



Date: July 1, 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-25-00028: High Occupancy Housing Update**

I. Request:

PZ-25-00028: High Occupancy Housing Update – The purpose of this amendment is to update the Zoning Code to separate existing code provisions from the existing Regional Plan in preparation for the adoption of a new Regional Plan. The amendment includes modifications to the residential and commercial zones Building Form and Property Development Standards and the Specific to Use Standards for High Occupancy Housing Developments, as well as the definitions of Four Units and Greater High Occupancy Housing Development and Mixed Use High Occupancy Housing Development.

II. Purpose of the Work Session:

The work session with the Planning and Zoning Commission is required as a “Citizen Review Session” in compliance with Section 10-20.50.040 (Procedures) of the Zoning Code and applicable state law. The purpose of the work session is for staff to present an overview of the proposed amendments, to allow interested residents to provide their ideas, suggestions, and concerns, and for the Commission to ask questions, seek clarification, and discuss the amendments, as well as offer alternate suggestions and ideas. The Commission will take no action at this work session. After the work session, staff will revise the proposed amendments as necessary. The amendments will then be presented to the Commission at a public hearing for consideration and action. Once a recommendation is received, a public hearing will be scheduled with the City Council. The anticipated timeline for the amendments is as follows:

August 13, 2025 – Planning and Zoning Commission Work Session

August 27, 2025 – Potential Planning and Zoning Commission Public Hearing

September 16, 2025 – Potential City Council Public Hearing (1st Reading of Ordinance)

October 7, 2025 – Potential City Council Public Hearing (2nd Reading of Ordinance/Adoption)

III. Overview of Proposed Amendments:

A. PZ-25-00028 – High Occupancy Housing Zoning Code Text Amendment

In February 2018, the City Council adopted the citywide High Occupancy Housing (HOH) Specific Plan, and associated amendments to the Regional Plan. The HOH Plan was developed in response to the community's dialogue about previously proposed high-intensity mid-rise developments near historic neighborhoods that primarily catered to college students. The purpose of the HOH Plan is to provide direction in the form of goals and policies intended to enhance and maintain the city's character and

guide future developments that would be considered High Occupancy Housing (HOH). The HOH Plan identified dozens of strategies that could be implemented to address the unintended impacts of these buildings on neighborhood character, affordability, and transportation. After the adoption of the HOH Plan, staff received direction and affirmation from City Council on October 8, 2019, to address smaller developments not originally in the scope of the HOH Plan that may also be considered as HOH. The smaller HOH developments that staff were directed to consider are single-family, two-unit (duplex), three-unit (triplex), and multiple-family developments.

On November 17, 2020, the Flagstaff City Council adopted the High Occupancy Housing Zoning Code Text Amendment which became effective on March 1, 2021. A conditional use permit is required for any development meeting the definition of High Occupancy Housing Development (HOHD) or a Mixed-Use High Occupancy Housing Development (MHOHD).

A High Occupancy Housing Development (HOHD) is any of the following:

- Single-family dwelling unit with seven or more bedrooms, or five or more sanitation facilities.
- Duplex or two dwelling units on a lot or parcel with more than a total of seven bedrooms, or if any of the dwelling units contain four or more sanitation facilities.
- Multiple-family developments with three dwelling units on a lot or parcel with more than a total of nine bedrooms, or if any of the dwelling units contain four or more sanitation facilities.
- Multiple-family development with four dwelling units or greater on a development site with any of the following:
 - More than 20 percent of the total dwelling units have four bedrooms or more;
 - One or more of the dwelling units contain four or more sanitation facilities;
 - The total number of dwelling units per acre, or bedrooms per acre, requires a Conditional Use Permit for an HOHD in accordance with the building form and property development standards of the property's designated zone;
 - Or, if the property elects the transect zone, the density is greater than 29 dwelling units per acre or 72.5 bedrooms per acre.
- A Mixed-Use High Occupancy Housing Development includes any of the following:
 - More than 20 percent of the total dwelling units have four bedrooms or more;
 - One or more of the dwelling units contain four or more sanitation facilities;
 - The total number of dwelling units per acre, or bedrooms per acre, requires a Conditional Use Permit for an MHOHD in accordance with the building form and property development standards of the property's designated zone.
 - Or, if the property elects the transect zone, the density is greater than 29 dwelling units per acre or 72.5 bedrooms per acre.

In addition to the requirement for a Conditional Use Permit for all HOH Developments, the Zoning Code was amended to include bedrooms per acre requirements, revised density standards based on location within an activity center, and location and building size requirements dependent upon different activity centers or commercial corridors as identified in the current Regional Plan. The draft Regional Plan is in the process of being prepared for public hearing and will impact the existing HOH zoning requirements because of the changes to activity centers and corridor land use designations.

The High Occupancy Housing general requirements within the Zoning Code include several provisions that are based on classifications within the Regional Plan. For example:

- An HOHD or MHOHD with four or more dwelling units shall be located inside of a pedestrian shed of an activity center delineated in the General Plan (Regional Plan).
- Inside of a pedestrian shed of a Regional Activity Center, an HOHD or MHOHD in a commercial zone may contain more than 50 dwelling units per acre and/or 125 bedrooms per acre.

The Regional Plan currently has 27 activity centers located entirely within the city limits. These activity centers are dispersed throughout the city limits. If a property owner has a parcel or lot outside an activity center, they may not apply for a Conditional Use Permit for a High Occupancy Housing Development with four or more dwelling units.

The primary catalyst for pursuing changes to High Occupancy Housing general requirements is the required update to the Regional Plan which must occur every 10 years according to state statutes. The draft plan includes significant changes to activity centers and commercial corridors. These changes include the category, area, and number, which modifies which properties are eligible to apply for a conditional use permit. These changes will likely impact the following requirements in the Zoning Code:

An HOHD in a Commercial Zone shall be:

a. On a lot or parcel that is setback at least 300 feet from the centerline of a street classified as a Commercial Corridor identified on the General Plan; and

b. There shall be an existing primary mixed-use development or commercial use(s), excluding primary transportation and infrastructure uses, on the lot(s) or parcel(s) between the HOHD and the Commercial Corridor street.

Building Footprint Sizes and Separation Requirements.

1. Maximum building footprint inside a pedestrian shed of a Historic Activity Center delineated in the General Plan, excluding properties zoned Commercial Business (CB): Equal to, or less than, 5,000 square feet.

2. Maximum building footprint inside a pedestrian shed of a Historic Activity Center delineated in the General Plan, and on a property zoned Commercial Business (CB): Equal to, or less than, 22,000 square feet.

3. Maximum building footprint inside a pedestrian shed of a Regional Activity Center delineated in the General Plan: No Maximum.

4. Maximum building footprint inside a pedestrian shed of an activity center in all other areas not described in subsections B.1., B.2., and B.3. of this section: Equal to, or less than, 22,000 square feet.

5. Excluding the Commercial Business (CB) zone, the minimum separation between the building footprints of structures on the same lot or parcel, and structures on an abutting lot or parcel, shall be separated by a distance that is the greater of 10 feet, or one-third the height of the taller structure.

6. Where the area of a pedestrian shed of an activity center intersects with the area of a pedestrian shed of another activity center, the pedestrian shed with the more restrictive maximum building footprint requirement shall govern the intersecting area. The locations of the pedestrian sheds of the activity centers are identified in the General Plan.

Staff is proposing to amend these requirements to remove references to designations in the Regional Plan and rather tie them to other codes and official designations.

In addition to the general requirements for HOHD and MHOHD projects, this zoning code text amendment altered the density requirements for all residential projects within the Resource Protection Overlay (RPO) as well as adding bedroom density allowances for all residential developments. HOHD or MOHD projects in commercial zones can exceed both maximum unit and bedroom density through the Conditional Use Permit process. Before this amendment, the Zoning Code included separate dwelling unit density standards for properties inside the RPO versus outside the RPO. For example, in the High Density Residential zone, properties outside the RPO were allowed a maximum of 29 units per acre and properties inside the RPO were allowed a maximum of 22 units per acre. The amendment added a third category for properties within the RPO and within the pedestrian shed of an activity center and provided the same density as if the property was outside the RPO (so, in this example, 29 units per acre). Changes to existing activity centers may create new legal non-conforming properties and limit the development potential of others. Staff recommends that all parcels within the same zone, regardless of the RPO or activity center, have the same density allowance.

IV. Findings:

At the August 27, 2025, Planning and Zoning Commission public hearing, the Commission will be requested to make a recommendation to the City Council on the proposed amendments based on the required findings specified in the Zoning Code. For your reference and discussion purposes, the required findings are specified below.

1. The proposed amendment is consistent with and conforms to the objectives and policies of the General Plan and any applicable specific plan;
2. The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City; and
3. The proposed amendment is internally consistent with other applicable provisions of this Zoning Code.

V. Community Involvement:

In accordance with Arizona Revised Statutes and the Zoning Code, the work session before the Planning and Zoning Commission was advertised in the Arizona Daily Sun on July 26, 2025, which is 18 days before the scheduled meeting date. Staff held a public open house on the amendment on June 5, 2025. To date staff has not received any public feedback on this amendment.

VI. 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:

1. PZ-25-00028: High Occupancy Housing Update