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MEMORANDUM

TO: City of Flagstaff LASS-CAP Project Team
FROM: Jamin Kimmell, Pauline Ruegg, Cascadia Partners
DATE: January 28, 2026
SUBJECT: **Zoning Map Amendment Recommendations Memo**

Executive Summary

Purpose and Scope

This memorandum presents recommendations for amending the City of Flagstaff's zoning map amendment procedures (Division 10-20.50 of the Flagstaff Municipal Code) to reduce barriers to housing production and advance climate goals. The memo addresses three primary objectives:

1. Determine how rezoning procedures can better support implementation of the Regional Plan 2045;
2. Recommend modifications to rezoning procedures to allow for simpler and more efficient approvals; and
3. Identify ways to simplify the rezoning procedure by replacing or limiting the scope of Development Agreements.

The recommendations are informed by peer city research across Arizona municipalities and are calibrated to reduce procedural burdens while preserving substantive public review of land use and density decisions stemming from rezonings.

This memo is organized into three sections: Section 1 provides an overview including background on current rezoning procedures, specific barriers, benefits and tradeoffs, and research methodology. Section 2 presents five specific recommendations with detailed analysis and peer city context. Section 3 addresses anticipated concerns with detailed responses that clarify how the recommended approach preserves Council authority and public review while reducing unnecessary procedural burdens.

Key Findings

The Code Diagnostic Report (Task 3.7) identified the City’s rezoning procedures as a significant barrier to meeting housing and climate goals. Specific barriers that warrant attention include:

- Regional Plan land use “Category Guidelines” may function as rigid standards rather than flexible guidance, creating compliance challenges even for projects that advance Regional Plan goals.
- A significant gap exists between the NCC and CB commercial zones that limits options for zoning districts to implement the Regional Plan Urban Center designation.
- Conceptual rezoning procedures require premature design specificity that increases applicant costs and reduces flexibility to respond to market conditions.
- Requiring the large majority of rezonings to enter into a Development Agreement in the early conceptual stages of a project introduces unpredictability and increases the cost, making this important tool less attractive.

Below is a summary of recommendations proposed to address these barriers that are described in greater detail in this memo.

#	Recommendation
1	Amend Regional Plan 2045 land use categories as guidelines and codify design standards in zoning code
2	Modify NCC zoning district standards to align with Urban Center land use category
3	Amend conceptual rezoning procedure to remove concept plan as development entitlement
4	Simplify conceptual rezoning submittal requirements
5	Limit Development Agreement requirements to projects with off-site impacts or public-private partnership aspects

The recommendations in this memo are designed to reduce procedural barriers while preserving substantive public review of land use decisions. Flagstaff’s zoning code provides two rezoning pathways: Direct-to-Ordinance Rezoning, where applicants submit detailed site plans and proceed directly to construction plan review; and Conceptual Rezoning, where applicants submit concept zoning plans and defer site plan review to a later date. This memo recommends retaining both pathways, with modifications focused on the Conceptual Rezoning process to reduce barriers for applicants at earlier stages of project development. While assuming the current level of upfront cost and risk may be acceptable to a developer pursuing a direct-to-ordinance rezoning, given that they can

proceed directly to construction plan and building permit review, this represents a high level of upfront investment and risk for a conceptual rezoning.

Recommendations 1 and 2 address alignment between Regional Plan land use categories and zoning district standards, ensuring that the regulatory framework provides clear and consistent guidance. Recommendations 3 and 4 modify the Conceptual Rezoning pathway by removing the binding nature of concept plans and simplifying submittal requirements. Recommendation 5 limits Development Agreement requirements to situations where they serve a clear purpose, shifting from negotiated benefits to codified requirements and incentives. Together, these recommendations create a more predictable and efficient rezoning process while maintaining Council's authority over land use decisions.

Implementation Considerations

If the City were to pursue the recommended amendments, a more efficient and predictable rezoning process could increase overall housing production and encourage higher densities necessary to support housing targets. The Land Availability and Suitability Study (LASS) identified approximately 6,735 acres of vacant land in Flagstaff's municipal planning area that could accommodate between 8,600 and 16,650 dwelling units depending on development density. There are 1,400+ acres identified across 55 opportunity sites that could yield approximately 1,400 units under current Rural Residential (RR)/Estate Residential (RR). If rezoned for higher densities consistent with the Regional Plan 2045, these sites could accommodate more than 14,000 units.

However, it must be noted that the recommendations in this memo represent a meaningful shift in how the City approaches zoning map amendments. Policymakers and stakeholders may reasonably have questions about loss of negotiating leverage for community benefits, reduced oversight of development outcomes, potential for loss of public process, infrastructure timing and risk, and potential weakening of Regional Plan conformance. Section 3 of this memo addresses each of these concerns and provides responses that clarify how the recommended approaches preserve Council authority while reducing unnecessary procedural burdens.

1. Background and Barriers

This section provides an overview of the City's current rezoning procedures; identifies key barriers; discusses benefits and tradeoffs of the recommended approach; and presents research methodology and peer city findings.

1.1 Overview of Current Procedures

When a property owner seeks to develop property with a different land use or intensity than currently permitted under the applicable zoning district, the owner may apply for a zoning map amendment. The City provides two pathways (10.20.50.C):

Direct-to-Ordinance Rezoning: The applicant submits a site plan and supporting documentation for site plan review and approval. This pathway enables the applicant to entitle the project and proceed directly to construction plan and building permit review, consolidating rezoning and site plan reviews.

Conceptual Rezoning: The applicant submits a concept zoning plan to pursue a rezoning, then proceeds at a subsequent date with site plan or subdivision review prior to construction permits.

Regardless of the pathway selected, the same procedures and levels of review apply, varying by development scale and whether a Regional Plan amendment is necessary. For example, a smaller site that is proposing a use or density consistent with the General Plan and compatible with surrounding development typically submits just a site analysis. Medium-scale, large-scale, and multi-phase scale projects must submit a concept zoning plan and enter into a Development Agreement. City Council serves as the final approval authority for all zoning map amendments and may impose conditions through a Development Agreement.

1.2 Identified Barriers

The Code Diagnostic Report (Task 3.7) identified the City's rezoning procedures as a significant barrier to meeting housing and climate goals. Four key barriers are summarized below.

Barrier 1: Regional Plan Guidelines May Function as Standards

Regional Plan land use category guidelines are prescriptive in nature and may conflict with base zoning standards. For example, commercial buildings in the Central Business Zone (CB) must meet a two-story minimum height requirement to comply with Urban Center guidelines; however, the CB zone does not include a minimum height requirement. This discrepancy could preclude approval of rezoning applications that would otherwise comply with zoning district standards.

Barrier 2: Gap in Commercial Zones
The Regional Plan lists NCC as compatible with the Urban Center designation, yet NCC permits auto-oriented uses, low building heights, and parking-dominated layouts inconsistent with Urban Center's compact, pedestrian-oriented vision. The CB zone

represents the City's most intense commercial district, leaving no intermediate option between NCC's suburban character and CB's urban character.

Barrier 3: Conceptual Rezoning Have Limited Flexibility

Conditioning a zoning map amendment on a detailed conceptual site plan binds approval to a specific design, thereby limiting flexibility for future modifications. If the approved site plan is not developed, it nonetheless remains a condition of the rezoning. Any subsequent project must either develop the approved plan or seek a rezoning based on a new proposed site plan. The high degree of specificity required at this preliminary stage represents a significant impediment to the rezoning process. The Direct-to-Ordinance pathway is appropriate for applicants with fully developed project designs, but the Conceptual Rezoning pathway should provide greater flexibility for applicants at earlier stages of project development

Barrier 4: Development Agreement Requirements

Development Agreements are required for most zoning map amendments, including projects with no off-site impacts or public-private partnership elements. While a zone change may enhance a project's attractiveness to lenders and investors in the crucial early stages of a project, the Development Agreement requirement compels developers to secure partners and commit to firm obligations prior to receiving rezoning approval. This requirement introduces risk and uncertainty, increases costs, and extends timelines, thereby diminishing the utility of the rezoning process as a tool.

1.3 Benefits and Tradeoffs

Modifications to the zoning map amendment process could advance both housing production and climate outcomes. A more efficient and predictable review process would likely result in increased housing production rates and higher densities per project due to greater certainty of approval, thereby advancing the vision for growth and goals established in the City's Regional Plan.

Housing Production Potential: The Land Availability and Suitability Study (LASS) identified approximately 6,735 acres of vacant land in Flagstaff's municipal planning area that could accommodate between 8,600 and 16,650 dwelling units depending on development density. There are 1,400+ acres identified across 55 opportunity sites that could yield approximately 1,400 units under current Rural Residential (RR)/Estate Residential (RR). If rezoned for higher densities consistent with the Regional Plan, these sites could accommodate more than 14,000 units. Additionally, the LASS found that downtown and central Flagstaff sites (Sites 1-34) have "Medium" to "High" infrastructure

readiness with nearby transit and active transportation access, making them ideal locations for higher-density housing that may not be permitted under current zoning.

Climate and Sustainability Benefits: If rezoning remains prohibitively burdensome, development will continue at low densities in locations poorly served by transit, thereby perpetuating automobile-oriented land use patterns. The Carbon Neutrality Plan identifies transportation as a major emissions source; land use patterns that reduce vehicle miles traveled are essential to achieving the City’s climate targets.

Infrastructure Efficiency: Compact development requires fewer linear feet of roads, water lines, and sewer infrastructure per housing unit than low-density development patterns. This reduction decreases both embodied carbon in infrastructure construction and ongoing energy demands for utility operations.

Balancing Control and Flexibility: A more accessible rezoning process may result in more frequent proposals for higher-density development. While such proposals would continue to require staff analysis of Regional Plan consistency, Planning Commission review, public hearings, and City Council approval, they may nonetheless represent development of different character than surrounding neighborhoods. The recommendations presented herein are calibrated to address this tension by reducing unnecessary procedural burdens, while preserving substantive review of land use and density.

1.4 Best Practice Research and Findings

Cascadia Partners conducted peer city research focusing on Arizona municipalities subject to the same state statutes. The research examined rezoning procedures across multiple dimensions to identify best practices that could reduce applicant risk and cost while retaining flexibility and emphasizing public benefits.

Research Question	Key Finding
Do cities offer a legislative rezone based on proposed land use and Regional Plan compliance?	Yes, all peer cities offer standard rezonings to conventional zoning districts with conditions of approval. Tempe explicitly allows rezoning applications to proceed without concurrent development plan review. However, some cities may attach conditions requiring conformance with submitted site plans, and Council retains discretion to impose stipulations addressing compatibility and General Plan consistency.
How burdensome are submittal requirements at the rezoning stage?	Varies significantly. Phoenix and Tempe require the least intensive submittals. Tempe does not require building elevations or detailed landscaping plans. Scottsdale and Tucson require extensive documentation including design standards/compatibility analysis. Sedona allows the Director to waive requirements based on project size. Phoenix, Tempe, and Tucson allow capacity-based analysis for straight rezonings when used.

Research Question	Key Finding
What flexibility do applicants have to adjust concept plans?	Varies by city and pathway. Most peer cities provide administrative pathways for minor modifications to approved plans. Tempe establishes specific thresholds for modifications, distinguishing minor modifications (administrative review) from major changes that require a public hearing. Sedona permits minor changes that do not significantly alter the project's function, form, intensity, or character. Phoenix allows modification or deletion of conditions through Planning Hearing Officer review.
Can rezonings be reverted, and what is the process?	Automatic expiration provisions exist but vary but most peer cities permit including an expiration as part of the conditions for approval. Sedona and Tempe both allow reversion if no building permit is filed within 2 years. Phoenix allows modification or reversion through Planning Hearing Officer review. Scottsdale can condition rezonings on time schedules with revocation for non-progress.
Do other cities require Development Agreements for rezonings?	No peer city requires DAs for standard rezonings except for Sedona, which requires DAs for all co-housing projects. But many peer cities may use the tool, although limits its use to complex, multi-phase projects or public-private partnerships.

Note: Per A.R.S. 9-462.11, all cities are required to approve or deny rezoning requests within 180 days; therefore, no variation was found across peer cities on this dimension. Additionally, all cities are required by state law to approve rezoning requests based only on the current approved Regional Plan. The Regional Plan was adopted by City Council in October 2025 and is scheduled for voter ratification in May 2026. Until ratified, all requested rezonings must be reviewed for consistency with the current (2014) Regional Plan. A detailed peer city comparison is provided in Appendix 1.

2. Recommendations

This section presents five recommendations with analysis and findings from peer city research where applicable.

Recommendation 1: Amend Regional Plan 2045 Land Use Categories as Guidelines

Rephrase prescriptive Regional Plan category guidelines as flexible guidance and codify specific design standards in the zoning code where enforceable requirements are necessary.

Chapter 4 of the Regional Plan 2045 establishes land use categories with Category Guidelines that describe anticipated development characteristics. While the majority of these guidelines provide broad policy direction, certain guidelines are prescriptive and may function as de facto standards. For example, the directive to “encourage commercial

uses and mixed-use developments” constitutes a guideline, whereas “Buildings that are solely commercial should be a minimum of two stories” operates as a requirement.

It is recommended that City staff conduct a comprehensive assessment of Category Guidelines to identify: (1) which guidelines are phrased as standards, and (2) which guidelines are already represented as design standards in the applicable land use districts.

The following table identifies prescriptive Category Guidelines that may function as standards rather than flexible guidance as a preliminary assessment for staff’s reference.

Land Use Category	Compatible Zoning	Prescriptive Category Guidelines
Urban Center	CB, NCC, CS, HR, PF	<ul style="list-style-type: none"> • Buildings that are solely commercial should be a minimum of two stories • Locate midrise apartment buildings without a commercial first floor within walking distance of the central commercial area • Locate auto-oriented uses on major and minor arterials • Provide direct accessibility to ground-floor businesses for pedestrians from a public space
Suburban Center	HC, CC, NCC, HR, PF, RD	<ul style="list-style-type: none"> • Provide connectivity to open spaces and parks within a quarter to one-third of a mile walking distance
Rural Center	SC, NCC, HR, MR, PF, POS	<ul style="list-style-type: none"> • Provide bicycle and pedestrian access to and from nearby commercial and residential areas • Provide park-and-ride services • Provide social gathering places
Suburban Corridor	SC, CS, HC, CC, NCC, PF, HR	<ul style="list-style-type: none"> • Develop high-quality, accessible pedestrian, bicycle, and transit facilities on or parallel to streets • Provide backage roads and cross-property connections where needed
Urban Neighborhood	HR, MR, PF, MH, NCC, CS	<ul style="list-style-type: none"> • Include direct local street connections between Urban Neighborhoods and adjacent centers
Suburban Neighborhood	R1, R1-N, MR, HR, PF, POS, MH, SC, NCC	<ul style="list-style-type: none"> • Medium High Density apartments should be located in proximity to existing or future transit • High Density apartments should be on an arterial or collector with existing transit access

Standards implement specific requirements that apply to individual projects whereas guidelines apply more broadly and provide high-level direction and uniformity, rather than enforceable, project-specific standards. If guidelines are rephrased to provide broader guidance as opposed to strict standards, staff will have more latitude to determine whether a rezoning is consistent with the intent of a land use category.

Also problematic is the locational aspect of some guidelines—for example, the Urban Center guideline to “locate midrise apartment buildings without a commercial first floor

within walking distance of the central commercial area.” The specific location of uses is a function of the zoning code rather than a Regional Plan guideline.

The following illustrates how a prescriptive category guideline can be rephrased as flexible guidance:

Prescriptive Category Guideline	Proposed Rephrasing
Locate midrise apartment buildings without a commercial first floor within walking distance of the central commercial area	Encourage standalone residential buildings to be located on sites that are in proximity to commercial services and amenities

It is recommended that Section 10-20.50.F.1.a(1) be amended. The current language states, “The proposed amendment is consistent with and conforms to the goals of the General Plan and any applicable specific plans.” Because the Regional Plan includes specific goals, this section does not clearly indicate that a rezoning must be consistent with Category Guidelines. A recommended alternative is: “The proposed amendment demonstrates general consistency with the goals, policies, and land use category guidelines of the Regional Plan and any applicable specific plans.” This wording would allow staff to determine general consistency rather than require strict compliance with every guideline.

Recommendation 2: Modify NCC Zoning District Standards

Amend NCC district standards to better align with the Urban Center land use category, bridging the gap between NCC’s current suburban character and the pedestrian-oriented, mixed-use vision of the Regional Plan.

Existing zoning districts do not fully align with each Regional Plan land use category. There is a significant intensity gap between the NCC zone (not currently mapped) and the CB zone. The Regional Plan lists NCC as a compatible zoning category for the Urban Center land use designation, yet NCC’s current standards are inconsistent with the Urban Center vision for compact, pedestrian-oriented, mixed-use development. Modifying the NCC district standards would create an intermediate zoning option that better implements the Regional Plan.

NCC permits auto-oriented uses including drive-through facilities, auto service stations, car washes, and cemeteries that may not be compatible with downtown or Urban Center character. The development standards are suburban in nature, requiring a maximum height of 35 feet for residential uses and 45 feet for other uses. NCC lacks build-to

requirements, allowing building-behind-parking configurations, and provides limited residential integration. It should be noted that the NCC zoning district is not currently applied to any properties in Flagstaff; the recommended modifications would therefore not affect any existing zoning or create nonconformities.

It is recommended that NCC be modified to (1) prohibit or require conditional use approval for auto-oriented uses including drive-through facilities and auto service stations; (2) increase maximum building height to 50-55 feet to accommodate four-story mixed-use buildings—this height increase is essential to achieving the density that supports ground-floor retail viability and transit ridership; (3) establish build-to lines requiring buildings at or near the front property line; (4) require minimum ground-floor transparency and active use provisions; and (5) increase permitted residential density and encourage vertical mixed-use development. These recommendations will be detailed further in the main LASS-CAP Recommendations Report.

Recommendation 3: Amend Conceptual Rezoning Procedure

Remove the provision establishing that concept zoning plans constitute development entitlement and differentiate review findings for Conceptual Rezonings from those applicable to Direct-to-Ordinance rezonings.

The conceptual rezoning procedure constitutes a significant barrier to achieving housing production and sustainability goals. Principal impacts include increased costs resulting from extensive submittal requirements at a preliminary project stage, insufficient flexibility within the approval process, and diminished appeal that may discourage developers from pursuing rezoning applications.

The importance of conceptual rezoning as a tool the City can use to advance the vision as established in the Regional Plan must be underscored. Given the large amount of land currently zoned RR and ER that the City anticipates would need to be rezoned to support the higher densities necessary to fulfill housing production targets, conceptual rezoning is a critical instrument; and as currently structured discourages rezoning. Rezoning is an important means to support both changes in land use patterns and density levels and new forms of lower cost housing that will improve housing and sustainability outcomes.

As currently structured, rezoning requires infrastructure analysis for traffic (TIA) and water and sewer (WSIA) for a conceptual site plan. It is important to consider whether or not a site has adequate capacity or can be made to reasonably serve development at the densities permitted under the proposed zoning classification. What is not needed in the early stages of a project are specific designs of mitigation improvements. While this level

of analysis, representing a significant cost, may make sense for a direct-to-ordinance rezoning, it represents significant cost and locks in a site design at an early stage for conceptual rezonings.

It is recommended that the City amend its procedures to a phased approach for required infrastructure analysis. For example, a capacity-based TIA used to review a rezoning should evaluate whether the road network can accommodate trips generated by the permitted density. This analysis can be done using standard trip generation rates, assessing level of service, and determining whether needed capacity exists or is programmed. Likewise, a capacity-based WSIA should confirm the site is within the service area and that adequate supply, pressure, and sewer capacity exists, or can exist, for permitted density using standard demand factors. During rezoning, a WSIA should not size pipe diameters or design on-site systems. Detailed infrastructure design is appropriately conducted at subdivision and site plan review, when specific development configurations are known.

A phased approach to infrastructure analysis will reduce upfront costs, avoid premature design commitments, and align Flagstaff's practice with peer cities including Phoenix, Scottsdale, Tempe, and Tucson. Section 10-20.50.040(F) should be amended to differentiate findings for conceptual rezonings, emphasizing capacity analysis rather than detailed design analysis.

It is also recommended that Section 10-20.50.040.N(4) be amended to remove the following language: "The concept zoning plan upon which the Zoning Map amendment may be approved establishes the development entitlement for the subject property." This amendment will in essence break the link between conceptually allowing more capacity on a site and permitting only a specific, agreed-upon design on a site. This will increase flexibility for both the City and applicants.

While the minor modifications procedure does allow for some flexibility in the conceptual site design once it's submitted and/or approved, as currently structured this provision does not provide sufficient latitude. Given the timing of a conceptual rezone in the arc of a development project, it is common for a developer to learn more about the site and/or its constraints or conditions as the site design is further refined from concept plan to detailed site plan. Likewise, market conditions or investment partners may shift. This risk and the associated cost with additional rounds of modifications and review may be sufficient to deter a developer from pursuing a conceptual rezone and choosing instead to develop the property under the current lower density zoning district.

Entitling a rezone based on a concept plan also ties the City's hands. By conditioning approval of a rezone on a specific and detailed concept plan rather than based on a review of a conceptual plan and staff findings, limits the ability of the City to respond to new information as well. The City should amend 10-20.50.040.N(4) to apply the minor modifications process only to direct-to-ordinance rezones.

This amendment will also address the potential complications associated with the reversion of a rezoning. The City's ability to revert rezonings is limited as such an action is legislative and requires a public hearing. If a rezoning is requested and approved but the project is not developed, as the rezoning is not approved as a condition of a specific site plan, then either a) a new project may be proposed that meets the standards of the rezoned land use district or b) an applicant can request a rezoning to a lower intensity land use district.

Recommendation 4: Simplify Conceptual Rezoning Submittal Requirements

Reduce submittal requirements to those necessary for staff to develop adequate findings, deferring detailed design requirements to the site plan review stage.

Current submittal requirements demand a high degree of design definition before the development program is fully established. While impact analyses represent necessary investments, requirements for building elevations, architectural renderings, and detailed phasing plans are premature at the conceptual stage and may require significant revision as project details evolve.

It is recommended that submittal requirements be amended as follows: (1) Retain Regional Plan consistency analysis, general site concept, infrastructure availability assessment, traffic impact analysis, environmental constraints analysis, and neighborhood context analysis; (2) defer detailed grading plans, landscape plans, utility plans, architectural elevations, and stormwater management plans to site plan review; and (3) eliminate fiscal impact analysis and market studies. The City should also consider requiring a pre-application conference in Section 10.30.040.A, rather than having it be optional, to encourage early clarity and coordination around submittal requirements.

This recommendation was developed by comparing current requirements for conceptual rezoning with site plan review, along with peer city review. The table below highlights the substantial overlap that increases applicant burden at the preliminary stage. Note that a direct-to-ordinance rezone is subject to the same submittal required for a site plan review.

Concept Zoning Plan Submittal	Site Plan Submittal
Project Narrative	Project Narrative
Site Analysis and Vicinity Map	Vicinity Map
Context (setbacks, zoning, existing buildings)	Context (setbacks, zoning, existing buildings)
Building Footprints	Building Footprints
Conceptual Connections to Public ROW, Pedestrian Facilities, and FUTS	Access and Driveways, Clear View Zones, Pedestrian and Bicycle Facilities
Conceptual Parking Area / Number of Spaces	Parking Spaces On/Off-Site
Circulation*	Circulation, Dedicated ROW
Conceptual Open Space, Civic Space, Parks	Open Space, Civic Space, Parks
Traffic and Utility Impact Analyses*	Traffic and Utility Impact Analyses
Existing and Proposed Utilities	Existing and Proposed Utilities
Illustrative Images and/or Building Elevations, Architectural Renderings*	Building Elevations
Estimated Number of Units, Floors, Floor Area, Maximum Building Envelope	Building Floorplans
Description of Proposed Grading Activity	Grading and Drainage Plan
Natural Features	Natural Features
FEMA 100-year Floodplain Elevations	FEMA 100-year Floodplain Elevations
Phasing*	—
—	Detention Facilities, Stormwater Management
—	Street Improvements
—	Fire Department and Solid Waste Facilities

* Items marked with an asterisk are required only for larger-scale, multi-phase projects.

For reference, Flagstaff’s Conceptual Zoning Plan and Site Plan submittal requirements are included in Appendix 2. For comparison, a more limited set of submittal requirements from Beaverton, Oregon is also included.

Recommendation 5: Limit Development Agreement Requirements

Require Development Agreements only when public improvements beyond those addressed by existing fees are necessary, when projects involve public-private partnerships with direct City participation, or when applicants voluntarily request vested development rights.

Flagstaff currently requires all medium-, large-, and multi-phase scale zoning map amendments to include a Development Agreement (DA) as part of the conditions of approval. While A.R.S. 9-500.05 permits municipalities to enter into development agreements, the statute does not mandate their use; this is a policy decision within the City’s discretion.

The current code language (10-20.50.040.C) does not accommodate situations where a proposed rezoning would not generate off-site impacts requiring mitigation, nor does it limit the scope of the DA to mitigating off-site impacts alone. It is common practice for the City to set the terms of the DA to secure public benefits including affordable housing and sustainable building components, neither of which have a clear nexus to the impacts of a rezoning nor are proportional to the impacts of the proposed use.

A developer pursuing a conceptual rezone is in the initial stages of a project, seeking permission to further define a project with certain land uses and density levels in order to secure investment and financing partners. The current requirement to enter into negotiations for a DA in a highly public setting at Council work sessions does not offer stability or reduce costs. In fact, it produces the opposite effect, injecting a high degree of unpredictability and additional cost into the process.

The recommended approach shifts from extracting benefits through negotiation to incentivizing benefits through calibrated code provisions—a model that produces consistent outcomes and reduces risk management concerns about nexus and proportionality requirements.

Reducing the role of Development Agreements raises legitimate questions about how the City will continue to secure public benefits such as affordable housing, infrastructure improvements, open space, and sustainability features. This memo addresses zoning map amendment procedures—one component of a broader policy framework – but the LASS-CAP Code Recommendations and Impacts Report (Task 5.1) will provide comprehensive recommendations for how to better calibrate other zoning tools to encourage desired outcomes predictably across all developments rather than relying on project-by-project DA negotiations. These topics will include the City’s affordable housing incentive, sustainability incentives and requirements, and transportation impact analysis requirements, fees, and TDM measures.

For affordable housing, Arizona law constrains municipal authority to mandate affordable housing; however, the City can strengthen voluntary incentive programs—density bonuses, fee waivers, expedited review—to create a compelling value proposition for developers. For infrastructure improvements, Flagstaff does not currently have a transportation impact fee program; the Cost Reduction Strategies memo recommends the City study establishing such a program, which would provide more equitable cost-sharing than ad hoc DA negotiations. For sustainability features, building codes and improved sustainability base requirements and incentives, rather than site-specific DA negotiations, are the appropriate mechanism for baseline requirements.

Commented [GP1]: I want to make sure a sustainability menu in the base Zoning Code does not get lost. Even if Council does vote to advance energy efficiency beyond the 2024 IECC, there are other provisions that could still go in a sustainability menu (related to transportation, waste, carbon dioxide removal, etc.), in addition to any sustainability incentives beyond the base zoning code (such as incentivizing net-zero development, for example).

Commented [MM2R1]: We need to discuss - we really need to balance all of the sustainability tools with housing costs. There may be benefit, depending on what is approved as part of IECC, that we focus more on housing incentive in zoning code at that point to relieve the competition between incentives.

Commented [MM3R1]: Maybe some of the housing density incentives can be sustainability features.

3. Implementation Considerations

The recommendations presented in this memorandum represent a meaningful shift in the City’s approach to zoning map amendments. The following discussion addresses anticipated concerns with this shift in approach.

Weakening Regional Plan Conformance

Concern: *The recommendation to remove prescriptive guidelines from the Regional Plan’s land use categories may be viewed as weakening community values adopted through a public process. Officials may argue these guidelines represent important community priorities that should not be diluted.*

The Regional Plan’s Future Growth Illustration operates as a clear geographic standard for land use planning. Category Guidelines, however, are narrative and interpretive in nature. The recommendation to evaluate proposals for “general consistency” acknowledges that guidelines are intended to provide direction rather than establish rigid binary tests that could disqualify otherwise meritorious projects based on technical non-compliance with individual provisions.

The recommendation is not to eliminate Category Guidelines but to locate them appropriately. When specific guidelines are sufficiently detailed to function as approval criteria—such as minimum building heights, build-to requirements, or parking placement standards—they should be incorporated into the zoning code where they can be consistently applied and enforced. The zoning code is the proper tool for site-specific requirements; the Regional Plan is the proper tool for community-wide vision and policy direction.

If Council prefers stricter conformance language, an alternative approach would be to clarify interpretation expectations for specific guidelines that create implementation challenges, distinguishing between guidelines that must be met (standards) and guidelines that should be considered (guidance).

Reduced Oversight of Development Outcomes

Concern: *Making Conceptual Rezoning less binding may be perceived as removing Council’s ability to shape how development actually occurs. Council members want assurance that approved development matches community expectations.*

Council’s authority over rezoning decisions remains unchanged under the recommended approach. Every zoning map amendment will continue to require staff analysis, Planning

Commission review, public hearing, and Council approval by ordinance. Council retains full discretion to approve, deny, or approve with conditions any rezoning application.

What changes is not Council's authority but the *nature* of the commitment. Under current practice, Council approves both a zoning classification change *and* a detailed concept plan with binding site-specific commitments. Under the recommended approach, Council approves a zoning classification based on a finding that the proposed land use and density are appropriate for the location. Detailed site design is then addressed through site plan and subdivision review.

This division of responsibility reflects appropriate timing of different decisions. "Is this location appropriate for higher-density residential use?" This is a policy question Council is well-positioned to answer at rezoning, based on Regional Plan guidance, infrastructure availability, and community input. Whereas "How should buildings be arranged on this site? Where should parking and access be located?" is a technical design question better addressed at site plan review when specific development configurations are known and can be evaluated against adopted standards.

Loss of Public Process

Concern: *Simplifying the Conceptual Rezoning process and reducing submittal requirements may raise concerns that developers could more easily secure higher densities without adequate community review. Making concept plans non-binding could be viewed as creating a more permissive environment that lacks appropriate checks.*

All rezonings would continue to follow current public hearing and neighborhood meeting requirements. All future development must comply with approved zoning district standards. The recommended approach provides more flexibility in site layout and building placement; it does not permit increased use intensity or density beyond what the approved zoning classification allows. Any development proposal exceeding approved zoning parameters would require a new rezoning application with full public process.

The distinction is important: *what* can be built (uses and density) is determined at rezoning; *how* it is built (site design) is addressed at site plan review. The recommended approach maintains full public review of the policy decision while providing appropriate flexibility for the technical design process.

Should Council prefer greater specificity at the rezoning stage, a middle-ground approach would establish key parameters (maximum density, permitted use mix, primary access locations) as binding at rezoning while allowing detailed site design elements (building placement, landscape configuration, internal circulation) to remain flexible.

Infrastructure Timing and Risk

Concern: *Staff may object that deferring detailed impact analyses (WSIAs, TIAs) to later stages of the development process could result in approving rezonings for which adequate infrastructure cannot be provided or could shift negotiating leverage away from the City once a rezoning is already approved.*

Infrastructure adequacy must be addressed at rezoning. The recommended approach does not eliminate infrastructure review but instead calibrates the analysis to what is useful at the conceptual stage. The recommended findings require demonstrating that critical facilities and services “are available or can reasonably be made available” to serve the proposed development.

This constitutes capacity analysis, e.g., can the existing network accommodate the proposed density. Capacity analysis is distinct from design analysis which identifies what specific improvements are needed. Capacity analysis uses standard trip generation rates and demand factors to assess whether infrastructure can serve the proposed use; it does not require the detailed site configurations needed for design analysis. If infrastructure capacity is insufficient to serve the proposed development, the rezoning should not be approved—regardless of how the concept plan is designed.

This phased approach is standard practice in Phoenix, Scottsdale, Tempe, and Tucson. The timing makes sense: detailed infrastructure design depends on specific building footprints, parking locations, and utility connection points that are not known at the conceptual stage. Requiring this level of detail at rezoning forces developers to make design commitments prematurely, reducing flexibility to respond to conditions discovered during detailed engineering.

Loss of Negotiating Leverage for Community Benefits

Concern: *Limiting Development Agreement requirements may reduce the City’s ability to secure affordable housing, open space, sustainability features, and other community benefits.*

This concern is legitimate and warrants careful consideration. However, the current DA-based rezoning model has significant limitations. When public benefits are negotiated case-by-case, developers cannot predict requirements in advance, increasing risk premiums that are ultimately reflected in housing prices. There is also a timing mismatch— developers are asked to commit to specific public benefits before project economics are fully understood. If market conditions change between rezoning and construction, developers face difficult choices between proceeding with potentially infeasible commitments or seeking amendments requiring additional hearings.

The recommended alternative is to codify public benefit priorities through mechanisms that apply predictably across all development. Peer cities demonstrate this approach works: Phoenix has codified affordable housing incentives (Section 608) and sustainability bonuses (Section 1223) that provide density increases and other benefits through predictable, code-based frameworks rather than project-by-project negotiations. For infrastructure, a development impact fee program (recommended for study in the Cost Reduction Strategies memo) would provide more equitable cost-sharing than ad hoc DA negotiations. This approach would shift the current model from extracting benefits through negotiation to incentivizing benefits through calibrated code provisions.

Council may reasonably conclude that DA negotiations remain valuable despite these limitations. If so, staff might consider whether DA requirements could be better targeted—for example to projects receiving direct City investment or those requesting density significantly above underlying zoning—rather than applying broadly based on project size alone.

Appendices

Appendix 1: Peer City Best Practice Research Summary

Appendix 2: Rezoning Submittal Requirements Comparison