as promote sustainability. The amount of parking required for a specific land use may be reduced from what is otherwise required when one of the following provisions is applicable to the development site. In the case that more than one parking ~~adjustment~~ **reduction** may apply, ~~for example as a result of allowed reductions for affordable housing (see Division 10-30.20, Affordable Housing Incentives), reductions for bike racks, or any other reduction authorized by this code,~~ the cumulative parking adjustment shall

not exceed 20 percent **except as otherwise noted**. However, in multifamily residential developments no less than one parking space per residential unit shall be required, unless **otherwise** approved by **the** City Council. ~~as part of an affordable housing development meeting the criteria set forth in Section 10-30.20.040.B.4.c.~~ **All Zoning Ordinance requirements for accessible parking shall apply regardless of the reduction employed.**

A. Transit. In all zones, a parking reduction of up to 10 percent may be approved by the Director for any use within 1,320 feet of a permanent transit stop, except for a High Occupancy Housing Development (HOHD) or a Mixed-Use High Occupancy Housing Development (MHOHD). The distance between the permanent transit stop to the Development Site shall be measured following a continuously improved sidewalk and/or public paved trail.

B. Forest Resources Reduction. The number of parking spaces required for a new development may be reduced by no more than five percent if existing native trees such as ponderosa pine trees are located within parking areas (but not circulation areas) and these trees are required to be preserved to satisfy the requirements for forest resource protection as defined in Division 10-50.90, Resource Protection Standards, except for an HOHD or MHOHD. An applicant shall demonstrate to the satisfaction of the Director that by incorporating these existing native trees within the parking area.

C. Bicycle Parking Reduction. The Director may allow a reduction of one required motor vehicle parking space for each four bicycle parking spaces provided to a maximum of five percent of the required motor vehicle parking spaces, except for an HOHD or MHOHD.

D. Motorcycle Parking Reduction. A reduction of one parking space for multifamily residential and nonresidential uses may be allowed by the Director if one motorcycle parking space for every 25 required motor vehicle spaces is provided, subject to the following standards:

- 1. Each motorcycle space shall be easily accessible and have adequate space for a standard-size motorcycle, i.e., a minimum dimension of four feet by nine feet.**
- 2. Motorcycle parking areas shall be clearly identified with appropriate striping.**

E. Adaptive Reuse Reduction. No additional off-street parking shall be required for the adaptive reuse of a building that meets the following requirements:

- 1. The building shall be a minimum of 15 years of age; and**

2. The development shall be a non-residential use; and
3. The size of the building shall not exceed 5,000 gross square feet including any proposed additions. No proposed additions may exceed fifty percent of the existing building; and
4. On-street public parking is available within 1,320 feet from the Development Site.

FB. Shared On-Site Parking Reduction. Where two or more uses on the same site or adjacent parcels have distinct and differing peak parking usage periods (e.g., a theater and a bank), a reduction in the required number of parking spaces as determined by the Director may be allowed in the following manner:

1. The reduction in number of required parking spaces shall be based on a parking demand study. The parking demand study shall be in accordance with established professional practices.
2. Approval shall also require a recorded covenant running with the land, recorded by the owner of the parking lot, guaranteeing that the required parking will be maintained exclusively for the uses served and remain for the duration of the use.

GC. Parking Demand Study – Reduced Parking.

1. The property owner shall submit a study/plan prepared in accordance with the established professional traffic and parking practices by a registrant licensed to practice in the State of Arizona. The study/plan shall document how any reductions are calculated and the assumptions utilized in the calculations.
2. The Director may approve a reduction equal to, or less than, 30 percent of the total parking spaces required by this Division, except as required in subsection C.3. of this section. Any request greater than 30 percent requires the approval of the City Council.
3. Any request to use a Parking Demand Study to reduce the required parking for an HOHD or MHOHD shall be approved by the City Council.

HD. Traffic Management Plan Parking Reduction. The Director shall have the ability to reduce the parking requirements for office and other uses in Section 10-50.80.040, Number of Motor Vehicle Parking Spaces Required, except for an HOHD or MHOHD. A traffic management plan shall be submitted with an application for site plan review. A reduction may be granted if the following standards are met:

1. The amount of the reduction shall be no more than 90 percent of the proposed reduction in employee motor vehicle trips.
2. The buildings shall have a single user/owner who can effectively exercise control over compliance with the plan.
3. The traffic management plan shall be submitted by a registered traffic engineer and shall include data on the effectiveness of similar plans elsewhere.
4. The traffic management plan shall contain information on the strategies, designated parking, incentives, company vehicles, staggered work hours, and information indicating the owner's ability to provide and enforce these elements over time.
5. The Director may impose conditions that are needed to ensure the long-term compliance to the plan, including but not limited to a reserve parking area, phasing, or contributions to transit or other alternative means of transportation.

~~**E.—Parking Reduction for Forest Resources. The number of parking spaces required for a new development may be reduced by no more than five percent if existing native trees such as ponderosa pine trees are located within parking areas (but not circulation areas) and these trees are required to be preserved to satisfy the requirements for forest resource protection as defined in Division 10-50.90, Resource Protection Standards, except for an HOHD or MHOHD. An applicant shall demonstrate to the satisfaction of the Director that by incorporating these existing native trees within the parking area, adequate measures are taken during construction to ensure that the trees are protected from construction activity.**~~

~~**F.—Bicycle Parking Reduction. The Director may allow a reduction of one required motor vehicle parking space for each four bicycle parking spaces provided to a maximum of five percent of the required motor vehicle parking spaces, except for an HOHD or MHOHD.**~~

~~**G.—Motorcycle Parking Reduction. A reduction of one parking space for multifamily residential and nonresidential uses may be allowed by the Director if one motorcycle parking space for every 25 required motor vehicle spaces is provided, subject to the following standards:**~~

- ~~**1.— Each motorcycle space shall be easily accessible and have adequate space for a standard size motorcycle, i.e., a minimum dimension of four feet by nine feet.**~~

~~2. Motorcycle parking areas shall be clearly identified with appropriate striping.~~

Section 5. Amend Title 10 Flagstaff Zoning Code, Chapter 10-80: Definitions, Division 10-80.20: Definition of Specialized Terms, Phrases, and Building Functions, Section 10-80.10: Definitions "A", as follows:

Adaptive Reuse: The repurposing of an existing building from the use for which it was constructed to a new use by preserving the elements of the existing building rather than demolition.

Section 6. Amend Title 10 Flagstaff Zoning Code, Chapter 10-80: Definitions, Division 10-80.20: Definition of Specialized Terms, Phrases, and Building Functions, Section 10-80.190: Definitions "S", as follows:

Single-Use Residential: A development containing only residential uses.