



Framing Our Future Together

Presentation to the City of Flagstaff and Flagstaff community

Shane Phillips

June 13, 2025

Rising housing prices have stifled upward mobility

Before 1980, lawyers and janitors both earned more money in New York than Alabama, even after living expenses

Today, lawyers are still better off in NY, but janitors are not — **because of rising housing costs**

Result: less advantaged people are sorting into low-opportunity (and out of high-opportunity) places, **hurting their chances for upward mobility**

How housing policy broke America's economic engine

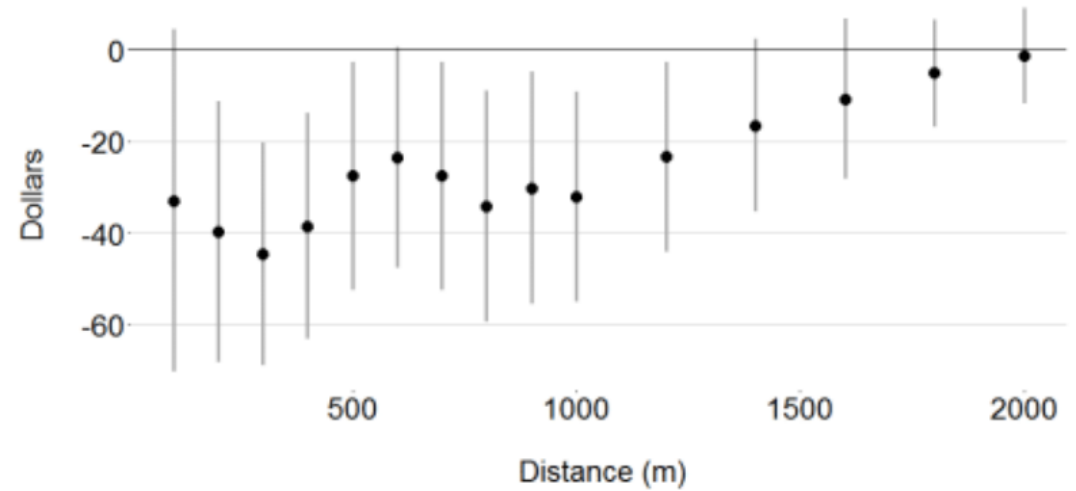
In states with **less restrictive land use rules**, rising incomes resulted in more homes, preserving affordability

In states with **more restrictive rules**, rising incomes did not lead to more homes, and prices rapidly increased instead

Rising prices prevented lower-wage workers from moving to opportunity and staying in high-opportunity communities

All else equal, places that build more housing are more affordable than those that build less

See: “Supply Skepticism Revisited”
from the NYU Furman Center



(a) 1BR Rents

Pennington, K. (2021). Does building new housing cause displacement? The supply and demand effects of construction in San Francisco.

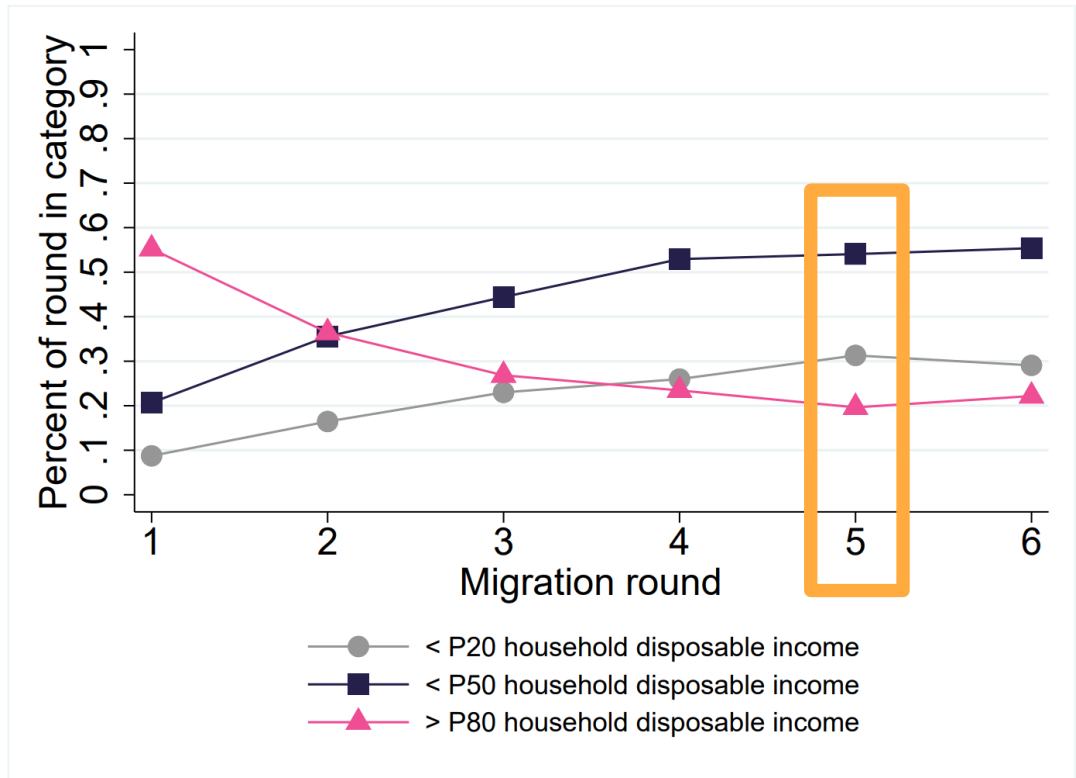
New buildings “pull people up” into higher quality homes, loosening pressure across the market

Move 1: Household A moves into new \$2,000/month market-rate unit, leaving behind a \$1,600 unit.

Move 2: Household B moves into \$1,600 unit, vacating \$1,300 unit.

...

Move 5: A vacancy is created in an \$800/month unit – without subsidies



(e) Market-rate, individuals

Housing and climate...

Building energy and transportation are ~80% of Flagstaff's emissions

Infill lowers emissions by reducing driving distance and frequency (e.g., Zhang, Hong, Nasri, and Shen, 2012)

And by sharing walls and reducing space per person (e.g., Norman, MacLean, and Kennedy, 2006)

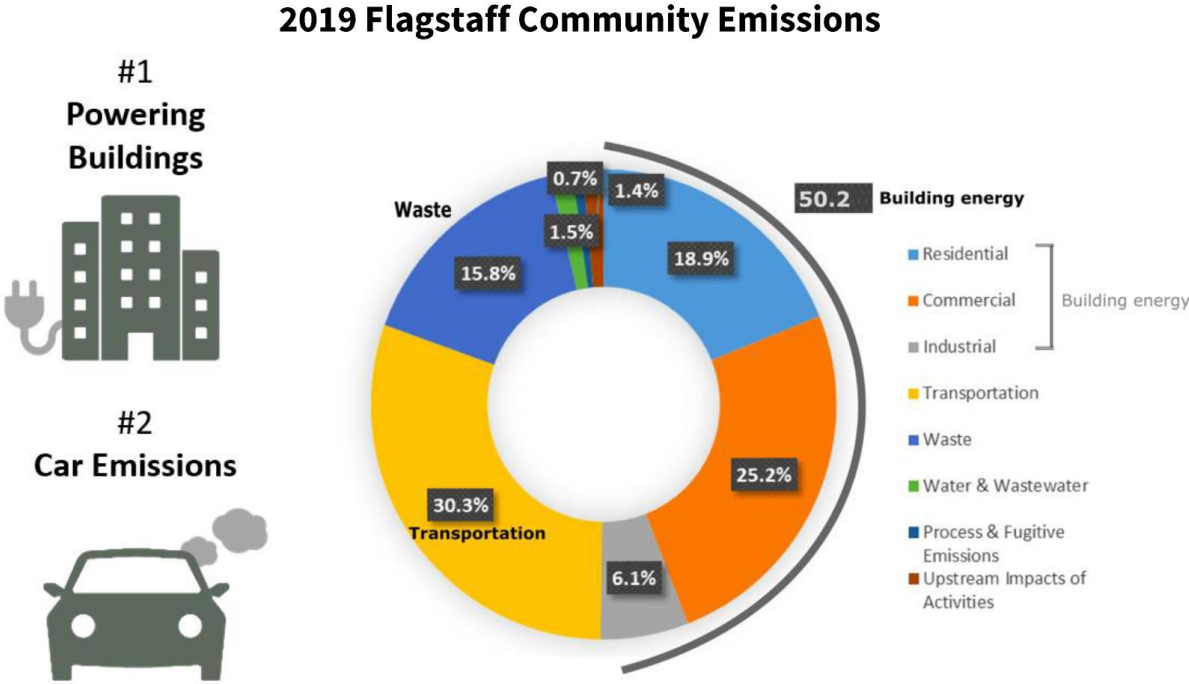


Figure 15. Greenhouse gas emissions from activities across the Flagstaff community in 2019.

Source: City of Flagstaff Carbon Neutrality Plan

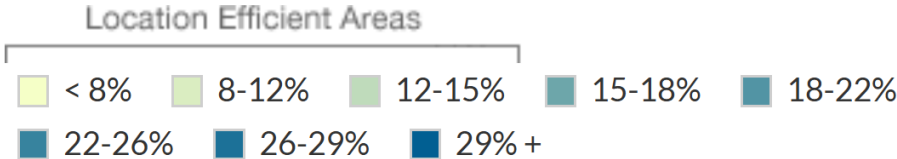
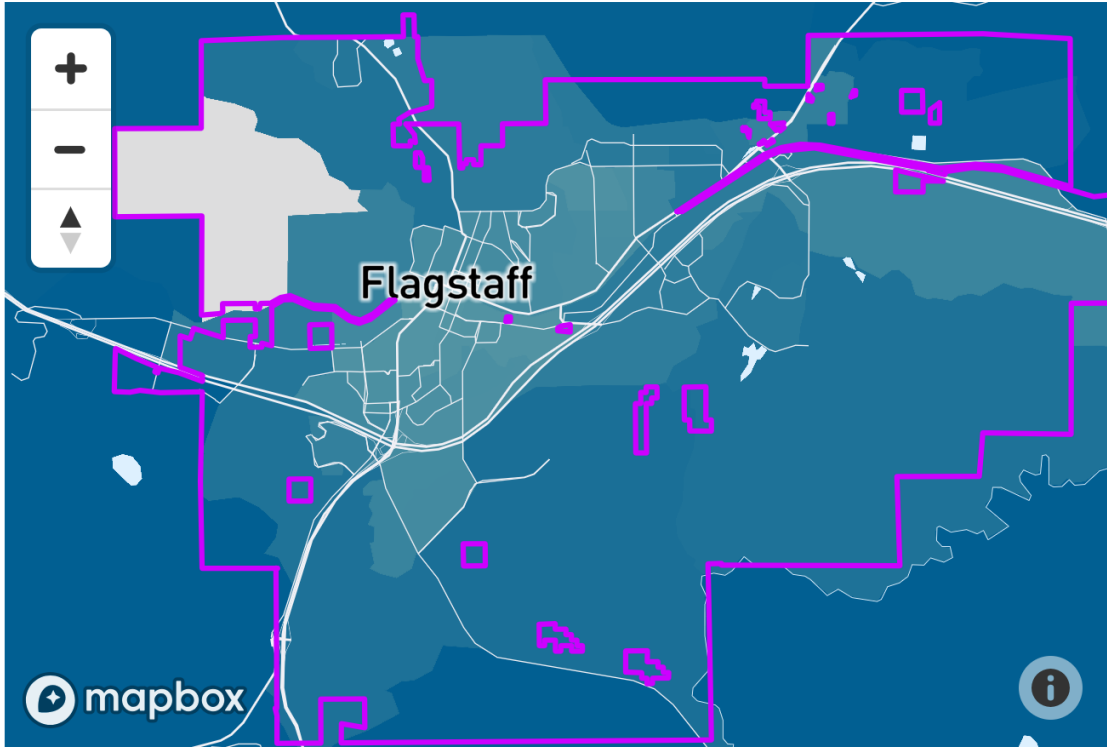
Housing and transportation...

Reduced driving also means lower transportation costs (H+T Index)

Buildings that include fewer parking spaces *cause* residents to own fewer cars and drive less (Millard-Ball, West, Rezaei, and Desai, 2022)

They also rent and sell for less (Shoup, 2005; Gabbe and Pierce, 2017)

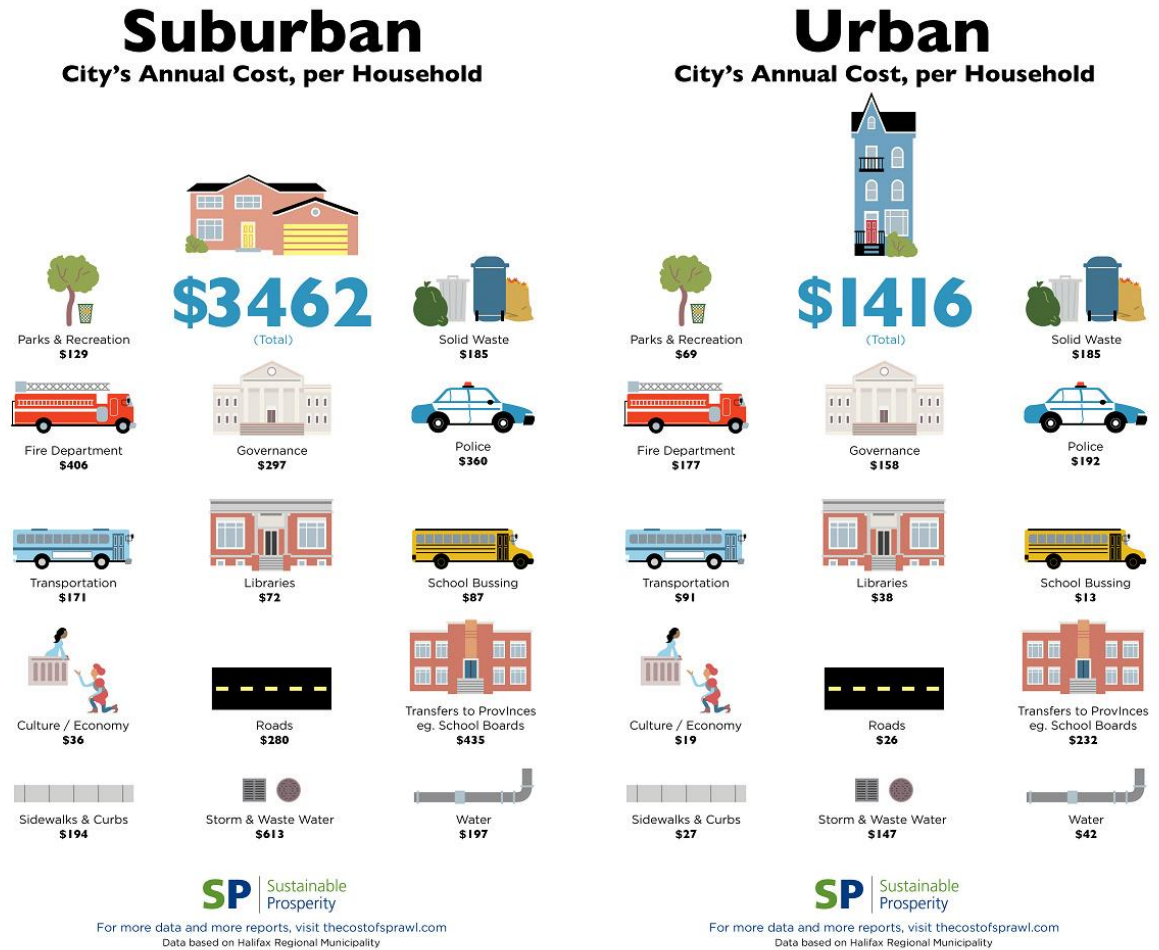
Map of Transportation Costs % Income



Housing and budget...

Suburban development patterns require more utility and road infrastructure per household, and more expensive/extensive services in general

At the household level, utility costs are lower for smaller, denser homes — and so are maintenance costs



Housing and health...

Urban sprawl associated with fewer minutes walked, obesity, higher BMI, and hypertension (Ewing, Schmid, Killingsworth, Zlot, and Raudenbush, 2003)

Compact urban form associated with lower motor vehicle fatality risk, the leading cause of death among Americans age 1 to 34 (Ewing, Schieber, Zegeer, 2003)

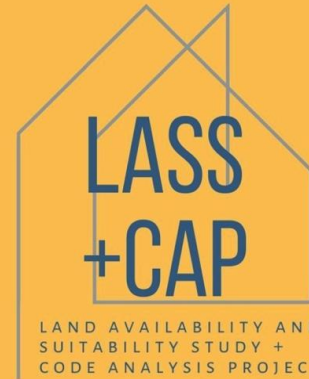
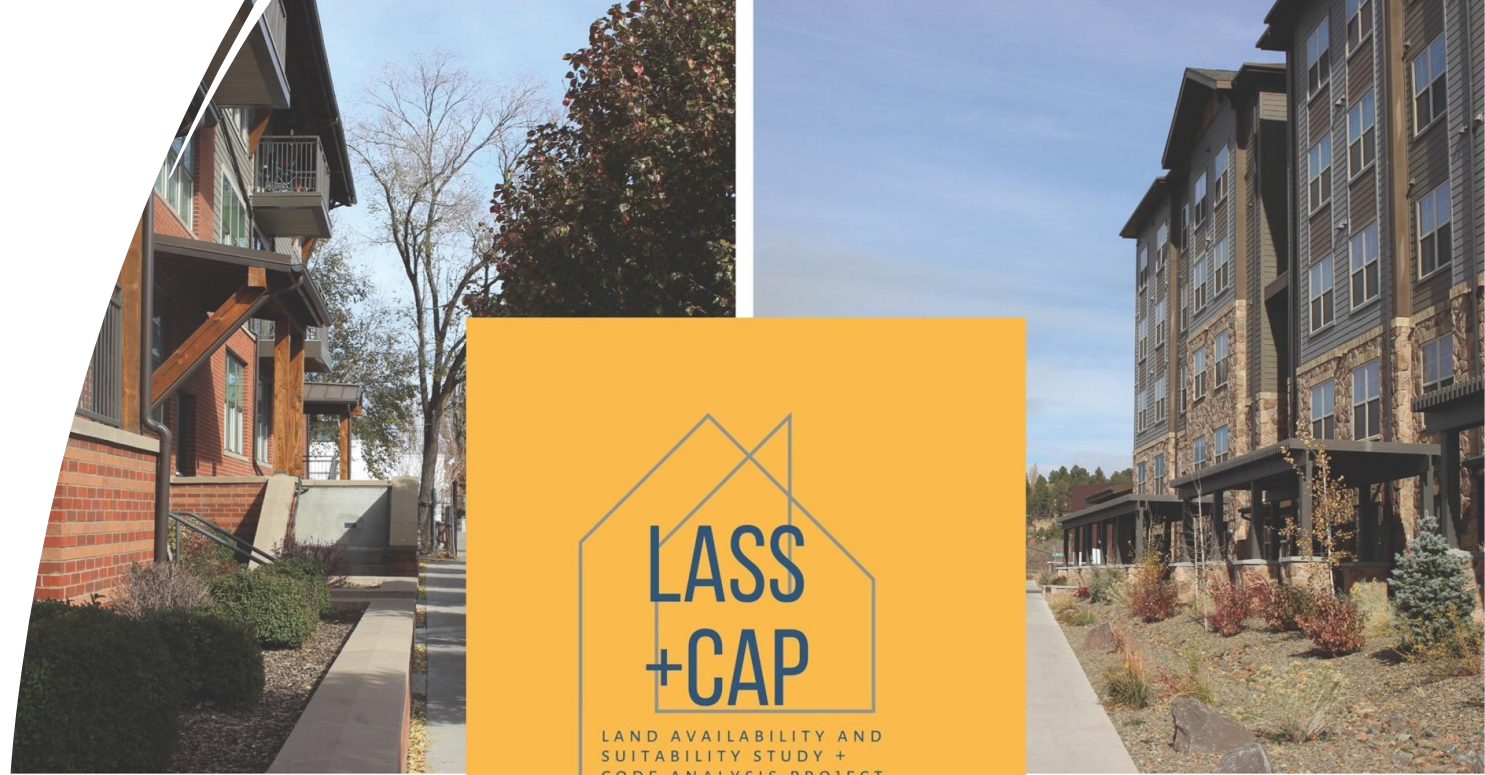
Reminder: Stay Positive!

You've created wonderful places that people want to call home. Demand drives up prices, but it can be harnessed to improve your city and share its opportunities with more neighbors.

Framing Our Future Together

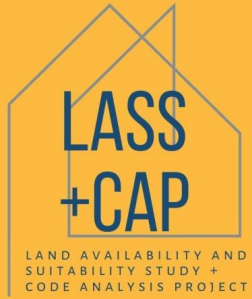
A Community Conversation

June 13, 2025



CITY OF FLAGSTAFF

CODE ANALYSIS PROJECT—
CODE CONCEPTS REPORT



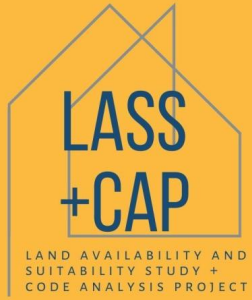
City Housing and Climate Goals

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



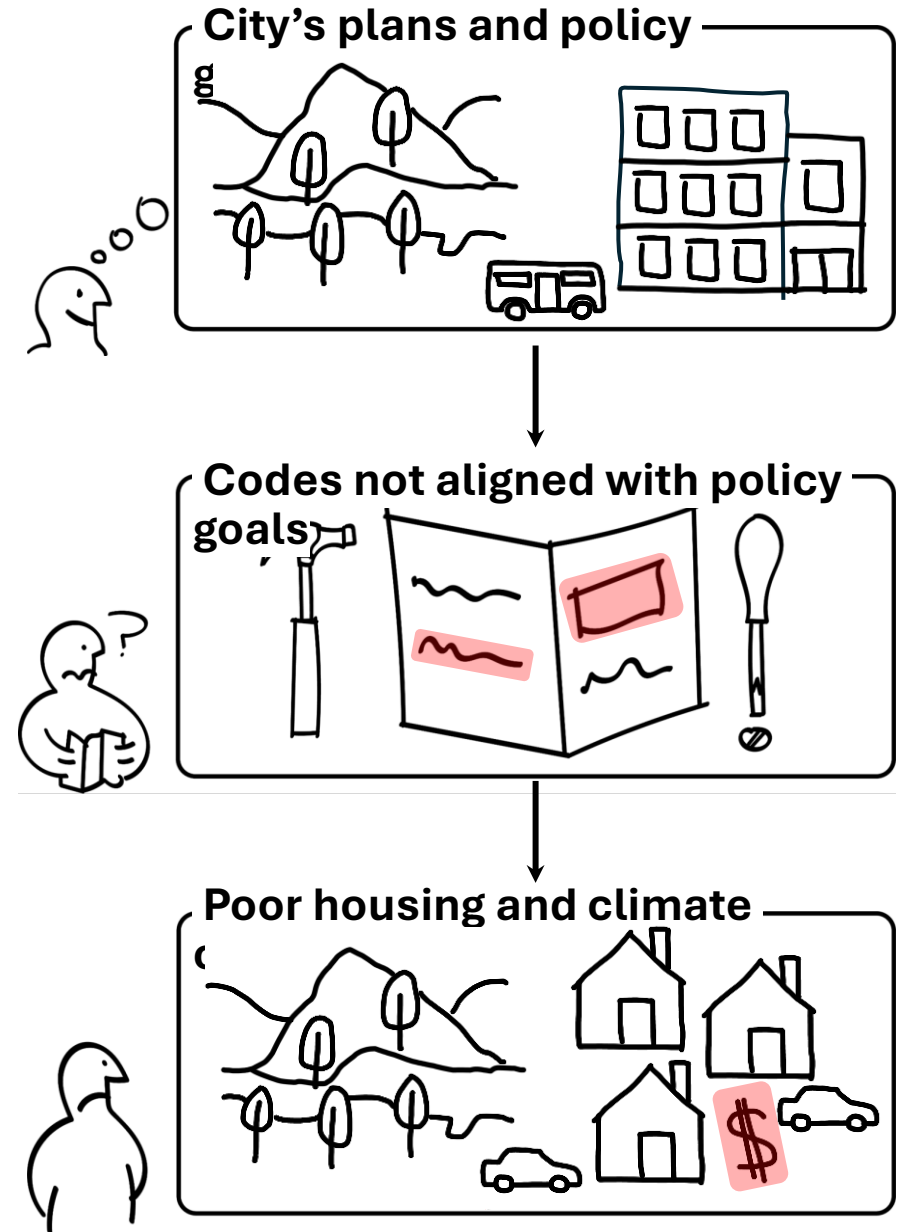
Overview & Objectives of the LASS+CAP Project

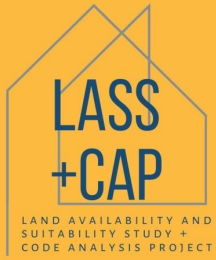
- The Land Availability & Site Suitability Study (LASS) examines the suitability of available land to determine opportunities and barriers to housing development (**Complete**)
- The Code Analysis Project (CAP) is intended to evaluate development codes and processes to identify areas of improvement towards the City's housing and climate goals. The project has been broken into three separate tasks:
 - Phase 1: Code Diagnostic Report (**Complete**)
 - **Phase 2: Code Concepts to address highest priority barriers (We are here)**
 - Phase 3: Final Code Recommendations

PURPOSE AND GOALS - CAP

Development codes are a key tool for achieving housing and climate goals.

- Plans and policies call for bold, urgent action.
- Codes are not functioning as an effective tool to implement plans and policies.
- Codes may prioritize other goals above housing and climate.
- Codes may have been written in a different context and are now out of sync with today's economic and climate realities.





Phase 1: Code Diagnostic Report

Identified key code barriers to housing & climate goals



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



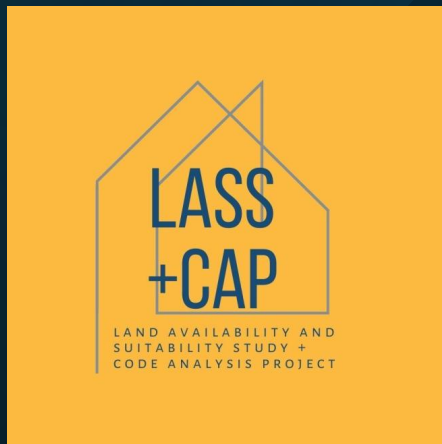
TRANSPORTATION IMPACT FEES



TRANSPORTATION DEMAND MANAGEMENT FOR TIAS.

Project Team Proposal

Q1: Density



Where and how should we increase density?

- Across all zones, except:
 - RR (Rural Residential) and ER (Estate Residential)
 - R1N (Single Family Residential – Neighborhood)
- Calibrate increases for each zone to improve viability of middle housing in all zones

Should by-right density increases be limited to areas where people tend to drive less?

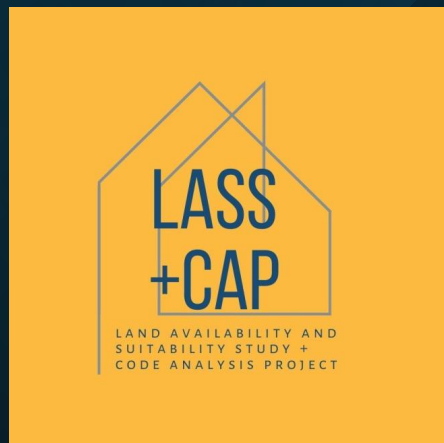
- No, density should be increased in all areas
- Focus highest density development along permanent transit network (current and projected)
 - Replace High Occupancy Housing (HOH) requirements with Transit-Oriented Development (TOD) requirements

Do we want to increase density allowances for only affordable housing projects or all housing development?

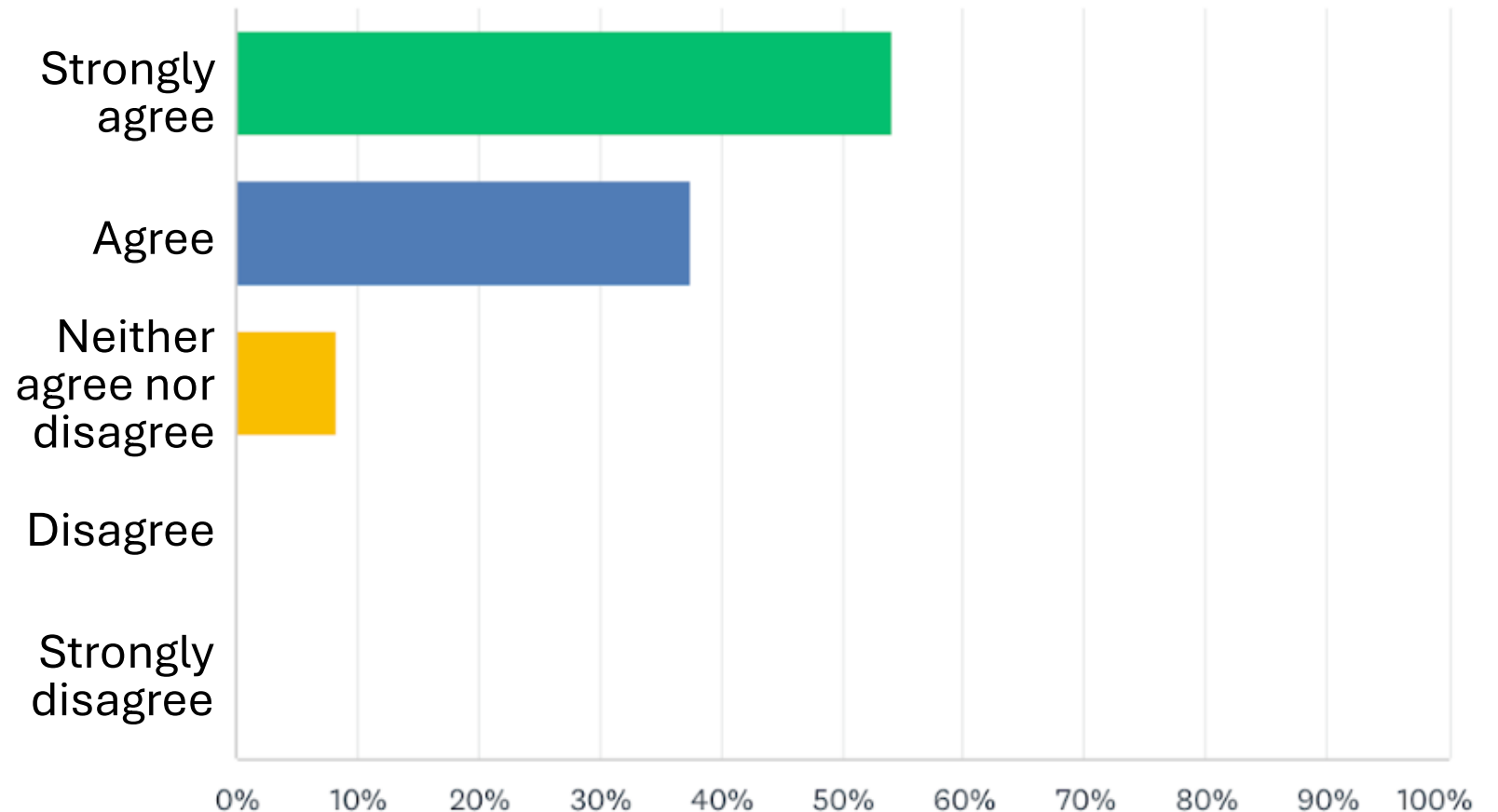
- Increase density for all housing
- Improve effectiveness of density bonuses for affordable housing

Survey Results

Q1: Density

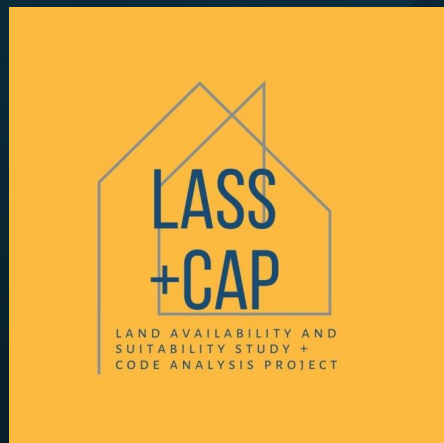


Do you support increasing the housing supply, particularly in areas where people tend to drive less?

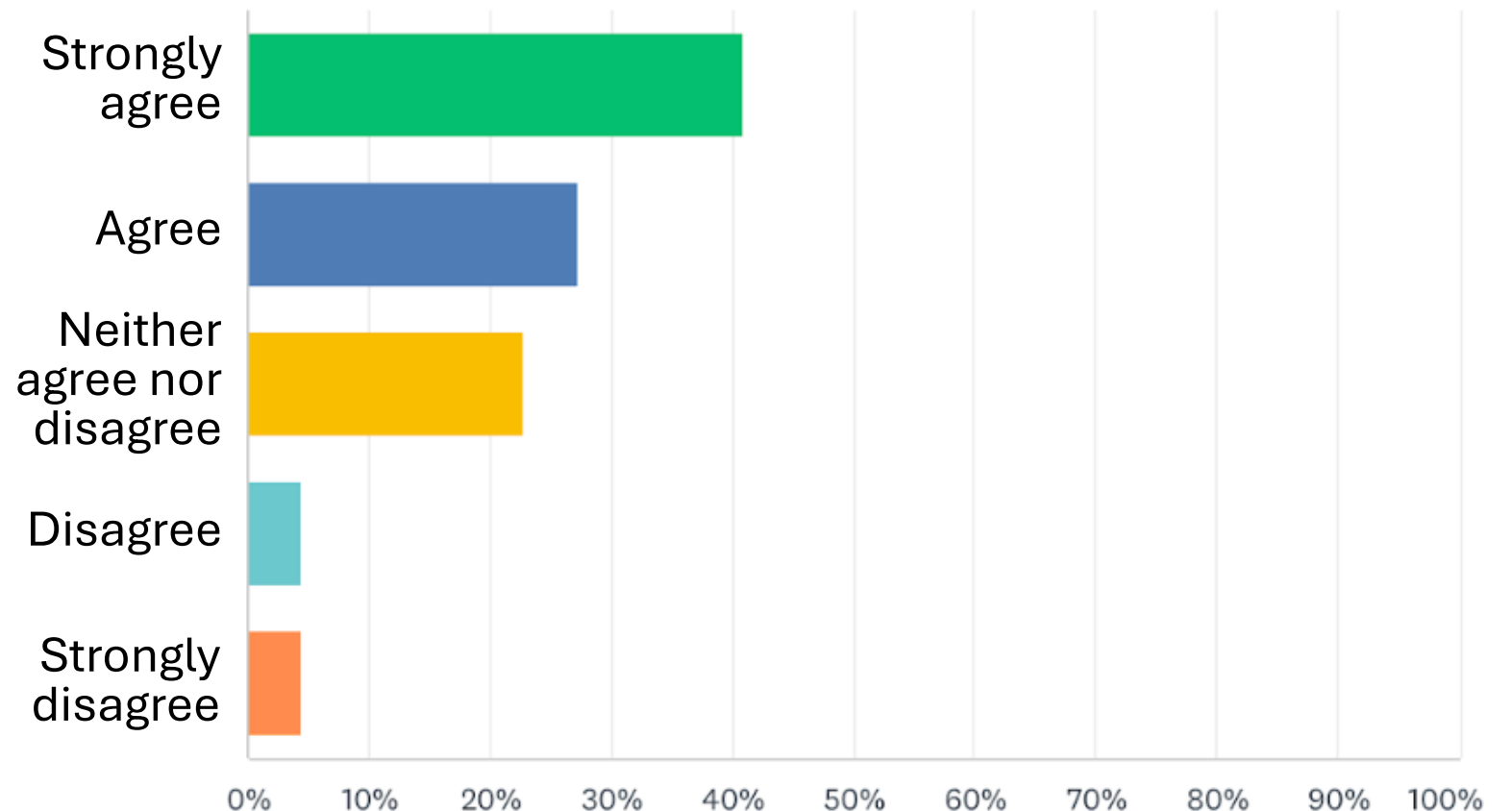


Survey Results

Q1: Density



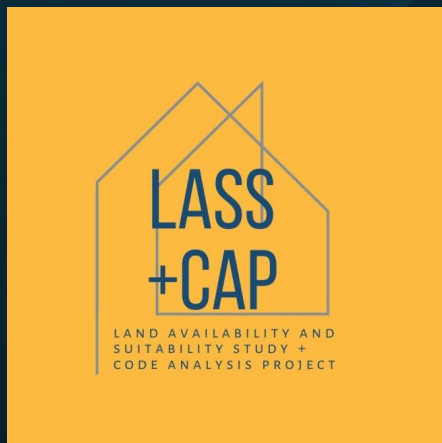
Do you support enhancing the current Affordable Housing Incentive Policy with additional regulatory and/or financial incentives?



Conversation

Please share your thoughts

Q1: Density



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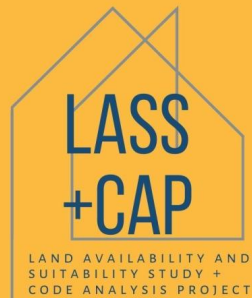
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Decision Point

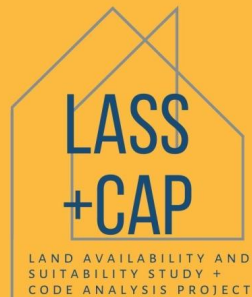
Q2: FAR



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

Project Team Proposal

Q2: FAR

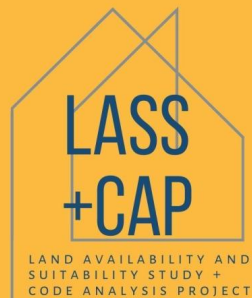


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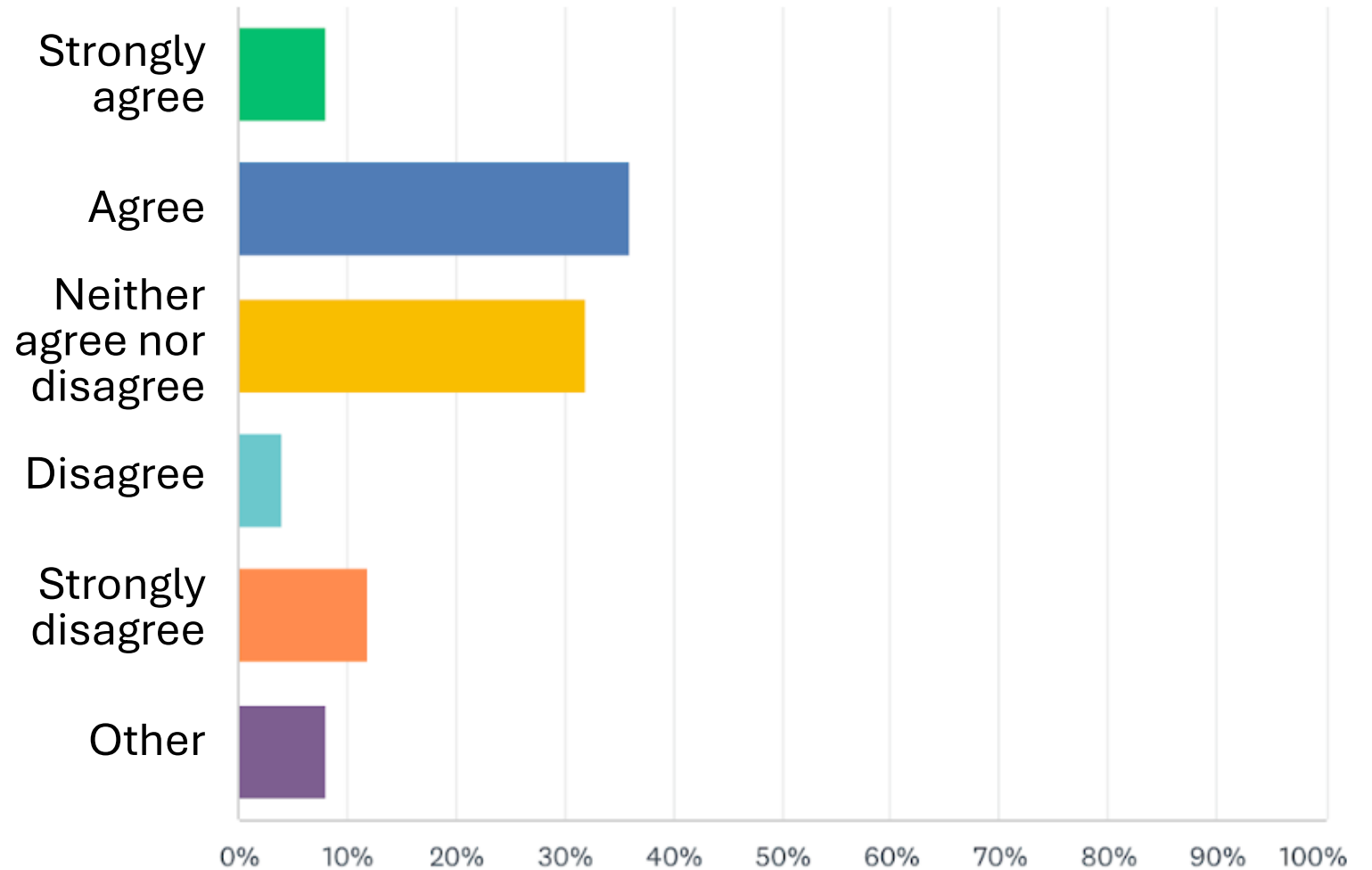
- Yes, add FAR caps and calibrate by zone
- Evaluate how lot coverage and FAR may work together in some zones. For example:
 - Possibly keep or update lot coverage in R1, R1N, and MH zones
 - Consider removing or updating lot coverage in CC, MR, HR zones
- Consider calibrating FAR and lot coverage differently for large and small parcels
- Consider how FAR works in conjunction with maximum bedroom density per acre (currently in code) for very high-density developments

Survey Results

Q2: FAR



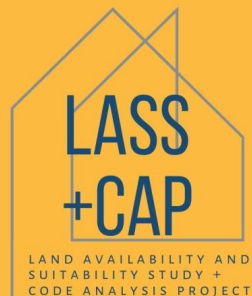
Do you support managing the footprint of residential land uses with Floor Area Ratio (FAR)?



Conversation

Please share your thoughts

Q2: FAR

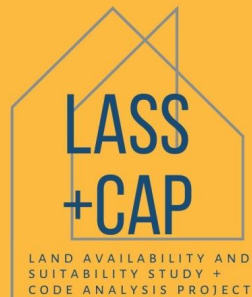


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Decision Point

Q3: Menu of Sustainability Options

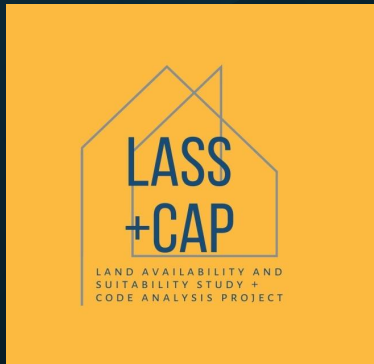


Do you support creating a menu of sustainable design options for developers to choose from?

Should a wider menu of Transportation Demand Management (TDM) strategies be included in this menu?

Project Team Proposal

Q3: Menu of Sustainability Options



Do you support creating a menu of sustainable design standards in the base Zoning Code to choose from?

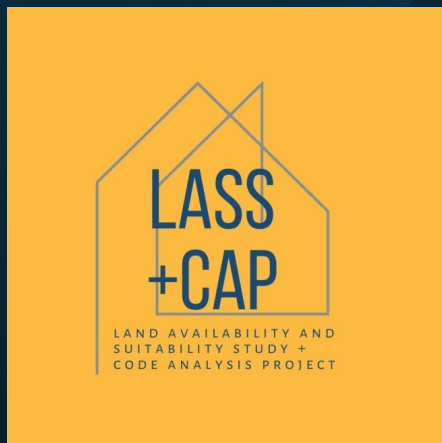
- Yes, develop a simple, understandable menu that focuses on most impactful design features while providing flexibility for developers to choose what works best
 - Group menu items into different categories (energy, water, transportation, waste, materials, etc.)
 - Options should have the greatest impact on climate and the smallest impact on costs

Should a wider menu of TDM strategies be included?

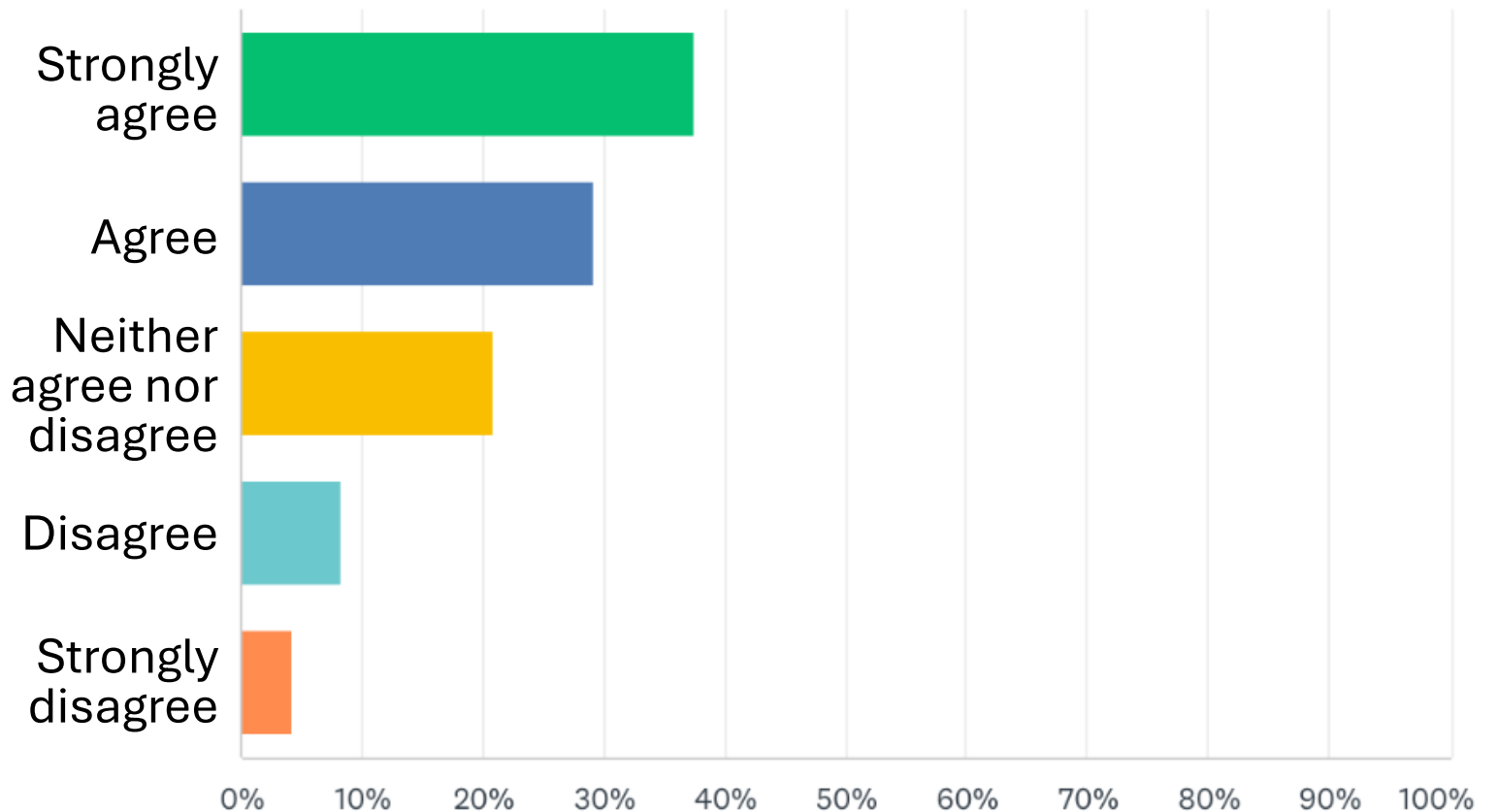
- Yes, all developments should earn a certain number of points for TDM design features
- Tie parking reductions to TDM measures that reduce demand for travel by single-occupancy vehicles
- Update the Traffic Impact Analysis (TIA) process and mitigation requirements to work complement TDM and parking reductions in the Zoning Code

Survey Results

Q3: Menu of Sustainability Options



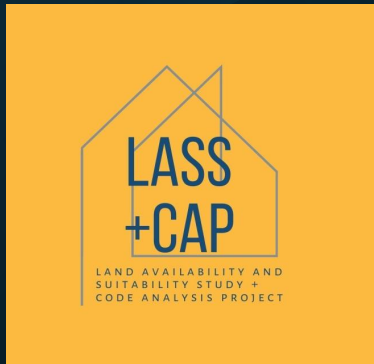
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Conversation

Please share your thoughts

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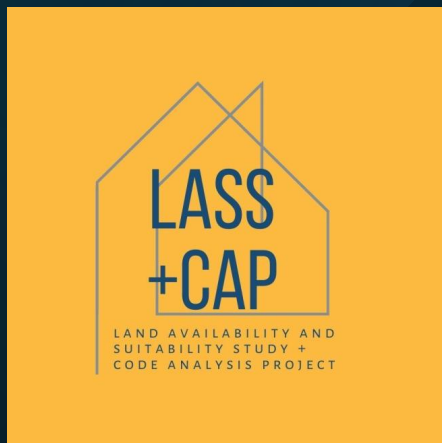
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Decision Point

Q4: Parking



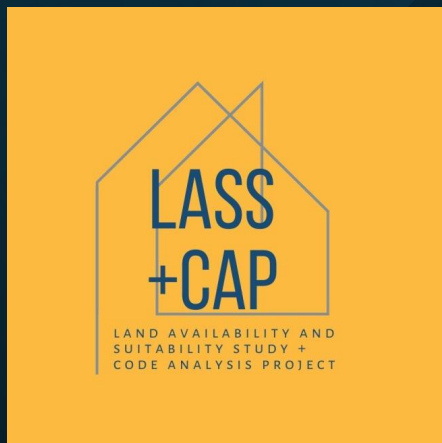
Do you support moving forward with parking reductions?

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?

Project Team Proposal

Q4: Parking



Do you support moving forward with parking reductions?

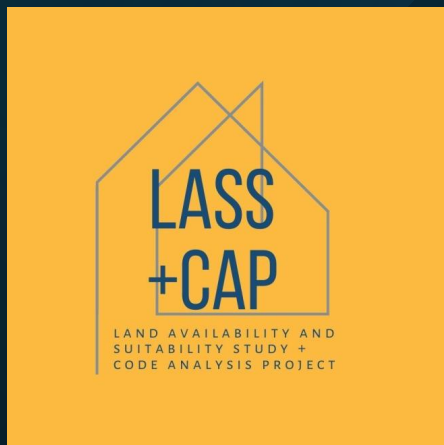
- Yes. Reduce, don't eliminate, on-site parking requirements
 - Reduce base parking requirement to 1-1.5 spaces per unit
 - More dramatic on-site parking reductions may be appropriate for transit-oriented development (TOD) located near the permanent transit network
 - Explore future on-site parking reductions once we have a better understanding of the impacts of all of the code changes, including reducing minimum on-site parking requirements

Parking reductions are consistent with state law, which already limits parking in specific circumstances:

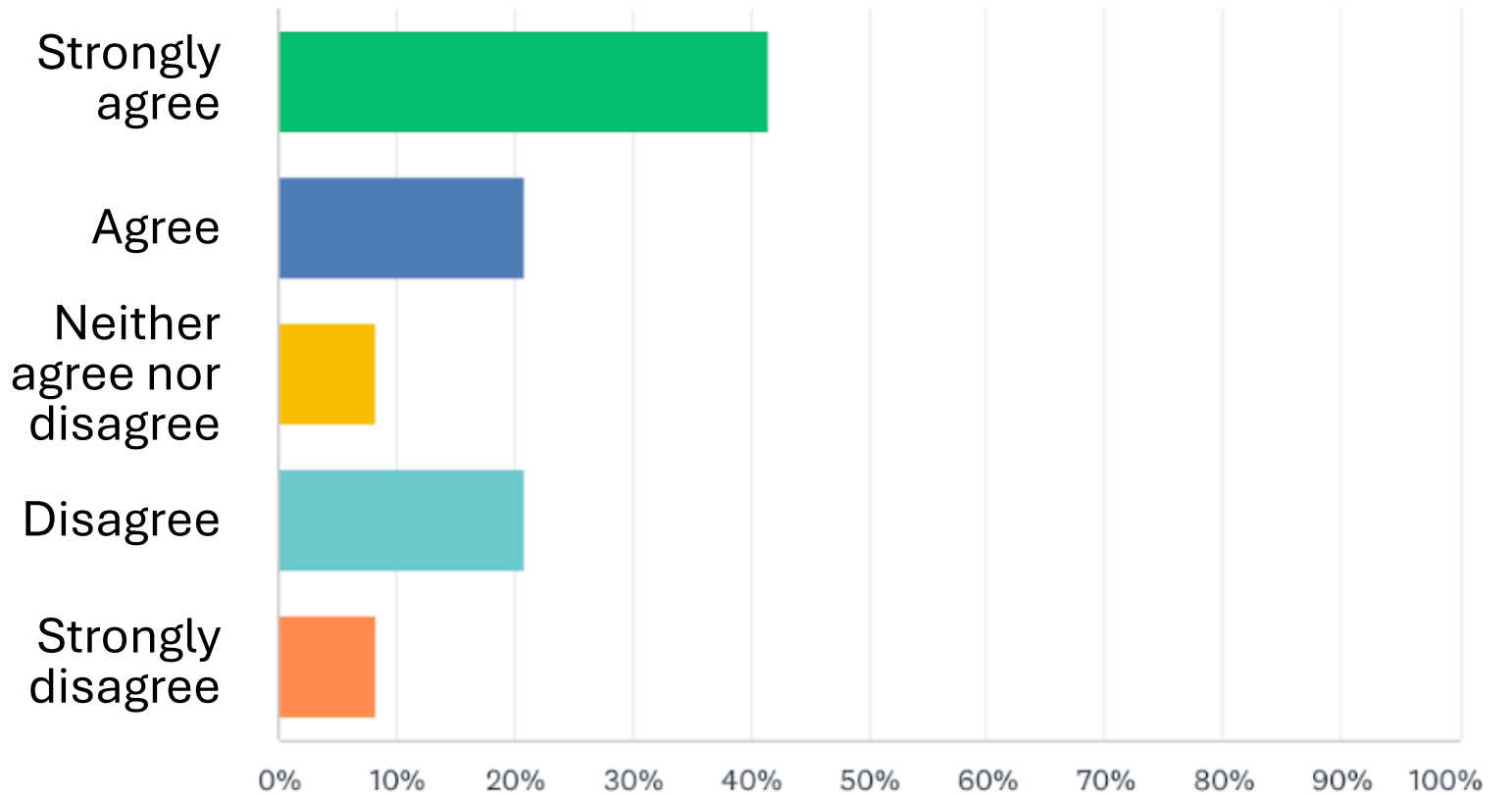
- *Cities cannot require parking spaces for ADUs*
- *For middle housing, cities cannot require more than 1 parking space per unit*

Survey Results

Q4: Parking



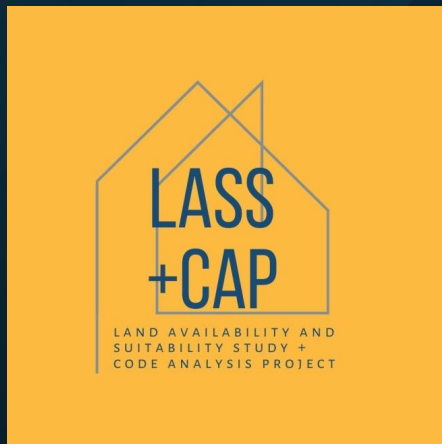
Do you support considering parking reductions for new housing and/or commercial developments?



Conversation

Please share your thoughts

Q4: Parking



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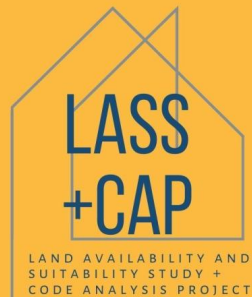
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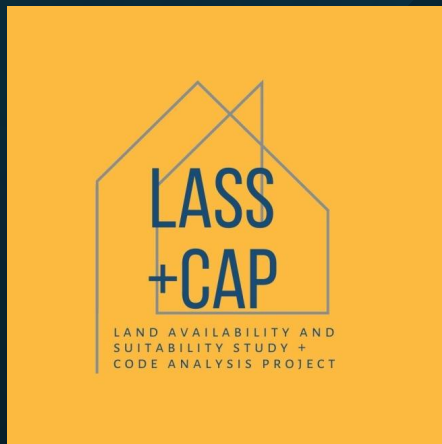
Q5: Reduced
Street Widths

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



Project Team Proposal

Q5: Reduced Street Widths



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

Yes. Narrower street widths enhance safety in residential neighborhoods because they:

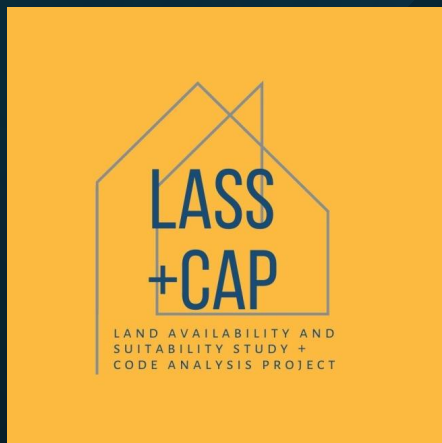
- Reduce car speeds and conflicts
- Provide more land for housing
- Reduce the costs of development associated with building streets and losing land

At a minimum, reduce current Right of Way (ROW) by 3', from 57' to 54'

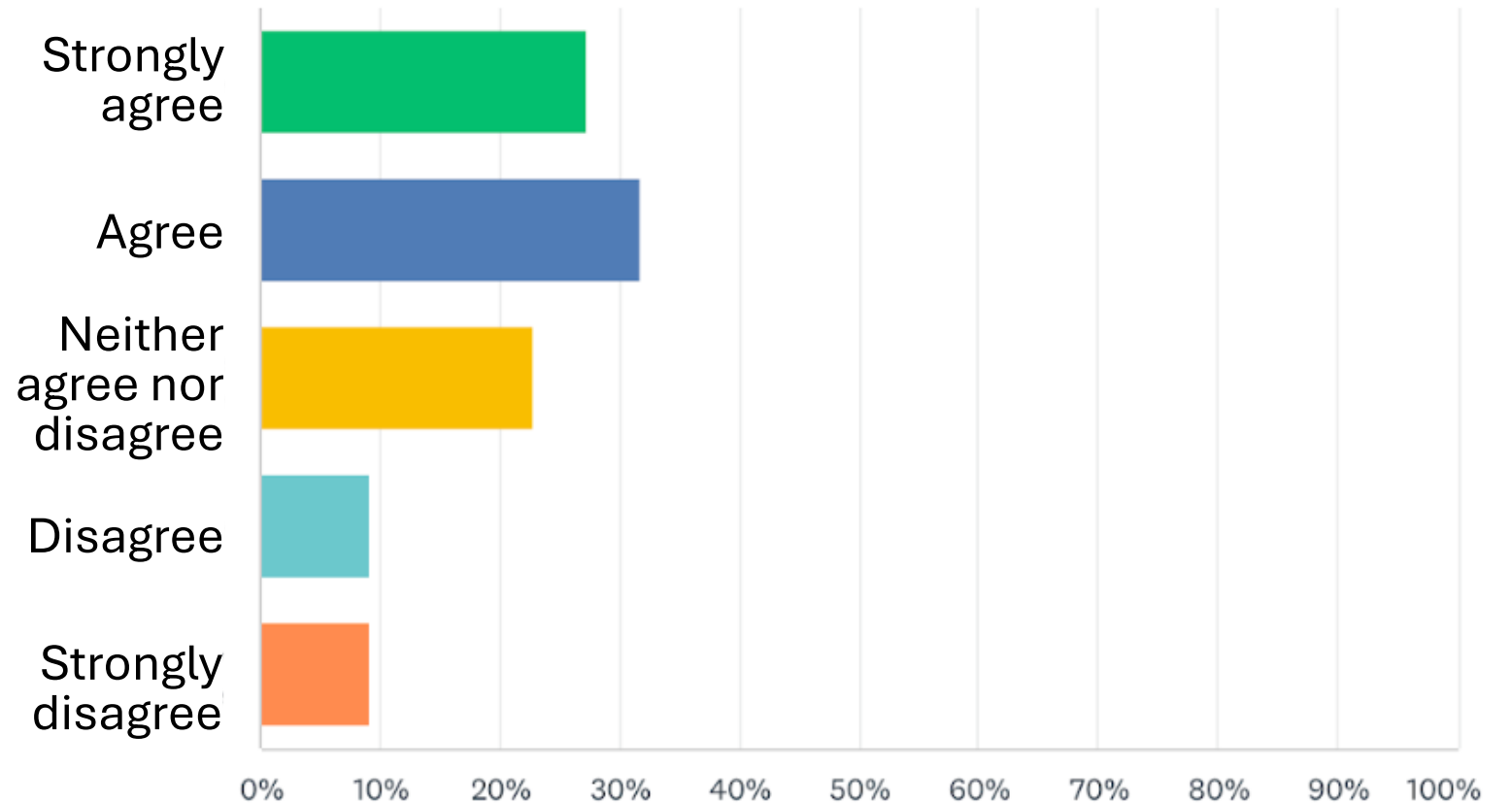
- Explore creative ways to reduce street cross-sections
- Allow an alternative street standard, such as a 48' or narrower ROW cross-section, to support higher-density single-family developments (such as attached townhomes)
- We need to be creative with how we preserve our historic downtown streets

Survey Results

Q5: Reduced Street Widths



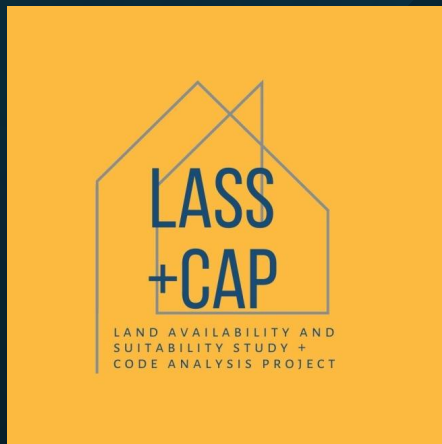
Do you support developing a strategy and process for allowing narrower local street designs?



Conversation

Please share your thoughts

Q5: Reduced Street Widths



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

Yes. Narrower street widths enhance safety in residential neighborhoods because they:

- Reduce car speeds and conflicts
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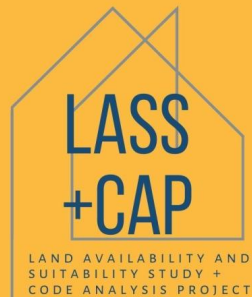
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Decision Point

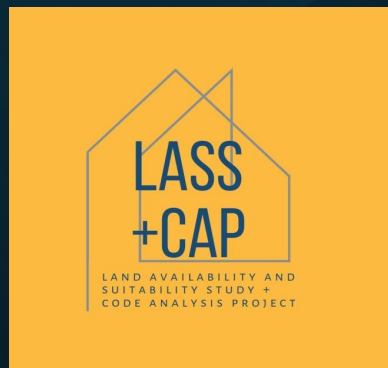
Q6: Winter Parking Ordinance

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



Project Team Proposal

Q6: Winter Parking Ordinance

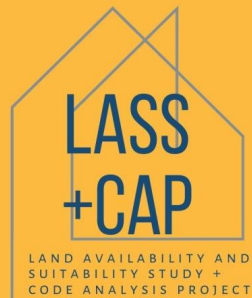


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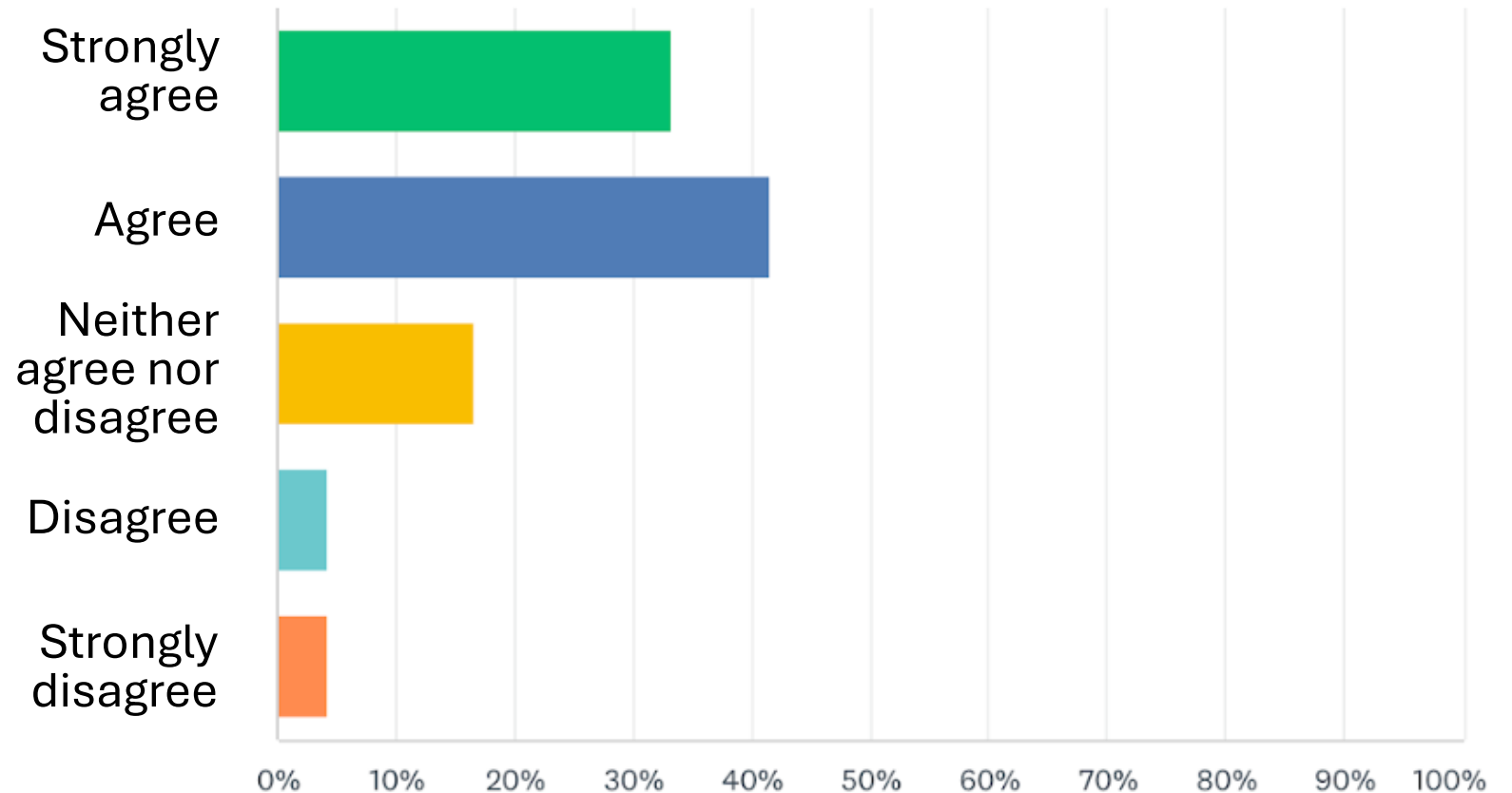
- Yes. We should be able to park on residential streets even during snow events
 - We currently can't park on our major arterials anyway, which is where snow-plowing operations are most critical
- Any changes to the Winter Parking Ordinance will need to consider impacts to other City divisions' staff time and capacity
 - For example, staff time could be saved if there is no longer a need to enforce the Winter Parking Ordinance
- We need to change our expectations as a community around snow plowing, especially as Flagstaff grows

Survey Results

Q6: Winter Parking



Do you support developing a strategy and process for a more flexible Winter Parking Ordinance?



Conversation

Please share your thoughts

Q6: Winter Parking Ordinance



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

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Synthesis

Decision Point 1: Where and how should we increase density?

Decision Point 2: Support for managing residential intensity using Floor Area Ratio (FAR).

Decision Point 3: Menu of Energy Efficiency & Resilience Design Options

Decision Point 4: Parking Reductions

Decision Point 5: Street Width Strategy

Decision Point 6: Winter Parking Ordinance

Next Steps

- Meet with groups that are interested
- City Council meeting on August 26th
- Finalize feedback on Code Concepts and Decision Points
- Consultant creates Final Code Recommendations
- Code updates by City Staff

Floor Area Ratio

Floor Area Ratio regulates the total size of a building (all floors) in relation to the total size of the development site.

Parcel Size	.5 FAR	.8 FAR	.9 FAR	1.2 FAR	1.8 FAR
6,000 sf	3,000 sf	4,800 sf	5,400 sf	7,200 sf	10,800 sf
7,500 sf	3,750	6,000	6,750	9,000	13,500
10,000 sf	5,000	8,000	9,000	12,000	18,000
14,000 sf	7,000	11,200	12,600	16,800	25,000
23,000 sf	11,500	18,400	20,700	27,600	41,400
35,000 sf	17,500	28,000	31,500	42,000	63,000

Lot Coverage regulates only the footprint of a building in relation to the total size of the development site.