

City of Flagstaff

2026 Washington DC Lobbying Trip

Internal Briefing Book

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Rio De Flag

Background Information

- The City of Flagstaff, Arizona is impacted by the 100-year flood plain of the Rio de Flag (RDF) drainage, which covers large portions of the downtown business district and historic neighborhoods.
- In addition to the community health and safety risk, a significant flood event would damage approximately 1,500 structures valued at over \$916 million and cause \$93 million in economic damages, for a total impact of over \$1 billion (Army Corps 2008 estimates).
- Properties in the area also require mandatory flood insurance if a mortgage is in place as well as restrictive floodplain management regulations.

Project Information

- The Rio de Flag Flood Control Project proposes to contain the 100-year flood event through construction of 2.9 miles of underground and open channel improvements through central Flagstaff and construction of a 72-acre detention basin, which has been completed.
- Construction of the channel improvements will require relocation of utilities, reconstruction of street improvements, construction of bridges, environmental remediation, and property acquisition.
- The Project was originally authorized in the Water Resources Development Act of 2000 for \$24 million and subsequently reauthorized in 2007 for \$54 million. On December 10, 2016, the Water Infrastructure Improvement Act for the Nation reauthorized the project for \$102.9M. The current cost estimate has recently increased from \$122 million to approximately \$243 million.
- The Army Corps has spent \$32 million to date (including project design, construction of the Clay Avenue Wash Detention Basin and Butler Tunnel, and staff administration) and the City of Flagstaff has spent \$40 million (including project design, construction of the Thorpe Bridge, real estate acquisition, City project cost share and cash contribution, public involvement, environmental clearance, and staff administration).
- The final design for the main stem improvements is currently at 100% final draft and nearing completion.

BNSF Railway

- A large portion of the Lower Reach section of the project is located on BNSF Railway (BNSF) property and its main line track has the potential to experience flooding and impact rail operations.
- In 2026, the City will continue to work with BNSF to finalize project agreements to prioritize the construction of the RDF. These agreements are a crucial requirement for approving construction in 2027 and the future viability of the project depends on timely completion of these documents.

Army Corps of Engineers

- In February 2020, the Army Corps awarded \$52 million in federal funding through its annual work plan to complete the Rio de Flag Flood Control Project. In light of the recent cost estimate revision, the Army Corps is currently going through a Change Control process. Alternatives are being evaluated for value engineering and project phasing to keep construction start on track for 2027.
- Proceeding with the Lower Reach portion of the project with the available funding is the City's highest priority. This phase of the project provides the greatest relief from flooding impacts to our most vulnerable citizens. The City is working toward funding its increased cost share and will need strong support to secure the federal share to keep this project moving forward.

Requests

- The City has been relentless in fighting for this project to safeguard its citizens from significant flood risk for decades.
- We have strategized and formed partnerships with federal, state, and private entities to deliver this flood control project, along with significant transportation projects that improve safety and economic opportunity for the region and nation.
- We have simply come too far to have this project stall any further and we request your support in this effort.
 - We ask that you encourage BNSF's continued participation in expediting a reasonable and cost-effective solution for the Army Corps and City to deliver the RDF Project with focus on approving the agency agreements for Phase 4 (Lower Reach) of the project.
 - Encourage the Army Corps to approve the Post Authorization Change Report to reestablish the authorized project costs and fund the total project through the Water Resources Development Act.
 - Encourage the Army Corps to provide \$16M in work plan funding to begin construction of Phase 4 (Lower Reach) in 2027.

Rio de Flag Project – Lower Reach – Improvement Area



Rio de Flag Project – Upper Reach – Composite Channel Improvement Area



NAIWRSA/ Red Gap Ranch Regional Pipeline

Background Information

- In 2005, Flagstaff residents approved a \$15 million dollar bond to secure future water supplies. That year, the City purchased Red Gap Ranch, 40 miles east of Flagstaff, as a future water supply, for \$7.9 million.
- Since 2005, the City has invested millions more by drilling municipal water supply wells, and designing and engineering the Red Gap Ranch Regional Pipeline Project to a 10% design. This Regional Project has the potential to deliver water and provide water resiliency and sustainable economic development to the City, our tribal neighbors, the Arizona State Land Department (ASLD), and others along the I-40 corridor.
- This imported water supply is critical for the region because the City's existing water supplies are located on heavily forested USFS lands, and the City remains in the 99th percentile of cities nationwide for wildfire risk (Wildfirerisk.org). The recent Dragon/Bravo fires at the Grand Canyon (2025) are illustrative of the serious risk to regional water supplies.

NAIWRSA

- The City is one of 38 parties to the 2024 Northeastern Arizona Indian Water Rights Settlement Agreement (NAIWRSA) and supports passage of the pending NAIWRSA Act by Congress.
- On March 10, the City provided a letter of support for NAIWRSA and its representative attended the SCIA Hearing in DC. The Regional Project is mentioned in NAIWRSA, although not funded through NAIWRSA. The City and Navajo Nation's technical representatives have been working cooperatively in furthering a Regional Project that remains consistent with NAIWRSA.
- After the settlement was executed, the Bureau of Reclamation completed a Value Planning process with the City and Navajo Nation (Hopi observed) to evaluate the Regional Project (2025). The Value Planning process identified the preferred alignment along the I-40 corridor as the highest-ranking alternative identified to address critical water supply needs for the City and Navajo Nation, including the proposed economic development plans Navajo Nation in the southwestern area of the Navajo Reservation. The Value Planning Report has not yet been finalized by the BOR.
- Although Governor Hobbs, Senator Kelly, and ASLD Commissioner Sahid each sent letters of support for the Regional Project and requested the BOR to proceed to an appraisal level study, the BOR has not yet formally committed to do so.
- The City's representatives met with the BOR at the CRWUA annual meeting in December 2025, and BOR leadership, including Deputy Commissioner David Palumbo, expressed positive support for the Regional Project, and promised to consider a formal commitment and meet again with the City and Navajo Nation in early 2026.

- Based on the decades of research already conducted, and the commitment of technical and other resources, the City believes an appraisal level study could be completed by the BOR in 2026.

Requests

- Continued support for passage of NAIWRSA.
- Continued support and assistance in obtaining an appraisal level study through the BOR.
 - If the BOR determines that the Regional Project meets federal objectives and is feasible, the City will ask for support for draft legislation for a \$30 million appraisal/feasibility bill authorizing the BOR to conduct a feasibility study for the Red Gap Ranch Regional Pipeline Project.

Forest Health

Background Information

- Catastrophic wildfire is the #1 fire threat to Flagstaff. We experience 60-100 wildfires per year within the city boundaries, and another 150+ on jurisdictions immediately surrounding our community.
- In addition to serious ecosystem damage, a single undesirable fire moving into the city will most-assuredly affect lives and properties, and inflict serious, and long term, economic harm.
- Three factors influence fire behavior: weather, topography, and fuels.
- Of these, only fuel can be readily manipulated. Hazard mitigation activities, undertaken in a responsible manner and throughout the general area, are vital to ecosystem health and community protection.
- Such activities are not meant to eliminate wildfire from the landscape. More than a century of wildfire suppression has demonstrated conclusively the fallacy of such efforts.
- Frequent, low intensity fire is required for a healthy ponderosa pine ecosystem. These fires do not pose a community-wide threat.
- Reintroduction of such fires requires the re-creation of a natural environment that will burn in a healthy, nonthreatening, manner, and a built environment that properly considers defensible space and home hardening strategies.

Requests

- Allocate \$5M for timber projects within the Flagstaff Watershed Protection Project as part of a \$25M 4FRI (Four Forest Restoration Initiative) funding commitment.
- Pass the Fix our Forests Act (FOFA) with a renewed focus on Community Wildfire Risk Reduction Programs that proactively address wildfire risk reduction actions and increase ignition resistance of the built environment.
- Make the Fire Funding Fix (FFF) permanent (it expires at the end of federal FY27). The FFF stabilizes federal fire budgets, eliminating the need to borrow from non-fire programs when they encounter suppression funding shortfalls. These changes mean land management agencies can focus on their mission related priorities without worrying whether they will have the necessary resources to do so.

Congressionally Directed Spending (CDS) Requests

Flagstaff Airport Terminal Expansion, Accessibility and Drainage Improvements - \$1.4M

Project Description

- Funding would be used for:
 - Design work for terminal expansion, including expansion of the airline counter area, airline hold room, and airline office space in the terminal. This project will increase competition and travel options by allowing an additional airline to serve the airport and will allow the use larger aircraft by increasing the passenger hold room capacity.
 - Design work for accessibility improvements, including new Service Animal Relief Areas (SARA) both outside and inside the TSA checkpoint, and a family restroom within the terminal.
 - Design and construction of apron drainage improvements at the terminal to reduce ponding and ice outside the terminal where passengers board their flights.
- This design can then be used to apply for separate construction grants through the Bipartisan Infrastructure Law Airport Terminal Program or Airport Improvement Program, as the project will be ""shovel-ready"".

Budget Breakdown

- Terminal Expansion Project – \$530,000 for design services
- Terminal Accessibility Project - \$70,000 for design services
- Commercial Apron Drainage Project - \$800,000 full design and construction

Quick Facts

- ✓ Congressionally Directed Spending request: \$1,400,000
- ✓ Total project cost: \$6,877,200
- ✓ 5% local match available through the City of Flagstaff and/or Passenger Facility Charges
- ✓ Submitted to FAA: Airports (AIP)
- ✓ City applied for FAA Bipartisan Infrastructure Law Airport Terminal Program (BIL ATP) grants for construction.
- ✓ Environmental documentation (Categorical Exclusion) funded through a state grant provided by ADOT.
- ✓ Project was included in the Senate's FY25 appropriations bill but not funded due to the continuing resolution.
- ✓ Project is scalable - the highest priority is the \$800,000 for the commercial aircraft apron design and construction.
- ✓ Supported by American Airlines, City of Flagstaff Airport Commission, Flagstaff Chamber of Commerce, and the Economic Collaborative of Northern Arizona.

Flagstaff La Plaza Vieja Phase 2 Infrastructure Improvements - \$1.5M

Project Description

- The Project will provide traffic calming measures, and safety improvements for a historic Flagstaff neighborhood.
- La Plaza Vieja neighborhood is located east of Milton Road and northwest of Northern Arizona University and is home to approximately 1,305 residents.
- Safety will be increased by providing shorter pedestrian crossing distances, increased visibility of pedestrians, improved ramps, and improved storm drain locations.
- Project design is complete and the project is considered "shovel ready."

Quick Facts

- ✓ Congressionally Directed Spending request: \$1,500,000
- ✓ Total project cost: \$1,500,000
- ✓ Funds for the 5.7% local match requirement would be made available if this request was approved.
- ✓ Submitted to DOT: Highways (HIP)
- ✓ Project was included in the Senate's FY25 appropriations bill but not funded due to the continuing resolution.
- ✓ Project is included in the State Transportation Improvement Plan (STIP)
- ✓ No environmental documentation needed as the project is within existing Right of Way (ROW).
- ✓ Supported by Haven Montessori School, La Plaza Vieja Neighborhood Association, MetroPlan, and Mountain Line Transit.

Flagstaff Biochar Facility: Managing Biosolids and Forest Treatment Residue - \$4M

Project Description

- The project will design and construct Phase 1 of the Biosolid and Forest Biomass facility at the Wildcat Hill Wastewater Treatment Plant in Flagstaff
- This facility can serve as a replicable model for a fiscally sound wastewater and active forest management system in forested communities.
- The project will help address two key public health and safety challenges facing Flagstaff; wildfire risk and wastewater biosolids management.
 - Forest thinning operations reduce wildfire risk, but private-sector wood utilization markets are dealing with an excess of forest biomass waste products (like small-diameter wood and sawdust).
 - At the same time, the city relies on aging wastewater treatment facilities that are nearing capacity and disposes of biosolids through land injection or landfilling.
- By developing a facility that treats wastewater biosolids and forest biomass waste products together, the City can address both issues and produce Class A biochar.
 - Biochar is a valuable, marketable product that can be sold for fertilizer, erosion control, and construction materials.

Budget Breakdown

- \$3.35M for construction materials and services
- \$740K for design and engineering.

Quick Facts

- ✓ Congressionally Directed Spending request: \$4,000,000
- ✓ Total project cost: \$4,000,000
- ✓ Local match funding available through the City's Wildland Fire Management Program, Water Services Division, and Sustainability Division.
- ✓ Submitted to Bureau of Reclamation: Water and Related Resources.
- ✓ Project was included in the Senate's FY25 appropriations bill but not funded due to the continuing resolution.
- ✓ Supported by Flag Water Group, Flagstaff Water Commission, ADEQ, Four Forest Restoration Initiative Stakeholder Group, Greater Flagstaff Forests Partnership, and the Flagstaff Sustainability Commission.

Transportation

Background Information

- The City strongly supports preserving discretionary grant funding opportunities in the reauthorization of the surface transportation funding bill.
- IIJA has enabled rural Arizona to obtain more than \$200 million in discretionary funding, improving safety, reducing congestion, supporting working families, and promoting economic development.
- A formula-based approach significantly reduces our access to funding at the scale needed to complete projects.
- Discretionary programs ensure that limited dollars go to the projects with the highest need around the country.
- With these programs, America's infrastructure in the most desperate need of replacement and repair get fixed rather than spending money on those in moderate need simply because the money is distributed by formula.
- Population-based formulas don't help rural areas build new roads or bridges because the formulas don't provide enough money to actually build projects.
- If formula funds are distributed to states, there is little incentive for them to pass that money through to local agencies.
- Formula programs have clear winners, sending money to large cities and high-population states rather than the highest need infrastructure.

Flagstaff Examples

The City of Flagstaff has been able to strategically plan and advance key infrastructure improvements thanks to several competitive federal grants. These investments strengthen the community's transportation network, improve safety, and enhance mobility for residents and visitors alike. Recent awards have included support for:

- Downtown Mile Safety & Connectivity Improvement Project – INFRA grant
- Critical upgrades to the Amtrak Station – CRISI grant
- Butler Complete Streets Project - SS4A grant
- Butler-Fourth Street Improvements Project – BUILD grant

Request

- Preserve discretionary grant funding opportunities.
- Maintain the existing ratio of funds to ensure rural America has access to desperately needed infrastructure funding.

Housing

Background Information

- Flagstaff is in a declared housing emergency — federal funding is foundational, not supplemental.
 - The City Council declared a housing emergency in December 2020.
 - Roughly 27% of homeowners and 57% of renters are cost-burdened, and median rent exceeds \$2,100/month — making Flagstaff one of the most expensive small metro areas in the country.
- Flagstaff has invested real local dollars and needs a reliable federal partner.
 - Flagstaff voters approved a \$20 million housing bond and the City has committed several million general fund dollars to housing programs, code reform, and staff capacity.
 - Rooted in the goals of the 10-Year Housing Plan, the City is on track to create or preserve 7,976 units and to impact at least 6,000 low- to moderate-income residents with other housing services between 2022 and 2031.
 - This level of local commitment deserves stable, predictable federal support — not cuts or uncertainty.
- Housing is an economic and workforce issue — not just a social services issue.
 - Northern Arizona University, Flagstaff Medical Center, and the hospitality and tourism sector are struggling to recruit and retain workers who cannot afford to live here. A community that cannot house its workforce cannot sustain its economy or its tax base. Federal housing investment in Flagstaff is economic development policy.

Flagstaff's Federally Funded Housing Programs

- CDBG is our most flexible and critical tool — any reduction has immediate consequences.
 - Flagstaff receives approximately \$625,000 annually in CDBG — our only federal housing entitlement. Given the relatively small allocation, these dollars are highly leveraged throughout the community to address the greatest needs and benefit the greatest numbers of people.
 - CDBG funding allows us to design solutions tailored to our unique circumstances: extreme land scarcity, altitude-driven construction costs, proximity to federal lands, a large university population, and a wildfire-affected environment.
 - Prescriptive federal mandates that restrict local discretion make federal dollars less effective in communities like ours.
- The Housing Choice Voucher (Section 8) program is a lifeline that must be maintained and expanded.
 - Flagstaff's 557 vouchers represent the only housing stability pathway for some of our most vulnerable residents.

- The City is grateful for modest recent increases in Housing Assistance Payments and program administration funding.
- Any cuts translate directly into families losing housing in a market where no affordable alternative exists. Maintaining current funding is the floor — expansion is needed.
- The Rental Assistance Demonstration (RAD) program is positioned to transform Flagstaff's public housing — and needs continued support.
 - Flagstaff's 265 units of public housing at Siler Homes, Brannen Homes, and scattered sites are the subject of an active RAD conversion effort, leveraging federal assistance to attract private capital and expand the number of affordable units beyond its public housing portfolio.
 - Congressional support for RAD — including protection of the program's structure, financing tools, and HUD staffing capacity — is essential to completing this transformation, creating additional housing opportunities for residents of Flagstaff and achieving the housing goals in our 10-Year Plan.

Requests

- Federal housing programs are most effective when funding is maintained or increased and local governments retain the flexibility to leverage state and local resources toward community-specific housing solutions.
- Flagstaff is reducing barriers on our end — we ask Congress to do the same.
 - The City is actively reforming zoning codes, permitting processes, and fee structures to make it faster and cheaper to build housing.
 - We ask Congress to reciprocate by reducing unnecessary federal regulatory burdens that decreases the effectiveness of housing funds at the local level for Flagstaff's seniors on fixed incomes, working families, veterans, and residents with disabilities who have no other pathway to stability in one of Arizona's most expensive communities.