

AMENDED
WORK SESSION AGENDA

**CITY COUNCIL WORK SESSION
TUESDAY
SEPTEMBER 22, 2026**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
3:00 P.M.**

**All City Council Meetings are live streamed on the city's YouTube page
(<https://www.youtube.com/@FlagstaffCityGovernment>)**

To provide online verbal comment on an item that appears on the posted agenda, use the link below.

[ONLINE VERBAL PUBLIC COMMENT](#)

Written comments may be submitted to publiccomment@flagstaffaz.gov.

1. Call to Order

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for discussion and consultation with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Roll Call

NOTE: One or more Councilmembers may be in attendance through other technological means.

MAYOR DAGGETT
VICE MAYOR SWEET
COUNCILMEMBER ASLAN
COUNCILMEMBER GARCIA

COUNCILMEMBER HOUSE
COUNCILMEMBER MATTHEWS
COUNCILMEMBER SPENCE

3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

LAND ACKNOWLEDGEMENT

The Flagstaff City Council humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.

4. Open Call to the Public

Open Call to the Public enables the public to address the Council about an item that is not on the prepared agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. Open Call to the Public appears on the agenda twice, at the beginning and at the end. The total time allotted for the first Open Call to the Public is 30 minutes; any additional

comments will be held until the second Open Call to the Public.

If you wish to address the Council in person at today's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Open Call to the Public and Public Comment. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

5. Proclamation: Suicide Prevention Month

Read and present the Proclamation.

A. Proclamation: Ovarian Cancer Awareness Month

Read and present the Proclamation.

6. September Work Anniversaries

Recognition of employees celebrating work anniversaries in September.

7. 2025-2026 Annual Report for the 10-Year Housing Plan

This is an informational update only.

8. Open Call to the Public

9. Announcements and Updates to/from Council and City Manager

10. Adjournment

11. SPECIAL MEETING

A. Call to Order

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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B. Consideration and possible action regarding Executive Session of September 22, 2026.

RECOMMENDED ACTION:

Direct and authorize the City Attorney and/or designated city representative to proceed as discussed in the Executive Session of September 22, 2026, items **5Ai** and **5Bi**.

C. Adjournment

_____ hereby certifies that the foregoing notice and agenda was published on _____.

THE CITY OF FLAGSTAFF ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 48-hour advance notice, reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (928) 213-2076 or email at stacy.saltzburg@flagstaffaz.gov to request an accommodation to participate in this public meeting.

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Flagstaff makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Flagstaff City Council meetings are live-streamed and recorded and may be viewed on the City of Flagstaff's website. If you permit your child to attend/participate in a televised Council meeting, a recording will be made. You may exercise your right not to consent by not allowing your child to attend/participate in the meeting.

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Jessica Matias, Chief of Staff
Date: 09/17/2026
Meeting Date: 09/22/2026



TITLE:

Proclamation: Suicide Prevention Month

DESIRED OUTCOME:

Read and present the Proclamation.

Executive Summary:

NA

Information:

NA

Attachments: [Proclamation](#)

CITY OF FLAGSTAFF — OFFICE OF THE MAYOR

PROCLAMATION

WHEREAS, suicide is a national and statewide public mental health problem which occurs among all age groups and across all socioeconomic, racial and ethnic backgrounds; and

WHEREAS, more than half of Americans know someone who has thought about suicide; and

WHEREAS, suicide most often occurs when stressors exceed the current coping abilities of someone living with a mental health condition; and

WHEREAS, the stigma associated with mental illness and suicidality works against suicide prevention by discouraging persons at risk for suicide from seeking life-saving help and further traumatizes survivors of suicide; and

WHEREAS, many people who died by suicide did not receive effective behavioral health services due to the difficulties associated with accessing services by healthcare providers trained in best practices to reduce suicide risk, prejudices and discrimination surrounding the use of behavioral health treatment, and the stigma against acknowledging suicidal ideation, and

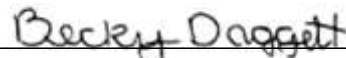
WHEREAS, public awareness of the warning signs and the networks available for at-risk individuals are essential to continue lowering the rates of suicide; and

WHEREAS, while there is no single cause of suicide and no single suicide prevention program or effort that will be appropriate for all populations or communities, initiatives based on the goals detailed in the National Strategy for Suicide Prevention to increase access to quality mental health, substance use condition, and suicide prevention services will help prevent suicide.

NOW, THEREFORE, I, Mayor Becky Daggett, Mayor of the City of Flagstaff, Arizona do hereby proclaim September 2026, as

SUICIDE PREVENTION MONTH

and declare that suicide is preventable through strengthened public health policy, and we should, as individuals, coworkers, and neighbors all come together to bring awareness to this issue.


MAYOR

ATTEST:


CITY CLERK

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Jessica Matias, Chief of Staff
Date: 07/23/2026
Meeting Date: 09/22/2026



TITLE:

Proclamation: Ovarian Cancer Awareness Month

DESIRED OUTCOME:

Read and present the Proclamation.

Executive Summary:

NA

Information:

NA

Attachments: [Proclamation](#)

CITY OF FLAGSTAFF — OFFICE OF THE MAYOR

PROCLAMATION

WHEREAS, ovarian cancer is the **fifth leading cause of cancer-related death among women in the United States**, and the **American Cancer Society estimates that in 2026 approximately 21,010 women will be diagnosed with ovarian cancer and 12,450 will die from the disease nationwide—including an estimated 510 new cases and 330 deaths in Arizona**; and

WHEREAS, a woman's lifetime risk of being diagnosed with ovarian cancer is approximately 1 in 91, and her lifetime risk of dying from the disease is approximately **1 in 143**; and

WHEREAS, due to vague, nonspecific symptoms and the **absence of a reliable early detection test**, the majority of women are diagnosed at **Stage III or later**, when the cancer has already spread beyond the ovaries; and

WHEREAS, although the **five-year survival rate for Stage I ovarian cancer exceeds 90 percent, only 15 percent of cases are diagnosed at this early stage**. For those diagnosed in later stages, **the five-year survival rate drops below 30 percent**; and

WHEREAS, while screening tools such as mammograms and Pap tests exist for breast and cervical cancers, **no equivalent screening test exists for ovarian cancer**, making **awareness of symptoms and risk factors essential** for early intervention; and

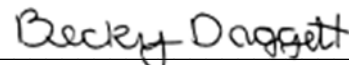
WHEREAS, increased public education about ovarian cancer can help save lives by promoting earlier diagnosis, supporting access to gynecologic oncology care, and encouraging research funding for better detection and treatment options; and

WHEREAS, during the month of September, the City of Flagstaff joins survivors, families, healthcare professionals, advocacy organizations, and all those committed to raising awareness, remembering lives lost, and offering hope for a future with better outcomes and ultimately, a cure.

NOW, THEREFORE, I, Mayor Becky Daggett, Mayor of the City of Flagstaff, Arizona do hereby proclaim September 2026, as

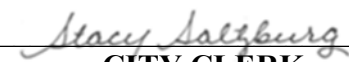
OVARIAN CANCER AWARENESS MONTH

and encourage all residents to participate in awareness activities, wear teal in support, and engage in conversations that help save lives and support the thousands of families affected by this devastating disease.



MAYOR

ATTEST:



CITY CLERK

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Georganna Staskey, Deputy City Clerk
Date: 09/16/2026
Meeting Date: 09/22/2026



TITLE:
September Work Anniversaries

DESIRED OUTCOME:
Recognition of employees celebrating work anniversaries in September.

Executive Summary:

Information:

Attachments: September Work Anniversary Presentation

The background is a vibrant display of bokeh lights in shades of blue and gold, with a layer of confetti at the bottom. The text is centered in a brown, cursive font.

September Work Anniversaries

First Year Anniversaries

- **Alexa Mulcahey, Maintenance Worker I**
- **Anthony Masayeva, Parks Maintenance Worker**
- **Benjamin Markert, Project Manager Senior Lead**
- **Brentley Tsoie, Police Emergency Communications Specialist**
- **Casey Emig, Water Operator II**
- **Embree Chattin, Library Page Temp**
- **Erin Smith, Street Operations Tech II**
- **Ernesto Robles-Miranda, Police Officer**
- **Jeffrey Vincent, Water Operator II**
- **Michael Miranda, Street Operations Tech I**
- **Michael Sloan, Parks Maintenance Worker**
- **Robert Faus, Code Compliance Officer II**
- **Sullivan Moore, Housing Planner**

Five Year Anniversary

Rees Cleland
Police Officer



Five Year Anniversary

Mary Corcoran
Librarian



Five Year Anniversary

Emily Melhorn
Water Conservation
Specialist



Five Year Anniversary

Gwen Durkee
Recreation Leader II



Fifteen Year Anniversary

Dustin Eberhardt
Police Lieutenant



Twenty Year Anniversary

Juan Huerta **Equipment Operator II**

Mr. Huerta is a very hard-working dedicated employee who has become an asset to the Public works Division particularly the solid waste section. His expertise in commercial collections has benefited the whole team for years. This is a milestone in his career and an example for the rest of public works. Mr. Huerta has been passing on his extensive knowledge base to all collection employees and is greatly appreciated.



Twenty Year Anniversary

Richard Tsinnie **Water Services Supervisor**

For two decades, Richard Tsinnie has been a steady, dedicated force within the City of Flagstaff's Water Services Division. As a Water Services Supervisor, Richard has played a key part in maintaining reliable water service for our community—often stepping up during complex projects and emergency responses that require experience, calm, and teamwork. His commitment to service, deep technical knowledge, and compassion for the community have made a lasting impact on both the organization and the residents we serve. Congratulations, Richard, on 20 years of exceptional dedication—thank you for all you've done to keep Flagstaff flowing strong.





**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Adriana Fisher, Housing Program Manager
Date: 09/03/2026
Meeting Date: 09/22/2026



TITLE:
2025-2026 Annual Report for the 10-Year Housing Plan

DESIRED OUTCOME:

This is an informational update only.

Executive Summary:

This update provides a summary of progress made between July 2025 and June 2026 by City staff and collaborators toward achieving the goals of the 10-Year Housing Plan.

Information:

Please see the attached presentation and report.

Attachments: 2025-2026 Annual Report
2025-2026 Annual Report Presentation



**FLAGSTAFF
HOUSING
DIVISION**

2025–2026 Annual Report

for the 10–Year Housing Plan



City of Flagstaff Housing Division
flagstaff.az.gov/4553/10-Year-Housing-Plan
Learn more by visiting the link above or scanning the QR code.



2025-2026 Annual Report for the 10-Year Housing Plan

Introduction

The [City of Flagstaff's 10-Year Housing Plan](#), adopted by City Council in 2022, provides a framework to increase housing opportunities and improve affordability for households at all income levels. The Plan outlines strategies related to housing development, preservation, policy, partnerships, and community investment.

This Annual Report summarizes implementation activities during Fiscal Year 2025-2026 (July 1, 2025, through June 30, 2026). It identifies current housing conditions, highlights progress toward the Plan's goals, and reports on key performance measures.



During Fiscal Year 2025-2026, home prices and rents remained high compared to local incomes, although some housing market indicators showed signs of stabilization. The community continued to experience a shortage of housing at multiple income

levels, particularly homes affordable to low- and moderate-income households.

Throughout the year, the City worked with nonprofit organizations, developers, regional partners, and government agencies to implement strategies identified in the Plan. These efforts included increasing housing supply, preserving existing affordable housing, expanding housing assistance programs, and reducing barriers to housing development.

Housing Market Overview

The Housing Division reviews local housing market conditions each year to help inform housing programs, policy decisions, and implementation of the 10-Year Housing Plan. This review summarizes trends in home prices, rents, incomes, and housing affordability during Fiscal Year 2025-2026.

Several housing market indicators showed modest changes during the year. According to [Apartments.com](#), Flagstaff's overall cost of living was 18.1% above the national average in June 2026, a 3% decrease from the previous year. Housing costs were 50.4% above the national average, a 1% decrease from the previous year.

According to the [June 2026 Housing Market Overview](#) presented to the Housing Commission, only 27.1% of current residential homes in Flagstaff are priced under \$500,000, a 3% increase from the previous year. [Redfin](#) reported a median home sale price of approximately \$701,000 in June 2026, a 4% decrease from the

previous year, but still approximately \$264,000 above the national median. On average, homes sold in 29 days, down from 37 days the previous year ([Redfin](#)).

JUNE 2026 FLAGSTAFF HOMEBUYING AFFORDABILITY

Home Type	Average Purchase Price	Current Interest Rate	Approx. Monthly Payment	Annual Income Needed
Single Family Residence	\$814,545	6.50%	\$5,802	\$157,092
Townhome	\$585,297	6.50%	\$4,390 (w/\$250 HOA)	\$126,960
Condo	\$427,334	6.75%	\$3,330 (w/\$250 HOA)	\$101,520
Manufactured Home (Owned Land)	\$437,761	6.75%	\$3,169	\$97,650
Mobile Home (Leased Lot)	\$119,988	9.00%	\$2,366 (w/\$1,200 space rent)	\$78,400

Source: Housing Market Overview, June 2026 (Assumes a credit-qualified borrower with 5% down, \$900/mo in recurring debt, estimated property taxes, homeowners' insurance, and mortgage insurance. Actual payments and qualifying income vary.)

The Housing Market Overview also reported a median household income of \$71,512 in 2026, an increase from \$69,700 in 2025. Despite this increase, home prices outpaced local incomes.

According to [Zillow](#), the average monthly rent for all property types was \$2,300 in June 2026, up \$131 from the previous year. The average rent for a two-bedroom unit was \$1,999, down \$60 from the previous year.

Overall, housing costs remained high relative to local incomes, continuing to limit housing affordability for many households.

Fiscal Year 2025-2026 Highlights

July 2025 – June 2026 10-Year Housing Plan Highlights

1,255

Residents
Assisted

384

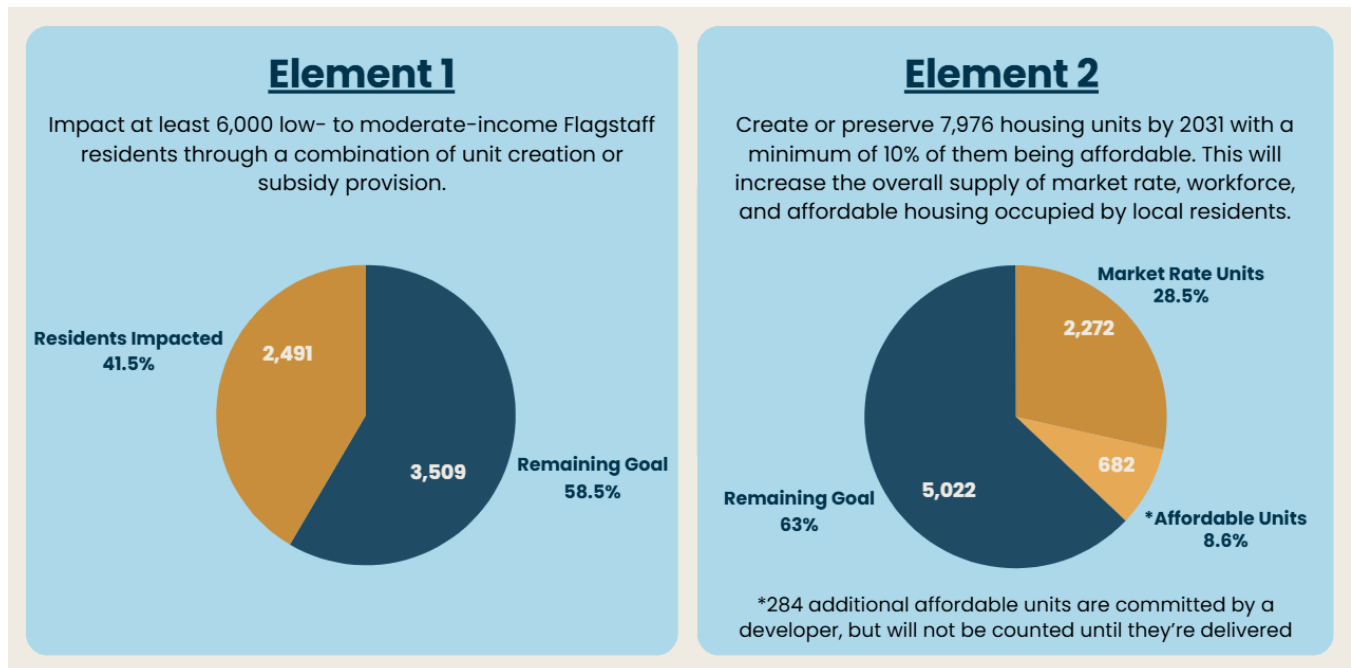
Market Rate Units
Created or Preserved

408

Affordable Units
Created or Preserved

Overarching Goal and Element Progress

The graphic below summarizes progress toward the goals and key elements of the 10-Year Housing Plan since its adoption on February 15, 2022.



The graphic is updated quarterly in January, April, July, and October using data from the previous three months. It reports:

- ▶ **Residents Impacted** = The number of individuals who received housing assistance during the reporting period. It includes all household members supported by, but not limited to, the following programs:
 - **Down Payment Assistance**
 - Community Homebuyer Assistance Program (CHAP)
 - Employer Assisted Housing (EAH) Program: City limits only
 - **Community Development Block Grant (CDBG) Projects**
 - Includes eviction prevention, move-in assistance, transitional housing, and other housing creation efforts
 - **Housing Choice Vouchers (Section 8)**
 - Only new vouchers received by the Housing Authority
 - **Affordable Rental Units**
 - Initial households counted once at lease-up for new affordable rental developments
 - Households cycling in and out of an affordable rental unit are not counted
 - **Affordable Homeownership Units**
 - Includes initial and subsequent households in new and resale affordable units, excluding those using down payment assistance programs
- ▶ **Market Rate Units** = The number of new market-rate housing units that received a final building inspection during the reporting period, based on the City's Building Finals Report.
- ▶ **Affordable Units** = The number of delivered affordable rental and homeownership units that received a final building inspection based on the City's Building Finals Report.
 - All new rental and homeownership units built and tracked at closing of escrow (i. e. Rental Assistance Demonstration (RAD), IPAH, CDBG projects resulting in rehabilitated or constructed units)

- **Committed Affordable Units** = The number of affordable housing units that have been formally committed by a developer in a Development Agreement or an approved site plan or plat. This number is subject to change as conditions change and if development agreements are amended, and once units are built.

This two-page [Development Impact Report](#) provides an overview of developments the City has invested in since its founding. It includes information on each development, the number of affordable units, income levels served, and the broader community impact of these investments.

To view the broad range of housing services, programs, and opportunities distributed throughout the city, visit this [interactive map](#).

Strategy Progress

The 10-Year Housing Plan includes 58 strategies organized under 13 policy initiatives. The graphic on the right summarizes the progress made on the strategies since February 2022.

Strategies are categorized as completed, in progress, not started, or ongoing. Completed, in progress, and not started strategies are project-based actions with defined timelines. Ongoing strategies do not have a defined end date. They require constant collaboration, policy development, community engagement, and investment throughout the life of the Plan.

The following section provides Fiscal Year 2025-2026 updates for each strategy, including current status and implementation progress.



COMPLETED STRATEGIES

The following four strategies were identified in a previous implementation plan and were completed during the reporting period:

Strategy	Strategy Description	Status	Status Comments
Create 2.1	Update the Regional Plan policies to support increased density related to affordable housing.	Completed	The Flagstaff Regional Land Use Plan 2045 was adopted by City Council, ratified by voters, and took effect in June 2026. The plan incorporates increased density and a wider variety of zoning categories to conform to the Neighborhood land use categories. Compared with the 2030 plan, Urban Neighborhood areas (which support high residential density) have been expanded in the Future Growth Illustration, and the

			Suburban Neighborhood category supports increased density in the 2045 plan. The plan includes a Housing Attainability Goal (HA) with several supporting policies, and multiple other policies support density and affordability (NE.2, CD.2, PK.3, DP.2, DP.3, DP.4). “Attainable Housing and Equity” is also a core priority of the plan.
Create 2.2	Identify suburban areas to support greater density and intensity of development.	 Completed	The Flagstaff Regional Land Use Plan 2045 was adopted by City Council, ratified by voters, and took effect in June 2026. The plan supports increased density in most Suburban Neighborhoods. The HR zone, which allows up to 29 dwelling units per acre, is a compatible zone for Suburban Neighborhood areas.
Create 2.3	During the update of the Flagstaff Regional Plan, revise the Community Character chapter for goals and policies to include cost-saving methods that reduce the conflict between affordable housing, historic preservation, and urban design.	 Completed	The Flagstaff Regional Land Use Plan 2045 was adopted by City Council, ratified by voters, and took effect in June 2026. The 2045 plan was restructured from the 2030 plan, and there is no longer a Community Character chapter. A set of Best Practices for Creating a Sense of Place was added to address community character and related design considerations.
Preserve 1.2	Review the Land Use Goals and Policies in the Regional Plan, Specific Plans, and City code to remove barriers to adaptive reuse for the creation of affordable housing.	 Completed	The Flagstaff Regional Land Use Plan 2045 was adopted by City Council, ratified by voters, and took effect in June 2026. “Attainable Housing and Equity” is a core priority of the plan, and there are several guidelines and action items related to the adaptive reuse of buildings. In September 2025, Council approved a \$3 million general obligation bond program to facilitate the creation of affordable rental units through adaptive reuse. Additionally, Council approved a complementary zoning code amendment to incentivize affordable adaptive reuse projects by providing relief from various development standards and discretionary approval processes.

The following strategy was completed as an opportunity arose during the reporting period and was not identified in a previous implementation plan:

Strategy	Strategy Description	Status	Status Comments
Create 4.7	Continue to evaluate and amend the current Accessory Dwelling Unit (ADU) zoning code standards with the goal of increasing supply.	 Completed	Completed through zoning code amendments made to comply with HB2720, as well as a collaborative ADU standard plan library led by the Sustainability Division, officially launched in January 2026.

STRATEGIES IN PROGRESS

The following strategies were identified in a previous implementation plan and will be completed as part of the **Incentive Policy for Affordable Housing (IPAH)**:

Strategy	Strategy Description	Status	Status Comments
Create 1.2	Update the City's affordable housing incentive policy to implement the goals and policies of the 10-Year Housing Plan.	 In Progress	A minor amendment to the policy was approved by City Council on May 20, 2025 to allow water and sewer fee reimbursements. A full update will follow the completion of the LASS+CAP project.
Create 1.3	Amend the City code to implement the revised affordable housing incentive policy.	 In Progress	The City code will be updated in conjunction with IPAH following the completion of the LASS+CAP.
Create 1.4	Explore implementing reduced fees and waivers to incentivize the development of affordable housing.	 In Progress	This strategy will be explored with the IPAH rewrite.
Create 1.5	Explore in-lieu alternatives to providing affordable housing units (i.e. down payment assistance program, donation of finished lots, in-lieu payment, etc.).	 In Progress	This strategy will be explored with the IPAH rewrite.
Create 1.6	Explore expedited review as an incentive to developments that provide affordable housing units.	 In Progress	This strategy will be explored with the IPAH rewrite.

The following strategies will be implemented through the **Resource Protection Overlay Standards** project:

Strategy	Strategy Description	Status	Status Comments
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Create 4.5	Evaluate and amend the Resource Protection Overlay standards to ensure that the minimum densities can be met on most sites, including making the requirements for residential sites to be similar to those for a commercial site.	 In Progress	This strategy is currently in progress and will be fully implemented over time through several amendments.
Create 4.6	Evaluate Resource Protection Overlay standards in terms of consistent application across each zone and allow for greater maximum densities.	 In Progress	A pilot program has been implemented. The first project added 120 units to a site previously limited to 192 (vs. 327 permitted), while preserving key resources and maintaining adequate fire separation.

The following strategies are **independent of upcoming projects** and are in progress:

Strategy	Strategy Description	Status	Status Comments
Create 1.8	Explore the use of the community land trust model and public/private partnerships to incentivize the development of ownership units that are priced significantly below market rate.	 In Progress	In fall 2025, the Housing Division presented an analysis of City-owned parcels suitable for housing and received direction from City Council to begin soliciting development proposals for those sites through a competitive procurement process. Staff may consider using the community land trust model in future solicitations.
Create 3.2	Create a fund for the purpose of acquiring land/units for affordable housing in order to be able to respond to opportunities as they arise.	 In Progress	The Housing Division is exploring feasible, recurring revenue streams to establish an ongoing housing fund to support this strategy.
Create 3.3	Identify ongoing resource opportunities for the purpose of assisting households experiencing homelessness, households at risk of becoming homeless, first-time homebuyers, and affordable housing targeted to these populations.	 In Progress	Voters approved Proposition 442, a general obligation bond authorizing \$20 million to create rental and homeownership opportunities for Flagstaff residents. Of this, two programs totaling \$12 million were designed to act as revolving loan funds over time. Housing staff have explored additional pathways to achieve this strategy and are prepared to share findings with Council.

Create 5.5	Explore alternative Engineering and Fire requirements to minimize the cost of development without compromising Fire and Life Safety.	 In Progress	Staff is developing recommendations for City code and standards updates based on the best available wildfire risk-reduction science. Wildland Fire Management staff is focused on updating the International Wildland Urban Interface Code, as well as resource protection and landscaping standards. In 2025, a Resource Protection Pilot Project was approved by City Council, allowing staff and developers to better align tree retention with the development planning process and the use of LiDAR imagery. Flagstaff continues to work with the Headwaters Economics Community Planning Assistance for Wildfire team to receive technical assistance on land-use planning. Wildfire-adapted building codes and construction practices are well aligned with energy efficiency and insurance cost mitigation.
Create 5.9	Prioritize the development of City of Flagstaff owned land designated for affordable housing and evaluate other City-owned parcels for affordable and mixed-income housing.	 In Progress	An inventory of City-owned land was completed as part of the LASS within the LASS+CAP. Staff presented the findings to City Council in the fall 2025, and Council directed staff to solicit development proposals for these sites through a competitive process. Competitive procurement for two sites, and potentially a third property, is currently underway. The upcoming Rental Assistance Demonstration (RAD) project will also advance this strategy by at least doubling the affordable housing stock at two public housing properties. In an innovative collaboration with Habitat for Humanity, City staff worked to advance the Timber Sky starter homes by leasing the land to Habitat, thereby helping reduce barriers and lower the cost of home construction.

Preserve 2.2	Acquire and rehabilitate already built properties for affordable housing projects when financially feasible.	 In Progress	This strategy depends on collaboration with private development partners as opportunities arise. CDBG funding for Program Years 2023 (\$250,000), 2024 (\$270,729.50), and 2025 (\$280,000) was allocated to assist Housing Solutions of Northern Arizona in acquiring six permanently affordable units (three studios and three one-bedroom units). Additionally, Adaptive Reuse Bond Program funds were awarded to The Lantern and the Western Hills Apartments projects, which added 132 affordable units to Flagstaff's stock through the adaptive reuse of existing hotel buildings.
Protect 3.3	Research ways to provide incentives to landlords who rent to those with any housing voucher or housing barriers, such as poor credit, criminal history, etc.	 In Progress	This strategy is in progress through the City of Flagstaff Housing Authority. Staff will conduct community education efforts during Housing America Month 2026 to reduce stigma around housing vouchers and increase landlord engagement. Staff will also explore forming a property management stakeholder group and researching CDBG-funded rental rehabilitation programs that could incentivize landlords to renters facing barriers.

ONGOING STRATEGIES

During Fiscal Year 2025-2026, the City prioritized six ongoing strategies based on current community needs, available resources, and emerging opportunities. These strategies received focused attention during the reporting year while continuing to advance the Plan's overarching goals.

Strategies prioritized in **Fiscal Year 2025-2026**:

- ▶ **Connect 2.4:** Utilize City of Flagstaff resources to educate the community about financing and housing opportunities with an emphasis on assisting low- to moderate-income households to advance through the housing continuum and to address past racial disparities.
- ▶ **Connect 3.2:** Encourage neighborhoods, housing types, and building practices that increase health.
- ▶ **Preserve 1.1:** Explore the use of Low-Income Housing Tax Credit in conjunction with Historic Preservation Tax Credit for the acquisition and rehabilitation of affordable housing where appropriate.
- ▶ **Preserve 2.1:** Continue homeownership rehabilitation programs and create an affordable rental rehabilitation program with a focus on establishing safe, decent, and sustainable housing.

- ▶ **Protect 1.1:** Advocate to the State of Arizona to allow greater local control of vacation rentals and second homes.
- ▶ **Protect 2.2:** Encourage diversity of housing options in all neighborhoods, understanding that exclusive communities are incompatible with the City of Flagstaff's mission to protect and enhance the quality of life for all.

The following strategies remained active during Fiscal Year 2025-2026 as part of ongoing implementation:

- ▶ **Create 1.1:** Ensure that modifications to the zoning code improve and maintain the effectiveness of the density incentives for affordable housing.
- ▶ **Create 1.7:** Explore ways to incentivize employers to offer Employer Assisted Housing (EAH) programs.
- ▶ **Create 5.7:** Construct and promote net zero or Net Zero Ready affordable housing when funding is available and encourage private developers to do the same.
- ▶ **Connect 1.3:** Continue to support and develop Coordinated Entry as a meaningful process that provides linkages to healthcare, behavioral health, and housing.
- ▶ **Connect 2.1:** Evaluate housing policies and strategies in City of Flagstaff planning documents through an equity lens.
- ▶ **Connect 2.2:** Encourage community organizations such as the local Continuum of Care to continue to integrate equity into programs and policies.
- ▶ **Connect 3.1:** Raise awareness of housing security as a social determinant of health.
- ▶ **Protect 1.2:** Pursue local and legislative changes that increase the preservation, creation, and protection of affordable housing as necessary.
- ▶ **Protect 2.4:** Implement a public outreach campaign to educate the community about the critical role affordable housing plays in a thriving community, create a groundswell of support for affordable housing, and combat community opposition to housing and affordable housing.

Housing Resources and Community Efforts

The City administered housing programs and partnered with nonprofit organizations, developers, employers, and government agencies to support implementation of the 10-Year Housing Plan. The following highlights summarize key housing programs and initiatives during Fiscal Year 2025–2026.

PROGRAM AREA	FY 2025–2026 HIGHLIGHTS
Affordable Homeownership Households Assisted	3
Community Homebuyer Assistance Program (CHAP) Families Assisted	20
City Employees Assisted	7
Housing Choice Vouchers Administered	579
Public Housing Units Operated	265
CDBG Funding Awarded	\$881,000
Adaptive Reuse Bond Units Supported	132
Rental Incentive Bond Units Committed	230

HOUSING INVESTMENT PROGRAMS:

The Housing Investment Section administered programs that support affordable housing development, homeownership, rental assistance, and community investment.

- ▶ **[Affordable Homeownership Program](#)**: Assisted three households through permanently affordable homeownership opportunities.
- ▶ **[Affordable Rental Program](#)**: Supported the creation of new affordable rental housing built through development agreements. This fiscal year, 42 new affordable rental units became available at the newly constructed Sky Cottages and Elkwood developments.
- ▶ **[Adaptive Reuse Bond Program](#)**: Following City Council approval in September 2025, expended most of the \$3 million program allocation to projects providing 132 affordable rental units through the adaptive reuse of motels, including the Lantern and Western Hills Apartments.
- ▶ **[Community Development Block Grant \(CDBG\)](#)**: Approved approximately \$881,000 in CDBG funding to support affordable housing, neighborhood improvements, public services, and community development projects benefiting low- and moderate-income residents.
- ▶ **[Community Homebuyer Assistance Program \(CHAP\)](#)**: Expanded through Proposition 442 bond funding, increasing assistance limits and eligibility. During the fiscal year, 14.2% of the \$7 million allocation was spent assisting 20 families in purchasing their first home.
- ▶ **[Employer Assisted Housing \(EAH\)](#)**: Provided down payment assistance to seven City employee households.
- ▶ **[Fair Housing](#)**: Conducted outreach and education activities during Fair Housing Month, including training and community resource fairs attended by over 150 participants.
- ▶ **[Incentive Policy for Affordable Housing \(IPAH\)](#)**: Expended \$715,518.71 in support of three projects over the last year: Habitat Starter Homes at Timber Sky, Izabel Street Apartments, and Sierra on 66. This financial support covered costs for permitting fees, such as water capacity fees and building plan review fees.
- ▶ **[Rental Incentive Bond Program \(RIBP\)](#)**: A majority of the \$5 million in program funds is reserved for projects expected to deliver a total of 230 affordable rental units.

HOUSING AUTHORITY PROGRAMS:

The Housing Authority Section provided affordable housing and rental assistance throughout the community.

- ▶ **[Clark Homes](#)**: Operated 80 affordable units.
- ▶ **[Housing Choice Voucher \(Section 8\) Program](#)**: Administered 579 Housing Choice Vouchers.
- ▶ **[Low-Income Public Housing](#)**: Operated 265 public housing units.
- ▶ **[Rental Assistance Demonstration \(RAD\)](#)**: Began the multi-year Rental Assistance Demonstration (RAD) conversion process to reposition and redevelop the public housing portfolio.

COMMUNITY PLANNING AND HOUSING INITIATIVES:

Several long-range planning efforts supported implementation of the 10-Year Housing Plan.

- ▶ **[Flagstaff Regional Plan 2045](#)**: Ratified by voters in May 2026 and updated housing and land use policies to support a broader range of housing types and residential densities.

- ▶ [Land Availability and Suitability Study + Code Analysis Project \(LASS+CAP\)](#): Identified City-owned sites for future housing development and produced recommendations for zoning and development code amendments. Collaborative implementation work will be done in the coming years to remove code barriers to housing production. Competitive solicitations for two sites began during the fiscal year.

Collaboration

The City worked with local, regional, and statewide partners to support implementation of the 10-Year Housing Plan. These partnerships provided opportunities to share information, coordinate housing initiatives, and support community engagement.

NORTHERN ARIZONA ASSOCIATION OF REALTORS (NAAR)

The Housing Division met regularly with the Northern Arizona Association of REALTORS® to discuss local housing issues and upcoming City housing initiatives. During Fiscal Year 2025-2026, NAAR:

- ▶ Partnered with the City on the Unlocking Homeownership event during Housing America Month.
- ▶ Participated in Fair Housing Month activities, including a proclamation and housing resource fair.

NORTHERN ARIZONA UNIVERSITY'S (NAU) COMMUNITY AND UNIVERSITY PUBLIC INQUIRY (CUPI) POD

The Housing Division partnered with Northern Arizona University's (NAU) Community and University Public Inquiry (CUPI) Pod to gather objective research that may help further 10-Year Housing Plan strategies. Housing staff supported student projects by providing information on local housing issues, City programs, and the goals of the 10-Year Housing Plan.

LOCAL COALITION TO END HOMELESSNESS (LCEH)

The Housing Division participated in the Local Coalition to End Homelessness (LCEH), formerly known as the [Coconino County Continuum of Care \(CoC\)](#). The LCEH is a regional partnership focused on preventing and ending homelessness through coordinated services and housing solutions. The LCEH brings together housing providers, service organizations, government agencies, and community partners to improve coordination and strengthen the local response to homelessness.

City staff participated in LCEH committees, working groups, and leadership efforts to improve access to emergency shelter, transitional housing, permanent supportive housing, and other services for individuals and families experiencing housing instability.

For more data on Flagstaff's unsheltered population, visit the [City's CDBG webpage](#).

COCONINO COUNTY COMMUNITY ACTION ADVISORY BOARD (CAAB)

The Housing Division represented the City on the [Coconino County Community Action Advisory Board \(CAAB\)](#), supporting regional efforts in housing stability, poverty reduction, and community services.

PROPOSITION 442 PARTNERSHIPS

The Housing Division worked with developers, nonprofit organizations, financial institutions, and other partners to implement [Proposition 442 housing bond programs](#). During Fiscal Year 2025-2026, these

partnerships supported the Community Homebuyer Assistance Program, Rental Incentive Bond Program, Adaptive Reuse Bond Program, and Rental Assistance Demonstration project.

LEGISLATIVE AND REGIONAL ADVOCACY

The Housing Division worked with regional and statewide organizations to monitor housing legislation and participate in discussions related to affordable housing, funding opportunities, and local housing policy.

Efforts include:

- ▶ The City of Flagstaff worked with Representative Theresa Martinez to introduce [HB2804 \(rural affordable housing: tax credits\)](#), which would have established the Rural Development and Housing Tax Credit. While the bill passed out of the House, it did not receive a hearing in the Senate. To demonstrate widespread support of the bill, the City sent a letter to the Governor signed by 32 mayors and county supervisors across the state of Arizona. The City's efforts were [reported on by KJZZ](#).
- ▶ The City of Flagstaff's [2026 State Legislative Priorities](#) include efforts to support affordable housing and local regulation of the short-term rental industry.
- ▶ During the City's [2026 Washington DC Lobbying Trip](#), Flagstaff's elected officials advocated in support of maintaining or increasing funding for federal housing programs and retaining flexibility for local governments to implement community-specific housing solutions.
- ▶ The City of Flagstaff's [2026 Federal Legislative Priorities](#) include efforts to support federal housing programs and to make flood insurance premiums more affordable.
- ▶ On July 1, 2025, the [Council retroactively approved](#) a letter of support for the federal CDBG and HOME programs, highlighting the impact these programs have had in the City of Flagstaff and the number of people they have helped. The [letter](#) was sent to Senator Mark Kelly, Senator Ruben Gallego, and Representative Eli Crane.
- ▶ On May 19, 2026, the [Council approved updates to the Flagstaff City Code](#) to more closely align with state law regulatory options and to address ongoing compliance challenges related to short-term rentals.

Conclusion

During Fiscal Year 2025-2026, the City made measurable progress toward the goals of the 10-Year Housing Plan by completing five strategies, advancing numerous others, and investing in housing production, preservation, homeownership, and direct assistance. Policy and regulatory changes, new funding resources, development partnerships, and regional collaboration strengthened the City's capacity to address housing needs and laid the groundwork for continued implementation.

Despite this progress, housing costs remained high relative to local incomes, and the shortage of affordable housing persisted. Continued investment, collaboration, and implementation of the Plan's remaining strategies will be necessary to build on this year's progress and expand housing opportunities for Flagstaff residents.

To stay informed about progress on the 10-Year Housing Plan, visit the City's [10-Year Housing Plan webpage](#) to access the full Plan, quarterly progress graphic, implementation plans, annual reports, interactive housing map, and other resources. Additional data on the Housing Division's accomplishments and activities during Fiscal Year 2025-2026 can be found on the [FY 2025-2026 Annual Report](#).

2025-2026 Annual Report for the 10-Year Housing Plan

Adriana Fisher, Housing Program Manager
Housing Investment Section, Housing Division

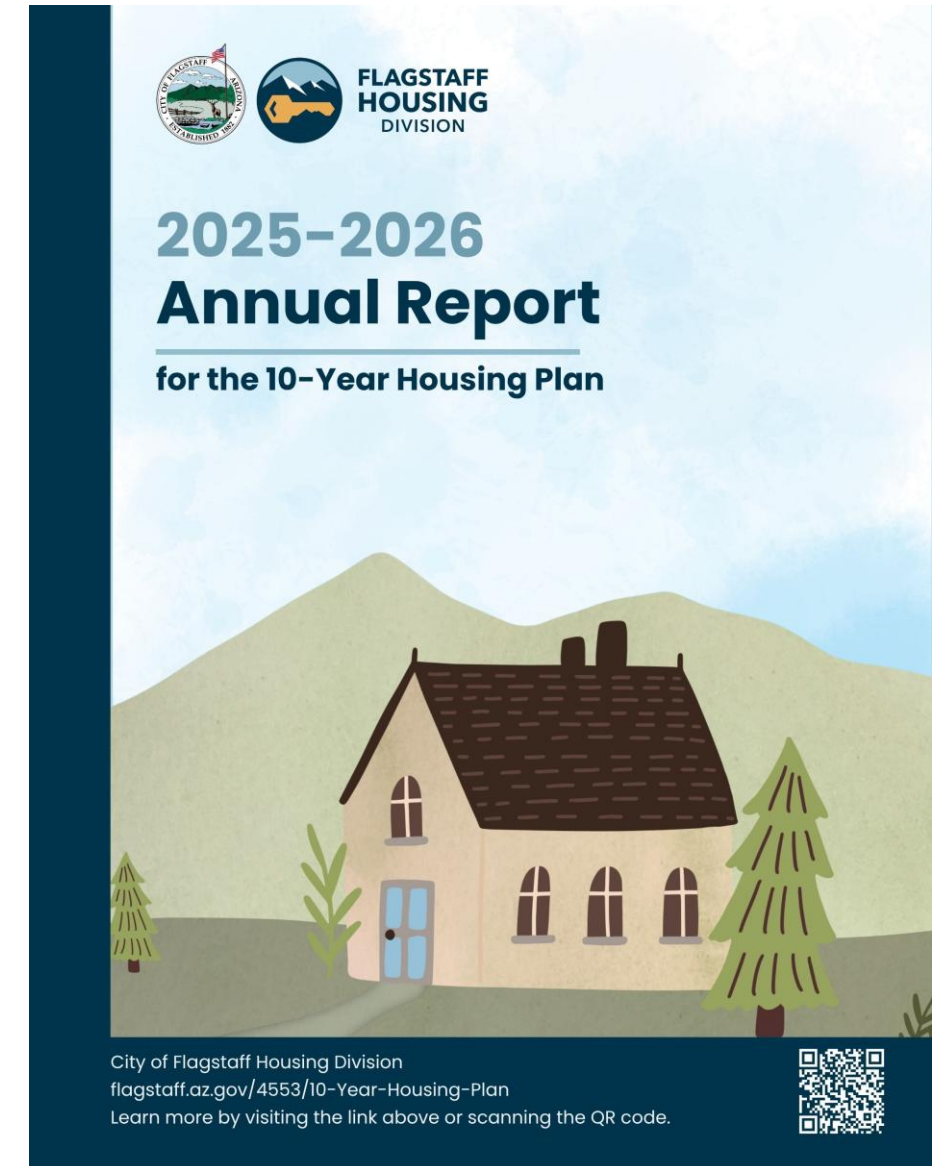




Agenda

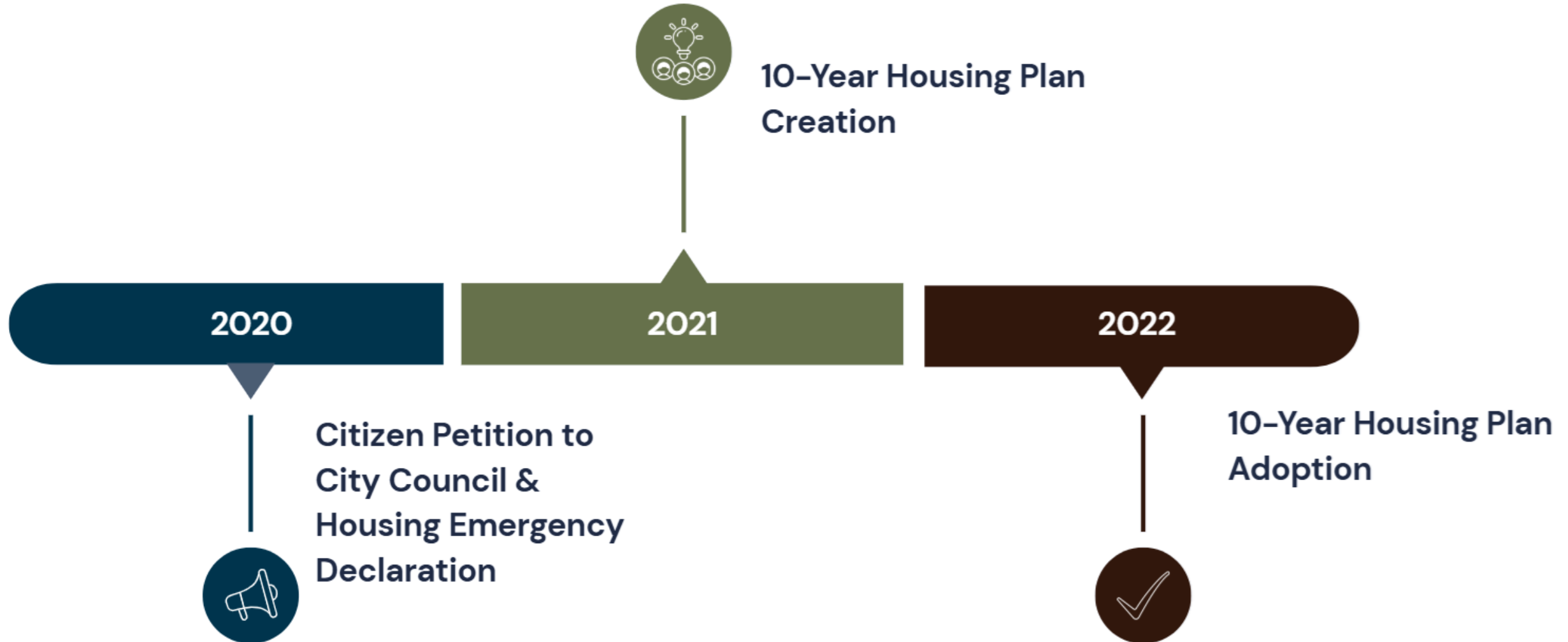


- 10-Year Housing Plan Timeline
- Flagstaff Housing Market Snapshot
- 2025-2026 Highlights
- Overarching Goal Progress
- Progress on Strategies
- Housing Resources, Community Efforts, and Collaboration
- Legislative & Regional Advocacy





10-Year Housing Plan Timeline





Flagstaff Housing Market Snapshot



Cost of Living

18.1%

above national avg

▼ down 3%

Average Time on Market

29 days

▼ down from
37 days

Housing Costs

50.4%

above national avg

▼ down 1%

Median Income

\$71,512

▲ up \$1,812

Homes Under \$500K

27.1%

▲ up 3%

Average Rent

\$2,300

▲ up \$131

Median Home Sale

\$701,000

▼ down 4%

2-BR Unit Rent

\$1,999

▼ down \$60



2025-2026 Highlights



1,255

residents
assisted



384

market rate units
created or preserved



408

affordable units
created or preserved



FLAGSTAFF
HOUSING
DIVISION

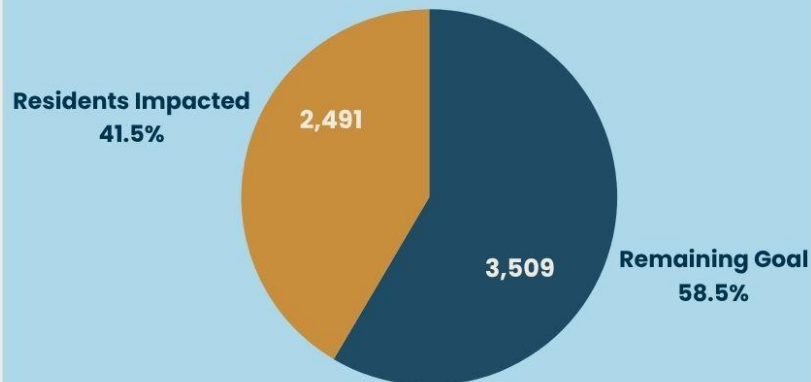
10-Year Housing Plan Progress

02/15/2022 to 06/30/2026

The goal of the Housing Plan is to reduce the current affordable housing need in our community by half over the next ten years.

Element 1

Impact at least 6,000 low- to moderate-income Flagstaff residents through a combination of unit creation or subsidy provision.



Element 2

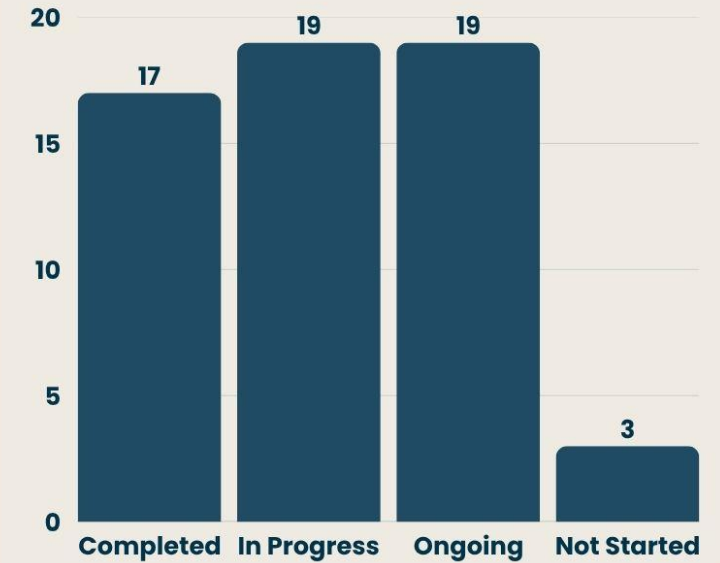
Create or preserve 7,976 housing units by 2031 with a minimum of 10% of them being affordable. This will increase the overall supply of market rate, workforce, and affordable housing occupied by local residents.



*284 additional affordable units are committed by a developer, but will not be counted until they're delivered

Strategy Progress

of 58 Comprehensive Strategies



Read the Housing Plan!



flagstaff.az.gov/4553/10-Year-Housing-Plan



Strategies Completed in FY25-26



Update Regional Plan policies to support higher-density affordable housing (Create 2.1)



Identify areas appropriate for increased residential density (Create 2.2)



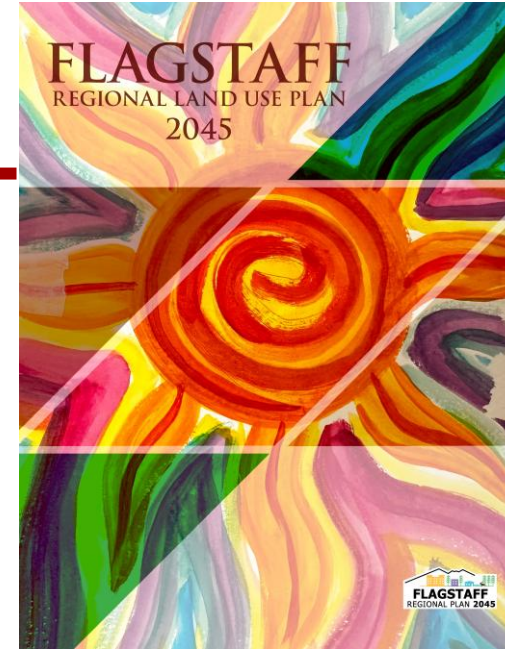
Revise Community Character policies to better support affordable housing, historic preservation, and urban design (Create 2.3)



Remove barriers to adaptive reuse for affordable housing (Preserve 1.2)



Continue refining ADU standards to increase housing supply (Create 4.7)



Browse the designs



The Cozy Cottage

- 620-805 square feet
- 1-2 bedrooms



Three Peaks

- 792 square feet
- 1 bedroom



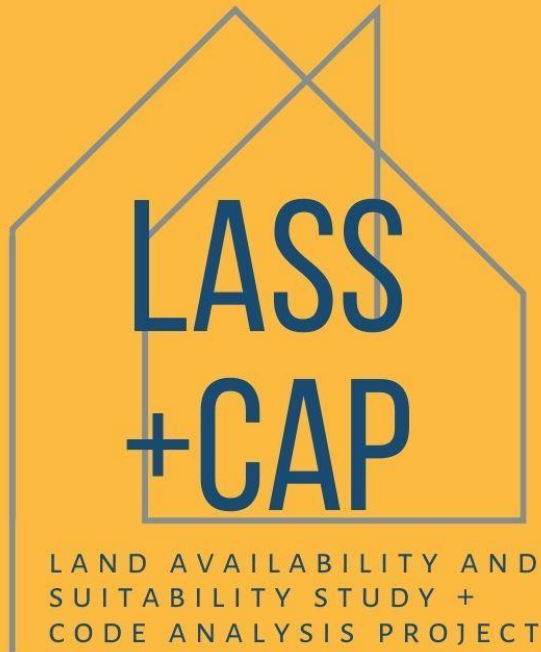
Green Gables

- 524 square feet
- 1 Bedroom



Project-Based Strategies In Progress

Incentive Policy for Affordable Housing (IPAH):



Update IPAH to include 10YHP goals
(Create 1.2)

Amend City code (Create 1.3)

Evaluate fee reductions and waivers
(Create 1.4)

Explore in-lieu options (Create 1.5)

Assess expedited review (Create 1.6)



Project-Based Strategies In Progress

Resource Protection Overlay (RPO) Standards:



Adjust for minimum densities on most sites (Create 4.5)



Ensure consistent standards & increase max densities (Create 4.6)



<https://www.flagstaff.az.gov/5139/Resource-Protection-Overlay-Tour>



Project-Based Strategies In Progress

Funding and Landlord Incentives



Create a land and unit acquisition fund
(Create 3.2)



Identify ongoing resources (Create 3.3)



Research incentives for inclusive landlord
participation (Protect 3.3)

CITY OF FLAGSTAFF



HOUSING
AUTHORITY





Project-Based Strategies In Progress

Development & Acquisition



Explore land trusts and partnerships for ownership (Create 1.8)



Explore cutting development costs and maintaining safety (Create 5.5)



Use City land for affordable housing (Create 5.9)



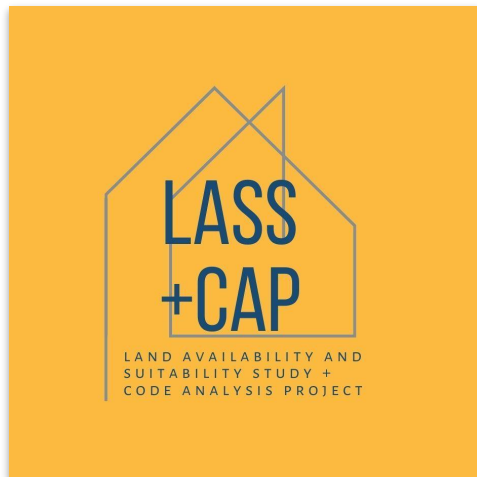
Acquire and rehab existing properties for affordable housing (Preserve 2.2)





Ongoing Strategies

Housing Production, Sustainability & Preservation



Enhance zoning code for density incentives (Create 1.1)

Explore incentives for Employer Assisted Housing (Create 1.7)

Construct and promote net zero (Create 5.7)

Explore tax credits for acquisition & rehab (Preserve 1.1)

Rehab ownership & rental homes (Preserve 2.1)



Ongoing Strategies

Community Connections, Equity, and Housing Stability

Support Coordinated Entry (Connect 1.3)

Evaluate policies & strategies through equity lens (Connect 2.1)

Support equity in community programs (Connect 2.2)

Educate on financing and housing opportunities (Connect 2.4)

Promote housing security as key to health (Connect 3.1)

Encourage healthy housing and neighborhoods (Connect 3.2)





Ongoing Strategies

Housing Preservation, Diversity & Outreach



Advocate for local control of vacation rentals (Protect 1.1)



Pursue policy changes for preservation, creation, and protection (Protect 1.2)



Encourage diverse housing types (Protect 2.2)



Educate and build support for affordable housing (Protect 2.4)





Housing Resources & Community Efforts



PROGRAM AREA	FY 2025–2026 HIGHLIGHTS
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Public Housing Units Operated	265
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Adaptive Reuse Bond Units Supported	132
Rental Incentive Bond Units Committed	230



Collaboration

Northern Arizona Association of Realtors

- Housing America Month & Fair Housing Month

Northern Arizona University's (NAU) Community and University Public Inquiry (CUPI) Pod

- 10-Year Housing Plan Research x2 semesters

Local Coalition to End Homelessness (LCEH) – formerly CoC

- Preventing and ending homelessness

Coconino County Community Action Advisory Board (CAAB)

- Supports housing stability, poverty reduction, community services

Proposition 442 Partnerships

- Community Homebuyer Assistance Program, Rental Incentive Bond Program, Adaptive Reuse Bond Program, and Rental Assistance Demonstration (RAD) project



Legislative and Regional Advocacy

HB2804

- Introduced Rural Housing Tax Credit legislation; passed House; led statewide advocacy (signed by 32 mayors and county supervisors).

2026 State Priorities

- Affordable housing and local short-term rental authority.

2026 Federal Advocacy

- Increase housing funding, community-specific housing solutions, and affordable flood insurance.

Short-Term Rentals

- Updated City Code to align with state law and improve compliance.

CDBG & HOME

- Support for continued federal funding through congressional advocacy.



Want to see more data?





FLAGSTAFF HOUSING DIVISION
EQUAL HOUSING OPPORTUNITY

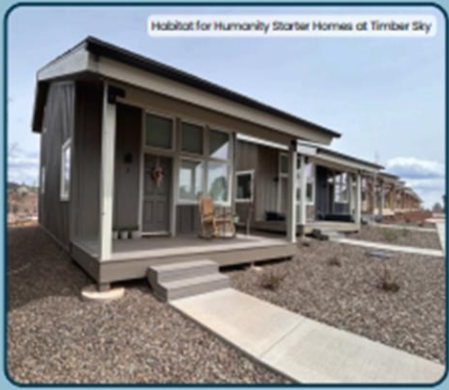
FY 2025–2026 ANNUAL REPORT



Ponderosa Parkway Condominiums



Housing Staff, City Manager Joane Kewins, and Housing Solutions CEO Devonna McLaughlin



Habitat for Humanity Starter Homes at Timber Sky

City of Flagstaff Housing Division
Reporting Period
July 1, 2025 – June 30, 2026
Released
July 2026



flagstaff.az.gov/DocumentCenter/View/95719





CITY OF FLAGSTAFF

2026



FLAGSTAFF HOUSING DIVISION

City of Flagstaff Housing Division DEVELOPMENT IMPACT REPORT

About

The City of Flagstaff has supported affordable housing development in the community through the Incentive Policy for Affordable Housing (IPAH), the Low Income Housing Tax Credit (LIHTC) program, the Community Development Block Grant (CDBG), and partnerships with nonprofit and private developers. Together, these tools expand housing supply, promote long-term affordability, and reserve a portion of new residential development for lower-income households.

What is LIHTC?

The Low-Income Housing Tax Credit (LIHTC) is the primary federal incentive for building affordable rental housing. It provides developers tax credits in exchange for keeping units affordable to low-income households for at least 15 years.

1,113
LIHTC units supported by City funding or incentives

What is IPAH?

The Incentive Policy for Affordable Housing, or IPAH, is a City of Flagstaff policy that incentivizes affordable housing through financial assistance and zoning flexibility, such as fee reductions, density bonuses, and parking reductions.

\$2M
IPAH funding invested since its adoption in 2009

What is CDBG?

The City of Flagstaff receives annual Community Development Block Grant (CDBG) funding from HUD to support affordable housing programs, public services, neighborhood improvements, and community development projects for low- and moderate-income residents (up to 80% AMI).

\$15.9M
CDBG funding invested since 2003

Impact Summary

Rental & Ownership Units Included

3,572
Housing units developed with an affordable housing requirement
1999–2026

1,722
Affordable units
1999–2026

1,850
Market rate units within affordable development
1999–2026

48.2%
Affordable
1999–2026

489
Units created through IPAH
2009–2026

\$4,145
Average IPAH investment per affordable unit
2009–2026

61.9%
Average Area Median Income (AMI) limit served
1999–2026

310
Affordable units committed or under construction

2026 Flagstaff Area Median Income (AMI) Limits

Household Size	30%	60%	80%	100%	125%
1	\$23,550	\$47,040	\$62,750	\$78,400	\$98,000
2	\$26,900	\$53,760	\$71,700	\$89,600	\$112,000
3	\$30,250	\$60,480	\$80,650	\$100,800	\$126,000
4	\$33,600	\$67,200	\$89,600	\$112,000	\$140,000
5	\$38,680	\$77,360	\$103,100	\$128,000	\$160,000

flagstaff.az.gov/DocumentCenter/View/95953

Thank you!



FLAGSTAFF HOUSING DIVISION

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