

PLANNING AND DEVELOPMENT SERVICES REPORT

Zoning Code Text Amendment

PUBLIC HEARING

PZ-25-00028

DATE: July 28, 2025

MEETING DATE: August 27, 2025

REPORT BY: Tiffany Antol, AICP

REQUEST:

The City is requesting a modification to the Zoning Code provisions in Chapter 10-40: Specific to Zones, Division 10-40.30: Non-Transect Zones, Section 10-40.30.030: Residential Zones, Table 10-40.30.030.C: Residential Zones – Building Form and Property Development Standards, and Section 10-40.30.040: Commercial Zones, Table 10-40.30.040.C: Commercial Zones – Building Form and Property Development Standards, to remove specific density requirements for properties within the Resource Protection Overlay (RPO). This amendment also includes modifications to Chapter 10-40: Specific to Zones, Division 10-40.60: Specific to Uses, Section 10-40.60.170: High Occupancy Housing (HOH) Developments and Mixed-Use High Occupancy Housing Developments to remove requirements tied to land use categories within the Regional Plan and to streamline general requirements for HOH projects. Lastly, the amendment includes modifications to existing definitions for HOH land uses as found in Chapter 10-80: Definitions, Division 10-80.20: Definition of Specialized Terms, Phrases, and Building Functions, Section 10-80.20.080: Definitions “H”.

STAFF RECOMMENDATION:

Staff recommends the Planning and Zoning Commission, in accordance with the findings in this report, make a recommendation to the City Council for approval of the City Code Text Amendment.

I. Proposed Amendment:

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 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.

II. Zoning Code Text Amendment

The Planning Director shall provide a recommendation to the Planning and Zoning Commission for its review. The Director's recommendation shall be transmitted to the Planning and Zoning Commission in the form of a staff report prior to a

scheduled public hearing. The recommendation shall include the following: an evaluation of the consistency and conformance of the proposed amendment with the goals and policies of the General Plan and any applicable specific plans; the grounds for the recommendation based on the standards and purposes of the zones set forth in Division 10-40.20 (Establishment and Designation of Zones) of the Zoning Code; and a recommendation on whether the amendment should be granted or denied.

A Zoning Code Text Amendment shall be evaluated based on the following findings:

A. Finding #1:

The proposed amendment is consistent with and conforms to the objectives and policies of the General Plan and any applicable specific plan;

Flagstaff Regional Plan 2030

Policy LU.10.6. In mixed use developments, encourage residential uses located above and behind commercial uses within urban areas as well as a variety of housing types where appropriate.

Policy LU.13.5. Encourage developers to consider at least one floor of apartments or offices over commercial development in mixed-use and activity centers and corridors.

Policy LU.18.17. Mixed use developments over 50 units per acre should be located in regional-scale activity centers.

Policy NH.1.7. Develop appropriate programs and tools to ensure the appropriate placement, design, and operation of new student housing developments consistent with neighborhood character and scale.

Policy NH.3.4. Reuse former brownfields, vacant buildings, and commercial buildings to provide new mixed-use and/or housing options.

Most goals and policies within the Regional Plan that apply to High Occupancy Housing are primarily focused on large scale mixed-use developments. None of the goals and policies are specific to the zoning code requirements which regulate these types of developments. The proposed amendment does not conflict with any of the existing goals and policies. The amendment will require that any future Conditional Use Permits for an HOH development be reviewed for conformance with these goals and policies in addition to the High Occupancy Housing Specific Plan. One of the primary purposes of this proposed amendment is to address anticipated changes in the land use categories within the draft Flagstaff Regional Plan 2045.

High Occupancy Housing Specific Plan

The following goals were developed in reaction to the development of large-scale mixed-use projects in Flagstaff after the adoption of the new Zoning Code in 2011 which encouraged mixed use projects by not restricting density.

Goal 1: Promote HOH buildings that connect and enhance existing urban patterns and historic activity centers.

Goal 2: Promote HOH primarily as a part of complete activity centers.

Goal 3: Leverage HOH to create more efficient and equitable transportation.

Goal 4: Enhance public spaces where HOH is located.

Goal 5: Strongly incentivize historic preservation and adaptive reuse.

Goal 6: Reduce waste and increase energy efficiency of HOH developments.

Goal 7: Improve NAU and City programs and tools for managing off-campus student housing.

Goal 8: Promote economic resiliency through building design in HOH developments.

Goal 9: Promote affordability and sustainability incentives.

Goal 10: Set legislative priorities for new tools to address HOH.

Like the Regional Plan goals and policies, the HOH specific plan focuses on large mixed-use developments. The Zoning Code includes a broad array of definitions for HOH land uses including single-family, duplex, and triplex building types. The plan's implementation strategies included zoning code changes to requiring a Conditional Use Permit for any project defined as HOH, increased parking requirements for HOH projects, and building footprint limitations based on the location of the proposed HOH project. None of the goals and policies of the HOH Specific Plan conflict with the proposed amendments.

10-Year Housing Plan

Create 4: Amend the Flagstaff Zoning Code to facilitate the development of all housing types.

Carbon Neutrality Plan

DD-1 Encourage vibrancy, appropriate density, and attainability in existing neighborhoods, so that more residents live within walking distance of their daily needs.

HA-1 Create housing options for households at all income levels and family sizes occupied by local residents.

B. Finding #2

The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City;

The proposed amendment is intended to address upcoming changes with land use categories in the existing Regional Plan that the Zoning Code depends on for implementation. The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

C. Finding #3

The proposed amendment is internally consistent with other applicable provisions of this Zoning Code.

The amendment is internally consistent with the existing Zoning Code, following its format and aligning with its comprehensive purpose. It does not conflict with any other provisions and ensures that the Zoning Code remains clear, usable, and easily understood.

III. CITIZEN PARTICIPATION

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 community open house on this amendment on June 5, 2025.

As of the date of this memorandum, staff has not received public comments on the proposed amendment.

IV. PLANNING AND ZONING COMMISSION WORK SESSION

At the Planning and Zoning Commission Work Session on August 13, 2025, staff reviewed the proposed Zoning Code Text Amendment application with the Commission.

Attachments:

1. Draft of Case No. PZ-25-00028 – High Occupancy Housing Update