

NOTICE AND AGENDA

HOUSING COMMISSION
THURSDAY, JANUARY 22, 2026
1:00 PM

VIRTUAL MEETING
[MICROSOFT TEAMS MEETING](#)
CITY OF FLAGSTAFF

ATTENTION
JOIN VIRTUALLY BY CLICKING ON THE LINK BELOW:
[Click here to participate in the online meeting](#)

The public can submit comments to AFisher@FlagstaffAZ.gov. Public comment will be emailed to Housing Commissioners and will be read at the meeting by a staff member.

1. Call to Order

2. Roll Call

NOTE: One or more Commission members may be in attendance telephonically or by other technological means.

Kevin Bond
Tyler Denham, Vice Chair
Kevin Dobbe
Karen Flores

Sandi Flores
Jacquie Kellogg
Devonna McLaughlin
Sarah Meyer
Moses Milazzo, Chair

Sarah Miles
Cory Runge
Jennifer Vargas
Hayley Zoroya

3. LAND ACKNOWLEDGMENT

The Housing Commission 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. Public Comment

At this time, any member of the public may address the Commission on any subject within their jurisdiction that is not scheduled before the Commission on that day. Due to Open Meeting Laws, the Commission cannot discuss or act on items presented during this portion of the agenda. To address the Commission on an item that is on the agenda, please wait for the Chair to call for Public Comment at the time the item is heard.

5. APPROVAL OF MINUTES

- A. Consideration and Approval of Minutes: Housing Commission Meeting - December 4, 2025
Approve the minutes from the December 4, 2025 Housing Commission meeting

6. ACTION ITEMS

None

7. PRESENTATION AND DISCUSSION ITEMS

- A. Overview of Housing Solution's 2025 Rental Attainability Report
Informational only.

- B. Presentation on the Low Income Housing Tax Credit (LIHTC) Program
Informational only.

8. **INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA
ITEM REQUESTS**

- A. Update from Housing Authority Liaison
- B. Update from Housing Commissioners and Other Informational Items
- C. Update from Housing Staff

9. **ADJOURNMENT**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____
a.m./p.m. This notice has been posted on the City's website and can be downloaded at www.flagstaff.az.gov.

Dated this _____ day of _____, 2025.

Adriana Fisher, Housing Program Manager



Housing Commission

5. A

From: Adriana Fisher, Housing Program Manager

DATE: 01/22/2026

SUBJECT: Consideration and Approval of Minutes: Housing Commission Meeting - December 4, 2025

STAFF RECOMMENDED ACTION:

Approve the minutes from the December 4, 2025 Housing Commission meeting

Executive Summary:

Minutes of commission meetings are the requirement of Arizona Revised Statutes and, additionally, provide a method of informing the public of discussions and actions taken by the Housing Commission.

Attachments

HC Draft Minutes - 12.04.2025

DRAFT MEETING MINUTES

**HOUSING COMMISSION
THURSDAY, DECEMBER 4, 2025
1:00 PM**

**VIRTUAL MEETING
MICROSOFT TEAMS MEETING
CITY OF FLAGSTAFF**

1. Call to Order

Chair Moses Milazzo called the meeting to order at 1:01 pm.

2. Roll Call

NOTE: One or more Commission members may be in attendance telephonically or by other technological means.

Kevin Bond - Present left at 1:58 pm
Tyler Denham, Vice Chair - Present
Kevin Dobbe - Absent
Karen Flores - Present

Sandi Flores - Absent
Jacquie Kellogg - Present
Devonna McLaughlin - Present
Sarah Meyer - Present
Moses Milazzo, Chair - Present

Sarah Miles - Present
Cory Runge - Present
Jennifer Vargas - Absent
Hayley Zoroya - Present

OTHERS PRESENT:

Adriana Fisher, Housing Program Manager
Marissa Molloy, Housing Specialist
Kristine Pavlik, Housing and Grants Administrator
Jennifer Mikelson, Housing Planning Manager
Sullivan Moore, Housing Planner
Justyna Costa, Assistant Housing Director
Sarah Darr, Housing Director
Aidan Rutledge, Temp Administrative Specialist
Khara House, Council Liaison
Sarah Langley, Public Affairs Director

3. LAND ACKNOWLEDGMENT

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Read by Chair Moses Milazzo.

4. Public Comment

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No Public Comment

5. APPROVAL OF MINUTES

A. Consideration and Approval of Minutes: Housing Commission Meeting - October 23, 2025

Approve the minutes from the October 23, 2025 Housing Commission meeting

Moved by Devonna McLaughlin, **seconded by** Cory Runge to approve the minutes from the October 23, 2025 regular Housing Commission meeting.

Vote: 10 - 0 - Unanimously

6. ACTION ITEMS

None.

7. PRESENTATION AND DISCUSSION ITEMS

A. Legislative Priorities Overview
For information only

Ms. Sarah Langley, Public Affairs Director, presented on the City of Flagstaff's legislative priorities. Council Liaison Khara House noted that it would be great to hear from Commissioners about housing priorities into the new year. Commissioners asked questions and provided comments about the following:

- If the City is able to move quickly as legislative needs arise with shorter timeframes
- Low Income Housing Tax Credit (LIHTC)

Ms. Langley answered.

B. Presentation on Flagstaff's Affordable Housing Developments since 2020
Informational only.

Mr. Aidan Rutledge, Temp Administrative Specialist, presented on affordable housing developments in Flagstaff since 2020. Commissioners asked questions and provided comments about the following:

- In lieu fees
- Sharing successes and collection of more data
- Percentage of affordable units over the past five years out of all units created

Ms. Jennifer Mikelson, Housing Planning Manager, Ms. Justyna Costa, Assistant Housing Director, Ms. Sarah Darr, Housing Director, and Mr. Rutledge answered.

8. INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA ITEM REQUESTS

A. Update from Housing Authority Liaison

Chair Moses Milazzo and Ms. Darr provided an update on the Housing Authority Board.

B. Update from Housing Commissioners and Other Informational Items

Commissioner Devonna McLaughlin informed the Housing Commission that Housing Solutions of Northern Arizona has finished their rental attainability report.

Commissioner Tyler Denham noted that the Flagstaff City Council did a second read on a middle housing ordinance that legalizes housing up to fourplexes city-wide.

Chair Moses Milazzo noted that next week, Flagstaff Shelter Services will be opening The Lantern.

C. Update from Housing Staff

Ms. Mikelson noted that Flagstaff City Council approved an Adaptive Reuse Bond Program loan for Flagstaff Shelter Services' Lantern project.

Ms. Adriana Fisher, Housing Programs Manager, let Housing commissioners know about upcoming Housing Resource Fairs.

Ms. Marissa Molloy, Housing Specialist, talked about the recent successes of the new Bond-funded Community Homebuyer Assistance Program.

Ms. Darr let the Commission know that Council voted to make Housing officially an independent division.

Ms. Pavlik reminded commissioners to take the survey for the Community Development Block Grant Consolidated Plan.

9. ADJOURNMENT

Chair Moses Milazzo adjourned the meeting at 2:08 pm.



Housing Commission

7. A

From: Adriana Fisher, Housing Program Manager

DATE: 01/22/2026

SUBJECT: Overview of Housing Solution's 2025 Rental Attainability Report

STAFF RECOMMENDED ACTION:

Informational only.

Executive Summary:

Housing Solutions of Northern Arizona will provide an overview of their 2025 Rental Attainability Report.



Housing Commission

7. B.

Co-Submitter: Sarah Darr, Housing Director

From: Adriana Fisher, Housing Program Manager

DATE: 01/22/2026

SUBJECT: Presentation on the Low Income Housing Tax Credit (LIHTC) Program

STAFF RECOMMENDED ACTION:

Informational only.

Executive Summary:

This presentation provides a high-level overview of the Low Income Housing Tax Credit (LIHTC) program, outlines Arizona-specific rules, and highlights its role in creating affordable rental housing in Flagstaff and the City's support of these projects.

Attachments

2026 LIHTC Overview Presentation - Darr

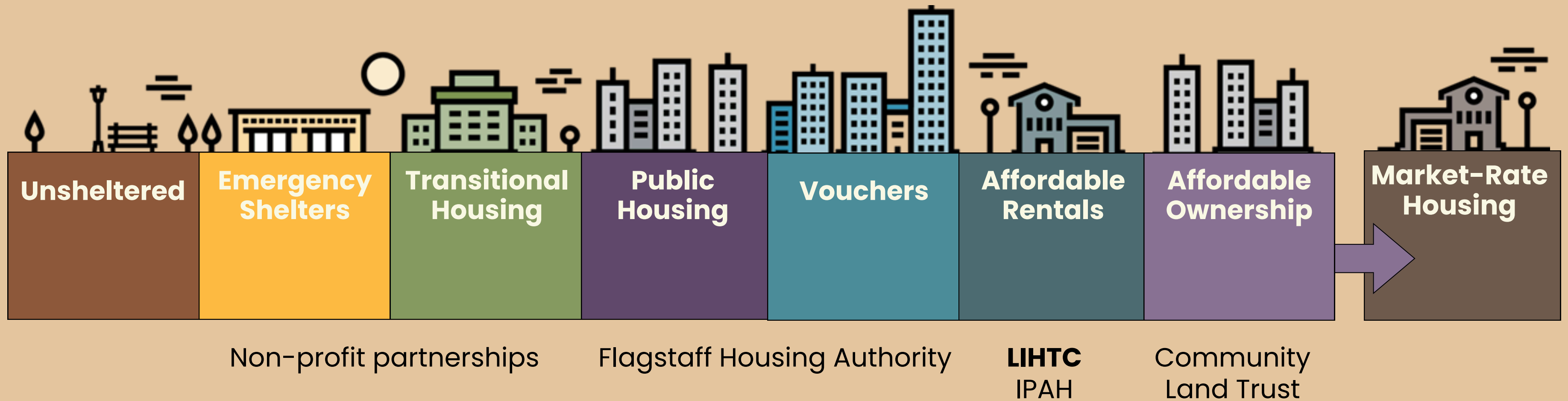
LOW-INCOME
HOUSING
TAX CREDIT
(LIHTC) 101

Sarah Darr – Housing Director



CITY OF
FLAGSTAFF

HOUSING CONTINUUM



ABOUT LIHTC

- Primary federal tool for affordable rental housing
- IRS program that uses tax credits as an incentive to attract (private or non-profit) development
- Targets low-income individuals and families
- Supports the construction of new housing units and rehabilitation of existing ones
- The commitment period of maintaining affordable rents is typically 15 years or more, Arizona requires a 30 year committment





HISTORY OF LIHTC

- Created in **1986** as part of the Tax Reform Act
- Response to declining federal funding for public housing
- Designed to shift affordable housing production to the private market

LIHTC INCOME LIMITS



2025 Area Median Income Limits for Flagstaff, AZ

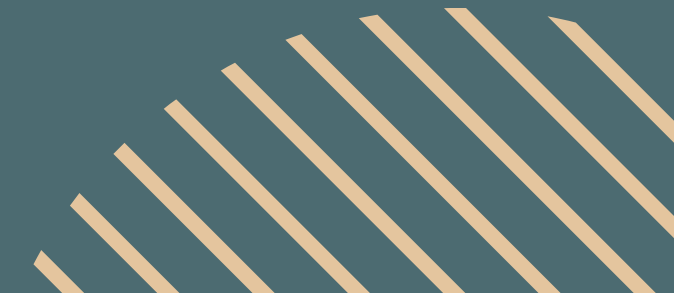
Federally Funded Programs

Do not use these income limits for Flagstaff Affordable Homeownership Programs

Household size	30% - Extremely Low Income	50% - Very Low Income	60% - LIHTC Max	80% - Low Income
1	\$22,950	\$38,200	\$45,840	\$61,100
2	\$26,200	\$43,650	\$52,380	\$69,800
3	\$29,500	\$49,100	\$58,920	\$78,550
4	\$32,750	\$54,550	\$65,460	\$87,250
5	\$37,650	\$58,900	\$70,680	\$94,250
6	\$43,150	\$63,250	\$75,900	\$101,250
7	\$48,650	\$67,650	\$81,180	\$108,200
8	\$54,150	\$72,000	\$86,400	\$115,200

To Qualify for LIHTC in AZ:

- 40% of the development must be reserved for families earning no more than 60% AMI
- 20% must be reserved for families earning no more than 50% AMI



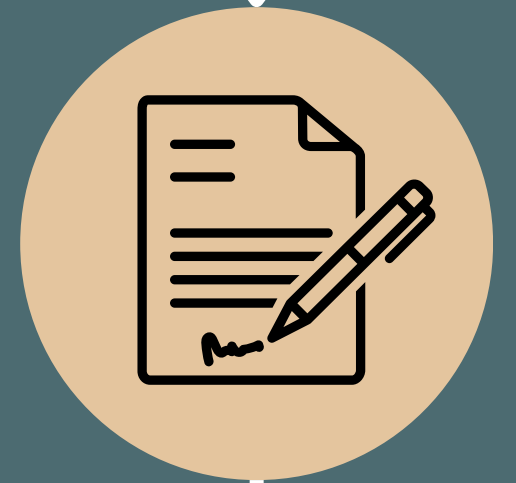
HOW THE LIHTC PROGRAM WORKS



01.) Federal or state government allocates tax credits to state housing agencies

- *Determined by population*
- *\$3 per person - 2025*
- *\$3.416 per person - 2026*

02.) Developers apply for tax credits. Projects are selected based on how the development meets the state's housing needs.





03.) Developers sell credits to investors who can claim them on their federal or state income tax returns.

- *Investor sell tax credits for somewhere between \$0.85 to \$1.05 per \$1 of credit*

04.) The money raised allows developers to build and maintain housing with lower and more affordable rents.





TYPES OF TAX CREDITS



4%

- Allows a developer to claim about 4% of a project's qualified cost basis every year for 10 years.
- Usually covering 30-40% of the project's total construction or renovation costs.
- Considered/Awarded on a rolling basis
- Less competitive



9%

- Allows a developer to claim about 9% of a project's qualified cost basis every year for 10 years.
- Usually covering 60-70% of the project's total construction or renovation costs.
- Annual application process
- More competitive

LIHTC IN ARIZONA



Arizona Qualified Allocation Plan (QAP)

- Establishes priorities, scoring criteria, thresholds, and award limits for competitive 9% LIHTC applications.
 - 4% LIHTC applications are awarded on an ongoing basis, generally not scored in the same way as 9% applications.
- Currently updated every 2 years
- Deadline: April 1st or near April 1st

LIHTC IN ARIZONA



QAP Scoring & Priorities

- Projects are scored based on alignment with state housing priorities
 - Number of units
 - Community revitalization efforts
 - Targeted locations
 - Proximity to amenities
 - Rehabilitation of existing LIHTC units

Rural vs. Metro Allocations - 9%

- Arizona receives around \$22 M annually

2024-2025 Allocations

Rural: 3 Tax Credit Applications Awarded

Metro: 7 Tax Credit Applications Awarded

Rural: 13 Counties

Metro: Pima and Maricopa Counties

AZ STATE HOUSING TAX CREDIT



Created in 2021

- \$4 Million per year for 4 years
- Leveraged Federal LIHTC
- Sunsetting in 2025

Arizona is the first state to establish and then end a state housing tax credit

LOCAL IMPACT

Developments with Affordable LIHTC Restrictions (704):

- **Sierra on 66** – 221 Affordable Units
- **Pinehurst** – 83 Affordable Units
- **Cedar Crest** – 80 Affordable Units
- **Villas on Lake Mary** – 76 Affordable Units
- **Starpoint Flagstaff** – 68 Affordable Units
- **Flagstaff Senior Meadows** – 60 Affordable Units
- **Oakwood Village 3** – 56 Affordable Units
- **High Country Estates** – 44 Affordable Units
- **Sharon Manor 2** – 16 Affordable Units

Utilized Qualified Contract Process (402):

- **Sandstone Highlands** – 70 Affordable Units
- **Timber Trails** – 64 Affordable Units
- **Oakwood Village 1 and 2** – 144 Affordable Units
- **Village at Lake Mary Crossing** – 124 Affordable Units



1,106

affordable LIHTC units in Flagstaff supported by City funding or incentives

14

LIHTC developments the City has partnered with since 1996

VILLAS ON LAKE MARY



Opened: 2024

Affordable Units: 76 out of 76 (100% contribution)

Income Limit: 60% AMI

9% LIHTC Award 2021: \$2,000,000 (x10)

CoF Financial Support:

\$325,000 in IPAH Funds & \$397,000 in ARPA Funds

Zoning Code Incentives Used:

Density bonus, parking reduction, and landscape reduction





THANK YOU!

QUESTIONS?

