

## NOTICE AND AGENDA

HOUSING COMMISSION  
THURSDAY, APRIL 23, 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](mailto: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 - March 26, 2026  
Approve the minutes from the March 26, 2026 Housing Commission meeting

### 6. ACTION ITEMS

NONE

### 7. PRESENTATION AND DISCUSSION ITEMS

- A. Presentation: 2026-2027 Implementation Plan for the 10-Year Housing Plan  
Informational item only.

- B. Regional Land Use Plan 2045 & Election Information  
Informational only.
- C. Flagstaff Accessory Dwelling Unit (ADU) Model Plans Library  
Staff request ideas on ways to let Flagstaff community members know about the Library, as well as expand the ADU Model Plans Library and support the growth of ADUs in Flagstaff more broadly.
- D. **Analysis of the Costs, Benefits, and Barriers to Building Highly Energy-Efficient and All-Electric Homes in Flagstaff, Arizona: Filling the Data Gap**  
None. 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](http://www.flagstaff.az.gov).

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Adriana Fisher, Housing Program Manager



**Housing Commission**

5. A

**From:** Adriana Fisher, Housing Program Manager

**DATE:** 04/23/2026

**SUBJECT:** Consideration and Approval of Minutes: Housing Commission Meeting - March 26, 2026

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**STAFF RECOMMENDED ACTION:**

Approve the minutes from the March 26, 2026 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.

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**Attachments**

HC Draft Minutes - 03.26.2026

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# DRAFT

## DRAFT MEETING MINUTES

HOUSING COMMISSION  
THURSDAY, MARCH 26, 2026  
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 - Absent	Sandi Flores - Present	Sarah Miles - Present
Tyler Denham, Vice Chair - Present	Jacque Kellogg - Present	Cory Runge - Present
Kevin Dobbe - Present	Devonna McLaughlin - Absent	Jennifer Vargas - Present
Karen Flores - Present	Sarah Meyer - Present	Hayley Zoroya - Present
	Moses Milazzo, Chair - 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, Housing Investment Director  
Sarah Darr, Housing Director  
Aidan Rutledge, Administrative Specialist  
Khara House, Council Liaison  
Anja Wendel, Senior Assistant City Attorney  
Erich Chatham, representative from Civitas

### 3. LAND ACKNOWLEDGMENT

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Read by Commissioner Jennifer Vargas

### 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.*

None

## 5. **APPROVAL OF MINUTES**

- A. Consideration and Approval of Minutes: Housing Commission Meeting - February 26, 2026  
Approve the minutes from the February 26, 2026 Housing Commission meeting

**Moved by** Cory Runge, **seconded by** Jennifer Vargas to approve the minutes from the February 26, 2026 regular Housing Commission meeting.

**Vote:** 11 - 0 - Unanimously

## 6. **PRESENTATION AND DISCUSSION ITEMS**

- A. Community Development Block Grant 2026-2030 Consolidated Plan  
This item is informational only.

Mr. Erich Chatham, a representative from Civitas presented his team's work on the 2026-2030 Consolidated Plan. There were no questions or comments.

## 7. **ACTION ITEMS**

- A. Community Development Block Grant (CDBG) Program Year 2026 Funding Allocation  
Recommendations to City Council  
Motion to forward the ranking committee and staff recommendations for Program Year 2026 CDBG funding allocations to City Council, with a recommendation for approval.

Ms. Kristine Pavlik, Housing and Grants Administrator, presented the Community Development Block Grant (CDBG) funding recommendations for Program year 2026.

**Moved by** Hayley Zoroya, **seconded by** Jacquie Kellogg to forward the recommended funding allocations to City Council with a recommendation for approval.

**Vote:** 11 - 0 - Unanimously

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

- A. Update from Housing Authority Liaison

Chair Moses Milazzo noted that the last Housing Authority Board meeting was canceled due to a lack of business items. Ms. Sarah Darr, Housing Director, noted that the annual plan would be approved at the next meeting. She also noted some news about HUD funding changes.

- B. Update from Housing Commissioners and Other Informational Items

None

- C. Update from Housing Staff

Mr. Sullivan Moore, Housing Planner, gave an update on the Schultz Pass Request for Proposals.

Ms. Adriana Fisher, Housing Program Manager, gave an update on the April special election ballot for Measure 492 Regional Land Use Plan and a potential presentation. She also gave information on Regional Plan events.

Mr. Aidan Rutledge, Administrative Specialist, gave an update on upcoming Fair Housing Month events.

Commissioners gave feedback on whether or not they were interested in a dedicated presentation for the Regional Land Use Plan. All commissioners in attendance agreed.

**9. ADJOURNMENT**

Chair Moses Milazzo adjourned the meeting at 1:59 pm.



**Housing Commission**

7. A

**From:** Adriana Fisher, Housing Program Manager

**DATE:** 04/23/2026

**SUBJECT:** Presentation: 2026-2027 Implementation Plan for the 10-Year Housing Plan

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**STAFF RECOMMENDED ACTION:**

Informational item only.

**Executive Summary:**

Presentation on the 2026-2027 Implementation Plan for the 10-Year Housing Plan.

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**Attachments**

2026-2027 Implementation Plan for 10YHP  
Implementation Plan Presentation

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**FLAGSTAFF  
HOUSING  
DIVISION**

# 2026-2027 Implementation Plan

FOR THE 10-YEAR HOUSING PLAN

SCAN ME



# 2026-2027 Implementation Plan

## Introduction

In response to a citizen petition and increasing demand for affordable housing, the Flagstaff City Council declared a Housing Emergency on December 1, 2020. The declaration prioritized providing safe, decent, and affordable housing for all Flagstaff residents within City operations and throughout the community.

Following this declaration, Council adopted the 10-Year Housing Plan on February 15, 2022. The Housing Plan was developed through extensive public engagement and outlines a goal to reduce Flagstaff's affordable housing need by half over ten years.

To achieve the goal, the Plan is guided by two key elements:

1. Impact at least 6,000 low-to-moderate income Flagstaff residents through a combination of unit creation or subsidy provision.
2. Create or preserve 7,976 housing units by 2031 with a minimum of 10% of them being affordable. This will increase the overall supply of market rate, workforce, and affordable housing occupied by local residents.

These elements are supported by 13 policy initiatives and 58 strategies, forming a comprehensive framework to increase housing supply, improve affordability, and expand housing opportunities for Flagstaff residents.

This document outlines the strategies prioritized for implementation during Fiscal Year 2026–2027. Progress will be tracked and reported through a corresponding annual report.

## Strategy Prioritization

The 10-Year Housing Plan is designed to be adaptable. It establishes a defined scope of work while allowing flexibility in how strategies are implemented. Many strategies are conceptual and require ongoing research, coordination, staff capacity, public input, and City Council consideration.

Each fiscal year, the Housing Division and strategy collaborators prioritize strategies based on feasibility, anticipated impact, and alignment with the current political and housing climate.

For fiscal year 2026-2027, the Housing Division will continue advancing strategies carried forward from previous years. No new strategies are being introduced during this period.

Strategies currently in progress were originally selected using the following criteria:

CRITERIA	DESCRIPTION
<b>Dependent on Other Strategy Completion</b>	Determines if a strategy depends on another strategy's completion before it can be started or completed.
<b>Time Commitment</b>	Indicates the anticipated time necessary to achieve the strategy.
<b>Public Engagement</b>	Indicates the extent of public engagement required to achieve the strategy.
<b>Requires Council Consideration</b>	Indicates whether this strategy will require Flagstaff City Council approval for implementation.
<b>Funding Required Over Staff Time</b>	Indicates if funding is necessary in addition to staff time.
<b>Anticipated Timeline of Strategy Implementation from 02/15/2022</b>	Indicates the targeted timeline for implementing the strategy from February 15, 2022.
<b>City Division/Section Collaboration</b>	Indicates which City of Flagstaff divisions and/or sections are identified as collaborators on the strategy.






Efforts during this fiscal year focus on advancing existing strategies that support housing production and preservation. Key focus areas include:

- Updating the Incentive Policy for Affordable Housing (IPAH) to implement recommendations from the Land Availability & Suitability Study and Code Analysis Project (LASS+CAP)
- Supporting updates to Resource Protection Overlay (RPO) standards to align environmental protections with achievable residential densities
- Integrating housing priorities into the Flagstaff Regional Plan 2045, pending voter ratification in May 2026
- Advancing the use of City-owned land for affordable and mixed-income housing
- Expanding financial tools, including identifying ongoing revenue sources and using bond funding
- Coordinating engineering, wildfire mitigation, and safety standards to support cost-effective housing development while maintaining safety requirements



## 2026-2027 Strategies

The strategies below are organized by focus area to improve clarity and demonstrate how related efforts work together to achieve broader outcomes. All listed strategies have been carried forward from previous implementation cycles.



The following strategies will be addressed through updates to the **Incentive Policy for Affordable Housing (IPAH)**:



Strategy	Dependent On Other Strategy	Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	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.	Yes - Create 5.1	High	High	Yes	No	Short-Term (1-4 years)	Planning, Housing Section	 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 completion of the LASS+CAP project.	
Create 1.3: Amend the City code to implement the revised affordable housing incentive policy.	Yes - Create 5.1	High	High	Yes	No	Short-Term (1-4 years)	Zoning Code, Planning, Management Services, Housing Section	 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.	Yes - Create 5.1	High	High	Yes	No	Short-Term (1-4 years)	Zoning Code, Planning, Management Services, Water Services, Housing Section	 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.).	Yes - Create 5.1	High	High	Yes	No	Short-Term (1-4 years)	Zoning Code, Management Services, Housing Section, Planning	 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.	Yes - Create 5.1	High	Low	Yes	No	Short-Term (1-4 years)	Zoning Code, Planning, Housing Section	 In Progress	This strategy will be explored with the IPAH rewrite.	

The following strategies will be implemented through updates to the **Resource Protection Overlay (RPO)** standards:



Strategy	Dependent On Other Strategy Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	Status	Status Comments
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.	Yes - Create 5.1	Medium	Medium	Yes	No	Long-Term (5-10 years)	Zoning Code, Planning, Housing Section	 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.	Yes - Create 5.1	Medium	Medium	Yes	No	Long-Term (5-10 years)	Zoning Code, Planning, Housing Section	 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 being addressed through the **Regional Plan** update:


Strategy	Dependent On Other Strategy Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	Status	Status Comments
Create 2.1: Update the Regional Plan policies to support increased density related to affordable housing.	Partially - Create 5.1	High	High	Yes	Yes	Short-Term	Planning, Housing Section	 In Progress	A Regional Plan update has been completed and adopted by City Council on October 9, 2025. A mail-in-only ballot has been scheduled for May 19, 2026, allowing voters to decide whether to ratify it. The proposed plan incorporates increased density and includes a wider variety of zoning categories to be in conformance with the Neighborhood land use categories.
Create 2.2: Identify suburban areas to support greater density and intensity of development.	Partially - Create 5.1	High	High	Yes	Yes	Short-Term	Planning, Housing Section	 In Progress	A Regional Plan update has been completed and adopted by City Council on October 9, 2025. A mail-in-only ballot has been scheduled for May 19, 2026, allowing voters to decide whether to ratify it. The Plan supports increased density in most Suburban Neighborhoods.


Strategy	Dependent On Other Strategy Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	Status	Status Comments
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.	Partially – Create 5.1	High	High	Yes	Yes	Short-Term	Planning, Housing Section	 In Progress	A Regional Plan update has been completed and adopted by City Council on October 9, 2025. A mail-in-only ballot has been scheduled for May 19, 2026, allowing voters to decide whether to ratify it. The Community Character chapter was eliminated and incorporated as a set of Best Practices for Creating a Sense of Place.
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.	Partially - Create 5.1	High	High	Yes	Yes	Short-Term	Planning, Housing Section	 In Progress	A Regional Plan update has been completed and adopted by City Council on October 9, 2025. A mail-in-only ballot has been scheduled for May 19, 2026, allowing voters to decide whether to ratify it. “Attainable Housing and Equity” is a core priority of the proposed plan.

The following strategies will be implemented through the establishment of an **ongoing housing fund**:

Strategy	Dependent On Other Strategy Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	Status	Status Comments
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.	Yes – Create 3.3	Low	Low	Yes	Yes	Short-Term (1-4 years)	Management Services, Housing Division	 In Progress	The Housing Division was awarded \$500,000 through the City’s FY 2024–2025 budget, which will be used as opportunities arise. The division is also 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.	Partially - Create 3.1	Low	Low	Yes	Yes	Short-Term (1-4 years)	Management Services, Housing Division	 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.


**Development and acquisition strategies:**

Strategy	Dependent On Other Strategy Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	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.	No	Medium	Low	Yes	No	Short-Term (1-4 years)	Real Estate Section, Housing Section	 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.

Strategy	Dependent On Other Strategy Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	Status	Status Comments
Create 5.5: Explore alternative Engineering and Fire requirements to minimize the cost of development without compromising Fire and Life Safety.	Partially - Create 5.1	High	Low	Yes	No	Long-Term (5-10 years)	Building Safety, Engineering & Capital Improvements, Planning, Flagstaff Police Department, Flagstaff Fire Department, Water Services, Housing Section	 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.

Strategy	Dependent On Other Strategy Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	Status	Status Comments
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.	Yes - Create 5.1	High	High	Yes	Yes	Long-Term (5-10 years)	Housing Division, Real Estate	 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 procurements for three sites are currently underway.
Preserve 2.2: Acquire and rehabilitate already built properties for affordable housing projects when financially feasible.	Yes – Create 3.1	High	Low	Yes	Yes	Long-Term (5-10 years)	Real Estate Section, Management Services, Housing Division	 In Progress	This strategy depends on collaboration with private development partners as opportunities arise.

**Landlord incentives strategy:**

Strategy	Dependent On Other Strategy Completion	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required Over Staff Time	Anticipated Timeline of Implementation from 2/15/2022	City Division/Section Collaboration	Status	Status Comments
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.	No	Medium	Medium	Yes	No	Short-Term (1-4 years)	Management Services, Housing Division	 In Progress	This strategy is in progress through the City of Flagstaff Housing Authority. Staff will lead community education efforts during Housing America Month 2026, focusing on reducing stigma around housing vouchers and engaging landlords. Staff will also explore creating a property management stakeholder group to inform strategies to expand rental opportunities for individuals with poor credit, criminal histories, or other barriers.

## Ongoing Strategies

In addition to project-based work, the Housing Division continues to advance a set of ongoing strategies that support long-term system change. These efforts do not have fixed timelines but are essential to achieving the Plan's goals.

### *Strategies related to **housing production & incentives:***

- ▶ 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.

### *Strategies related to **housing access, coordination & equity in systems:***

- ▶ 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 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 3.1: Raise awareness of housing security as a social determinant of health.
- ▶ Connect 3.2: Encourage neighborhoods, housing types, and building practices that increase health.

### *Strategies related to **preservation, rehabilitation & housing stability:***

- ▶ 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.

### *Strategies related to **policy, advocacy & housing protection:***

- ▶ Protect 1.1: Advocate to the State of Arizona to allow greater local control of vacation rentals and second homes.
- ▶ Protect 1.2: Pursue local and legislative changes that increase the preservation, creation, and protection of affordable housing as necessary.
- ▶ 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.

- ▶ **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.

## Conclusion

The fiscal year 2026–2027 Implementation Plan focuses on advancing existing strategies identified in the 10-Year Housing Plan. Efforts during this period focus on policy updates, regulatory alignment, and the development of tools to support housing production and preservation.

Key activities include updates to the Incentive Policy for Affordable Housing, revisions to Resource Protection Overlay standards, implementation of the Regional Plan update, and continued use of City-owned land for housing development. The Housing Division will also continue to expand financial tools and coordinate across departments.

These efforts aim to reduce regulatory barriers, improve development feasibility, and align City processes with housing goals, supporting ongoing housing production and preservation.

Implementation will require coordination among City staff, City Council, partner agencies, and community stakeholders. The Housing Division will continue to track progress and provide updates through an annual report following the close of the fiscal year to maintain transparency and keep the community informed.



**FLAGSTAFF  
HOUSING  
DIVISION**

# **2026-2027 Implementation Plan**

## for the 10-Year Housing Plan

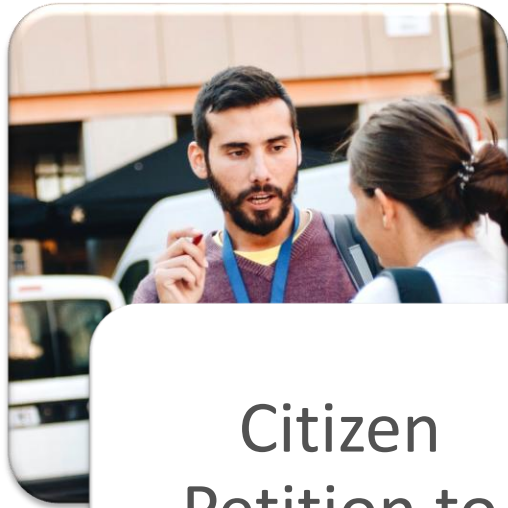
Adriana Fisher, Housing Program Manager

April 23, 2026

# Agenda

- Housing Plan:
  - Background
  - Framework
  - Progress
- 2026-2027 Implementation Plan





Citizen  
Petition to  
City Council  
(2020)



City Council  
Declares  
Housing  
Emergency  
(2020)



10-Year  
Housing Plan  
Adopted by  
City Council  
(2022)

**Background**



**FLAGSTAFF  
HOUSING  
DIVISION**

# 10-Year Housing Plan Progress

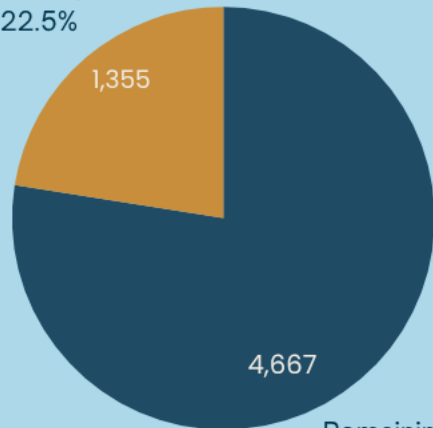
02/15/2022 to 12/31/2025

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

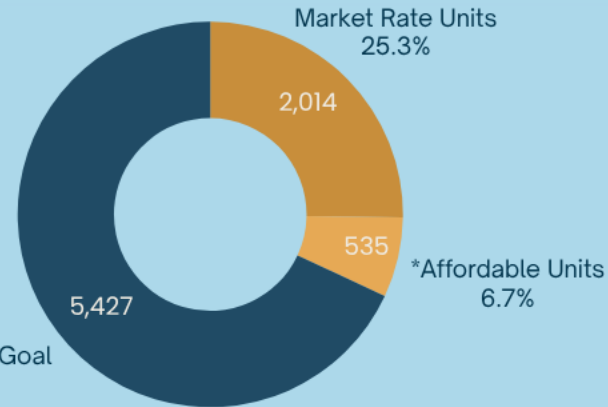
Impact at least 6,000 low- to moderate-income Flagstaff residents through a combination of unit creation or subsidy provision.

Residents Impacted  
22.5%



## Element 2

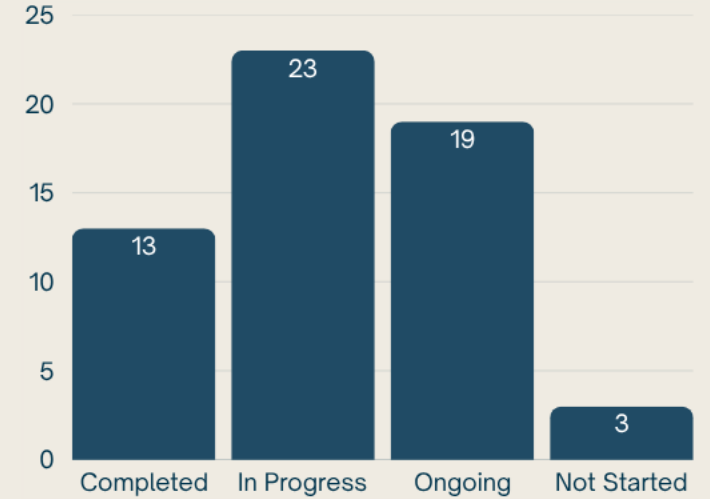
Create or preserve 7,976 housing units by 2031 with a minimum of 10% of them being affordable. This will increase the overall supply of market rate, workforce, and affordable housing occupied by local residents.



\*405 additional affordable units are committed by a developer, but not shown

## Strategy Progress

of 58 comprehensive strategies



## Read the Housing Plan!



[flagstaff.az.gov/4553/10-Year-Housing-Plan](http://flagstaff.az.gov/4553/10-Year-Housing-Plan)

# 2026-2027 Strategies



- No new strategies introduced
- Focus on advancing existing implementation plan strategies:
  - 18 strategies **in progress**
  - 15 **ongoing** strategies

# Strategy Prioritization

Factors influencing which strategies are chosen each year:



Dependent On  
Other Strategy  
Completion



Time  
Commitment



Public  
Engagement



Requires Council  
Consideration



Funding Required  
Over Staff Time



Anticipated  
Timeline of  
Strategy  
Implementation  
from 02/15/2022

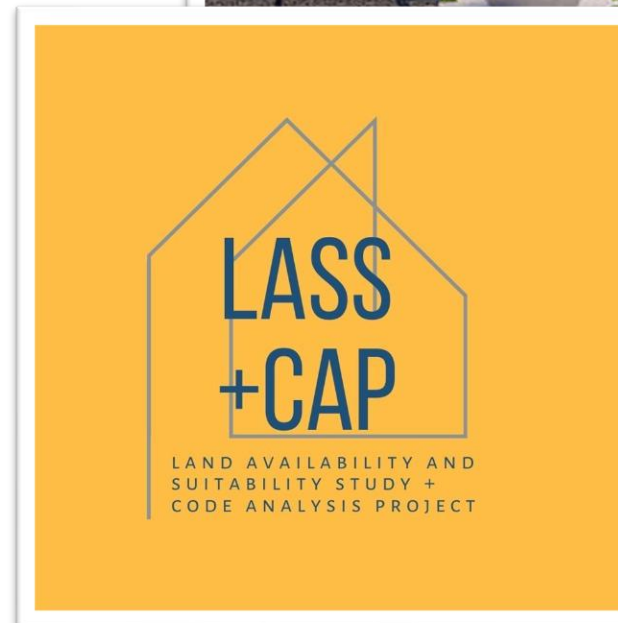


City  
Division/Section  
Collaboration

# Project-Based Strategies

## 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



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

## Resource Protection Overlay (RPO) Standards:

- Adjust for minimum densities on most sites (Create 4.5)
- Ensure consistent standards & increase max densities (Create 4.6)

# Project-Based Strategies

## Regional Plan:

- Increase allowable density (Create 2.1)
- Identify suburban areas for increased density (Create 2.2)
- Revise for cost-saving methods (Create 2.3)
- Remove adaptive reuse barriers (Preserve 1.2)



For more information, scan the QR code or visit  
<https://flagstaff-regional-plan-2045-flagstaff.hub.arcgis.com/>

# Project-Based Strategies



## Housing Fund & Financing:

- Create a land and unit acquisition fund (Create 3.2)
- Identify ongoing resources (Create 3.3)



# Project-Based Strategies

## Development & Acquisition:

- Explore cutting development costs and maintaining safety (Create 5.5)
- Explore land trusts and partnerships for ownership (Create 1.8)
- Use City land for affordable housing (Create 5.9)
- Acquire and rehab existing properties for affordable housing (Preserve 2.2)



# Project-Based Strategies

## Landlord Incentives:

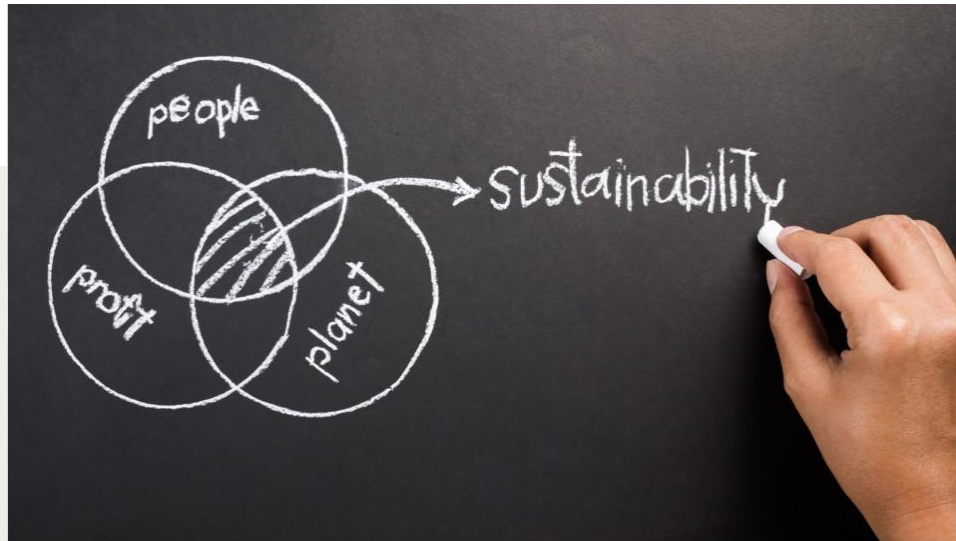
- Research incentives for inclusive landlord participation (Protect 3.3)



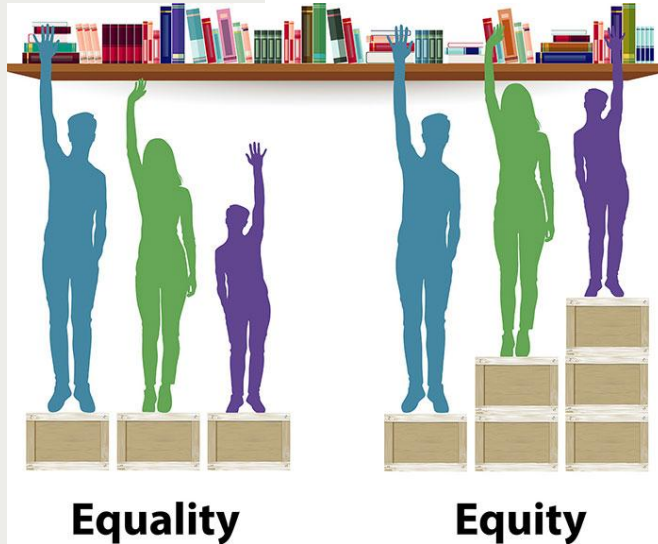
# Ongoing Strategies

## Housing Production & Incentives:

- 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)



# Ongoing Strategies



## Housing Access, Coordination & Equity in Systems:

- 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

## Preservation, Rehabilitation & Housing Stability:

- Explore tax credits for acquisition & rehab (Preserve 1.1)
- Rehab ownership & rental homes (Preserve 2.1)



# Ongoing Strategies



## **Policy, Advocacy & Housing Protection:**

- 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)

# Thank you!

Adriana Fisher

Housing Program Manager

(928) 213-2748

[afisher@flagstaffaz.gov](mailto:afisher@flagstaffaz.gov)



**FLAGSTAFF  
HOUSING**  
DIVISION



**Housing Commission**

7. B.

**From:** Adriana Fisher, Housing Program Manager

**DATE:** 04/23/2026

**SUBJECT:** Regional Land Use Plan 2045 & Election Information

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**STAFF RECOMMENDED ACTION:**

Informational only.

**Executive Summary:**

Brief informational presentation on the Regional Land Use Plan 2045 and the upcoming special election.

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**Attachments**

Regional Plan Presentation

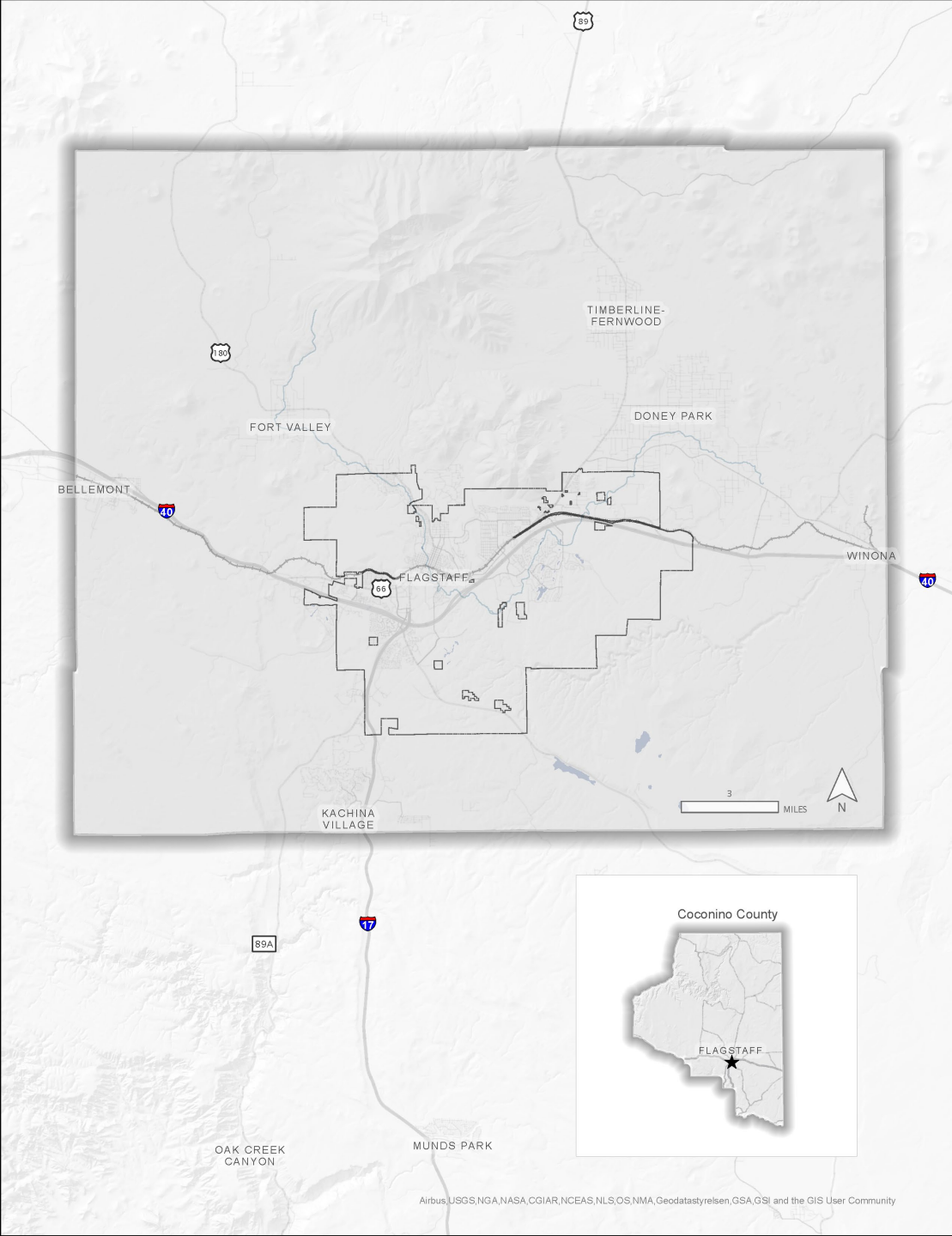
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# Question 492: Flagstaff Regional Land Use Plan 2045

Ballot initiative overview



# The Flagstaff Region





# Question 492



## Important Dates

- April 20: Last day to register to vote
- April 22: Ballots mailed
- May 8: Last day to request a replacement ballot by mail
- May 11: Last day to mail back your ballot
- **May 19: Election Day. Ballots must be received by 7:00 p.m.**

Vote-by-mail  
election for City  
residents only

No in-person voting  
for this election



# Question 492: What are my choices?

## Vote YES

- Regional Plan 2045 becomes effective immediately
- Regional Plan 2030 is superseded

## Vote NO

- Current Regional Plan 2030 stays in effect
- City will gather feedback on revising Regional Plan 2045
- City will seek adoption and ratification of a revised plan at a future date



# What is the Regional Plan?

- A policy guide for the Region, focused on land use, covering growth, housing, transportation, economy, climate action, natural resources and more.
- The plan update process
  - Approx. 66 public meetings,
  - Scenario planning and analysis,
  - a Regional Plan Committee,
  - a public draft review which generated 2,000+ comments,
  - and 4 public hearings.



# What can the plan do and not do?

## FLAGSTAFF REGIONAL LAND USE PLAN

### IS:

- » a collaborative community vision.
- » priorities to guide future development.
- » a collection of goals and policies to achieve the priorities.
- » a set of maps and policies that show the [infrastructure](#) necessary for [resilient](#) and safe development and redevelopment.
- » a tool for decision makers, developers, businesses, and citizens.
- » a framework for general planning.
- » adopted by the Flagstaff City Council and the Coconino County Board of Supervisors.

### IS NOT:

- » a mandate for or against development.
- » a requirement or prohibition for a specific land use on a property.
- » a zoning ordinance.
- » a [Capital Improvement Plan \(CIP\)](#) or infrastructure master plan.
- » a City or County budget.
- » an obligation to execute a project or plan.
- » an operational or strategic plan for the City or County.
- » an unchangeable plan, or a law.



# Regional Plan 2030 vs. 2045

## Core and complementary priorities

- 2030 plan does not have priorities.

## Fewer goals and policies

- 97 goals reduced to 14 goals.

## Updated process for evaluating development proposal

- New Future Growth Illustration and clearer guidelines

## Action items

- No strategies were adopted with the 2030 plan

## Alternative Organizations

- Most important information first

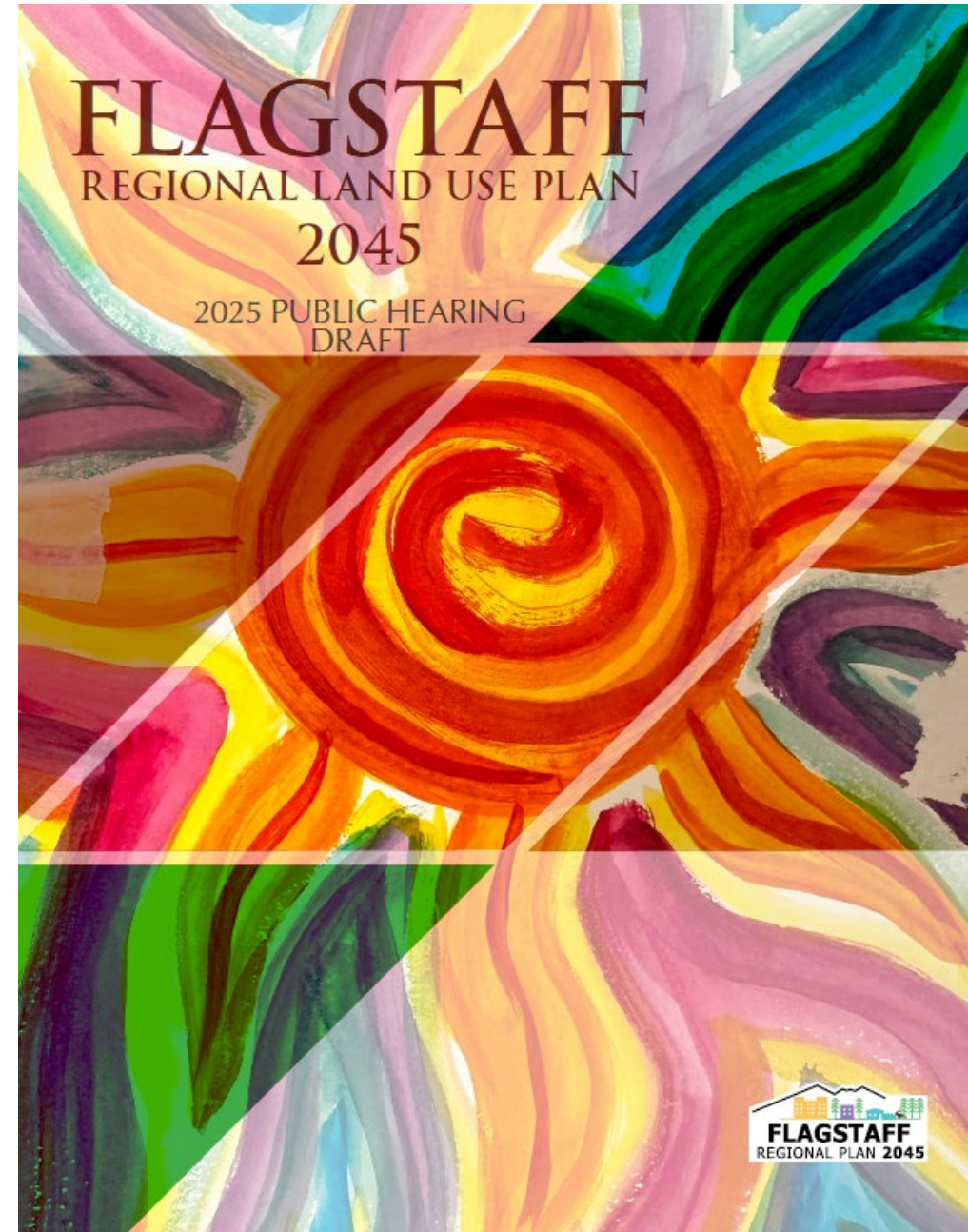


# Key Regional Plan Metrics

- Acres of land rezoned in conformance with the Regional Plan.
- Distribution and number of mixed-use projects completed.
- Number of new residential units created.
- Related findings from the Annual Report on the Ten-Year Affordable Housing Plan.
- Related findings from the Annual Report on the Carbon Neutrality Plan.
- Summary of bicycle, pedestrian, and transit improvements constructed or implemented.
- Summary of significant natural and cultural resources protected.
- Related findings from the Annual Report to the Water Commission.
- Acres of forest resilience treatments completed.
- Acres of the City and County protected by flood mitigation projects and implementation.

# Document Navigation

[www.flagstaff.az.gov/  
regionalplan2045](http://www.flagstaff.az.gov/regionalplan2045)





# Regional Plan Chats



Date	Time	Location
Friday, April 17	11am – 1pm	<b>Market of Dreams</b> (2136 N Fourth St, Flagstaff, AZ)
Tuesday, April 21	8 – 10am	<b>Greater Flagstaff Chamber of Commerce</b> (101 Rt. 66, Flagstaff, AZ)
Thursday, April 30	5:30 – 7:30pm	<b>VIRTUAL – link posted on our website</b>
Friday, May 8	11am – 1pm	<b>Hope Community Church</b> (3700 N Fanning Dr, Flagstaff, AZ)
Thursday, May 14	4 – 6pm	<b>City Hall</b> (211 W Aspen Ave, Flagstaff, AZ)

For more  
information

Sara Dechter

Comprehensive and  
Neighborhood Planning Manager

928-213-2631

[sdechter@flagstaffaz.gov](mailto:sdechter@flagstaffaz.gov)





## Housing Commission

7. C.

**From:** Genevieve Pearthree, Senior Sustainability Planner

**DATE:** 04/23/2026

**SUBJECT:** Flagstaff Accessory Dwelling Unit (ADU) Model Plans Library

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### **STAFF RECOMMENDED ACTION:**

Staff request ideas on ways to let Flagstaff community members know about the Library, as well as expand the ADU Model Plans Library and support the growth of ADUs in Flagstaff more broadly.

### **Executive Summary:**

The City launched the Flagstaff Accessory Dwelling Unit (ADU) Model Plans Library in January 2026 at [www.flagstaff.az.gov/ADUs](http://www.flagstaff.az.gov/ADUs). The Library contains 11 pre-approved, publicly viewable ADU model plans, with an additional plan under review. The plans were selected through a 2025 Request for Informal Proposals (RFIP), which attracted over 30 design proposals. A selection committee of community partners and City staff selected the 10 winning designs and several runners-up.

ADUs, also known as backyard homes or casitas, are important to the City's housing and climate goals because these smaller housing units can offer lower rents and monthly utility costs, and increase Flagstaff's housing supply in established neighborhoods. These units can also provide more flexible housing options for households of all sizes, generate supplemental rental income for homeowners, and increase housing availability in established neighborhoods.

Model plans are intended to lower the barriers to ADU construction in Flagstaff by reducing the cost to design an ADU, making it easier to find a designer, simplifying the design and permitting process, and providing access to lower City permitting fees for model plans (compared to City fees for custom plans). To build an ADU using a pre-approved model plan, Flagstaff community members can browse the Library, select their favorite plan, contact the designer to purchase access to the full plans, work with the designer to draft a site plan, and proceed through the City's building permit review and approval process. Several of the ADUs offer pre-approved options, including floor plans, roof plans, foundation types, and exterior materials, for community members to choose from.

The plans are "pre-approved" because they have already undergone City of Flagstaff Building Plan review to confirm compliance with the City's adopted building and fire codes. This means that when a property owner applies to use the plans for an individual lot, the City's review is limited to whether the ADU will meet relevant Zoning and other City design standards for that lot. Ideally, the City review process for pre-approved plans on a particular lot is shorter and less costly than a custom plan review.

The City of Flagstaff Zoning Code allows two ADUs (one detached and one attached) to be built on a property that already has a single-family home. Larger properties that provide affordable housing (that meet certain standards) are allowed one additional ADU. However, some Homeowners' Associations (HOAs) have more restrictive Codes, Covenants, and Restrictions (CC&Rs) that ban or make it difficult to build an ADU in those neighborhoods.

The City is currently working to publicize the ADU Model Plans Library through virtual and printed means. Staff are also considering next steps to expand the Library and support the growth of ADUs in Flagstaff more

broadly.

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## **Attachments**

Presentation

ADU Design Specifications Summary

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# Flagstaff Accessory Dwelling Unit (ADU) Model Plans Library

City of Flagstaff Housing Commission

April 23, 2026

Genevieve Pearthree | Senior Sustainability Planner





# Agenda



1. ADU connections to City housing and climate goals
2. Model Plans Library background and rationale
3. Model Plans Library tour
4. Outreach and next steps
5. Questions and discussion



# **ADU connections to City housing and climate goals**



# Accessory Dwelling Units (ADUs)

ADUs are:

- A **second and complete living space** on a property with a single-family home
- Also known as **backyard cottages, casitas, carriage homes**, and many other names

## Benefits of ADUs:

1. Help grow Flagstaff's **housing supply**
2. Support **housing diversity** by increasing the supply of smaller units
3. Can be built **in neighborhoods** with access to existing infrastructure and transportation networks
4. Provide **supplemental income** to owners
5. Offer the potential for **more affordable rent and utilities**
6. Can foster **improved social** connections among residents
7. **Create a flexible housing** option for households of all sizes, including supporting **multigenerational living**





# ADUs Support Flagstaff Housing and Climate Goals

**Carbon Neutrality and 10-Year Housing Plan shared goal:**  
Create housing options for households at all income levels and family sizes occupied by local residents

## Carbon Neutrality Plan Strategies

- **DD-1.1: Incorporate more flexibility and appropriate density into residential neighborhoods, such as accessory dwelling units...**and other housing options to provide more diverse and attainable housing opportunities, create vibrant neighborhoods, and decrease travel distances
- **DD-1.4: Encourage the rapid development of carbon-neutral Accessory Dwelling Units (ADUs)** to increase the housing stock
- **HA-1.1: Incentivize the creation of affordable units** through various programs and mechanisms

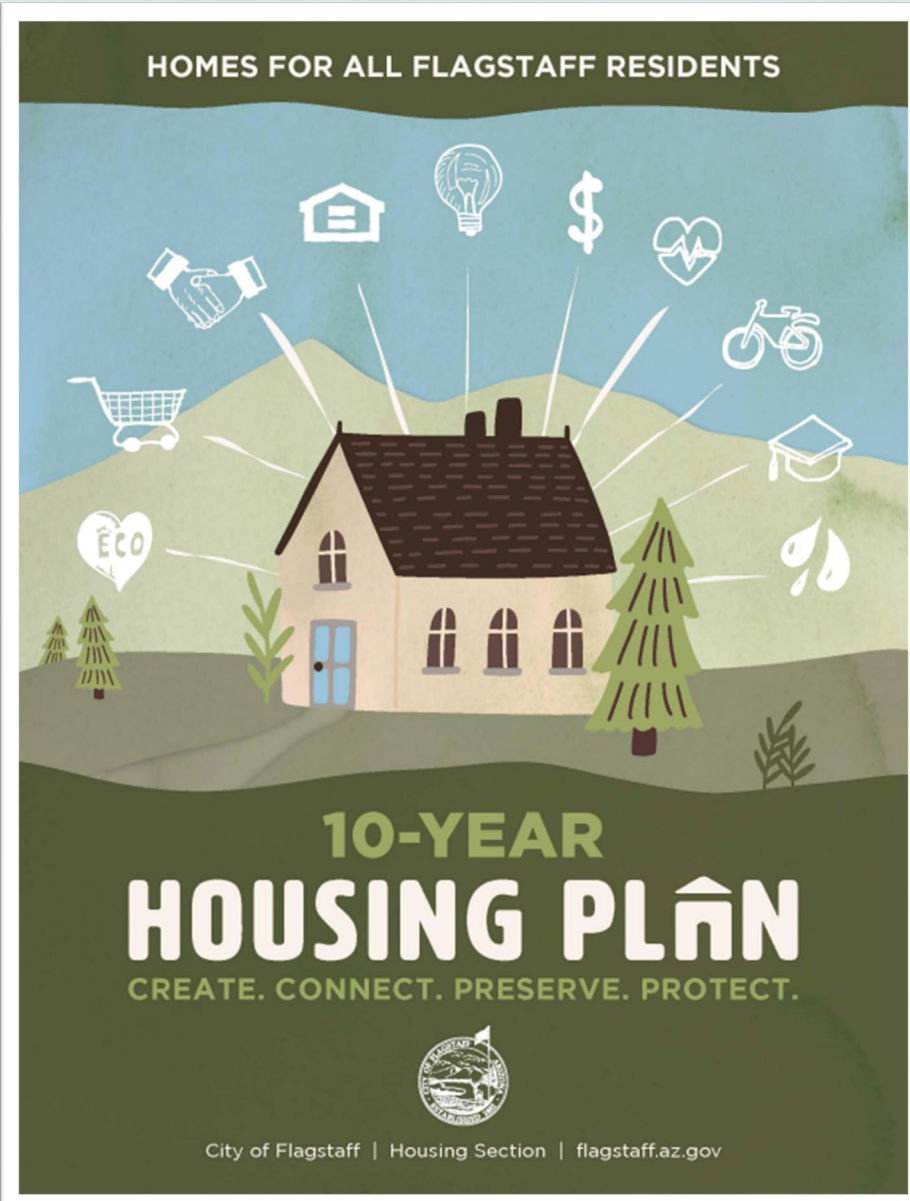


## The Flagstaff Carbon Neutrality Plan

An evolving framework for action  
Revised December 2022



# 10-Year Housing Plan Strategies



- Create 5.6: Make **pre-approved standard plans** available to property owners to reduce planning and review costs
- Create 5.7: Construct and promote **net zero or net zero ready affordable housing** when funding is available and encourage developers to do the same
- Create 4.7: Continue to evaluate and amend the current Accessory Dwelling Unit (ADU) zoning code standards with the **goal of increasing supply**

# **ADU Model Plans Library background and rationale**



# Developing the Library (2023 – 2026)

1. Conducted background **research**
2. Issued a **Call-to-Designers**
3. Selection Committee of community partners & City staff chose the **winning designs** (10) and runners up chosen
4. Community members used social media to **vote for their top 3 favorite plans (Community Choice Award)**
5. Reviewed and **approved** model plans (building plan review)
6. **Developed** the Library
7. **Launched** the Library as a pilot program – January 2026





# Background Research

- 1. Community survey (350+ responses)**
  - General interest in building ADUs to earn rental income, increase the housing supply, and provide additional living space
- 2. Targeted survey and in-depth interviews** with Flagstaff design and construction professionals
  - General **support for model plans** if the **designer can retain ownership** and charge a fee for use of their plans
  - Support for **pre-approved options** to minimize the need for custom plans
- 3. Online research and interviews** with jurisdictions that have pre-approved ADU plans



# Common Barriers to Building an ADU

Barriers related to city codes	Barriers an ADU model plans library can help alleviate	Other barriers
<ol style="list-style-type: none"><li>1. City Zoning and other design standards</li><li>2. City parking standards*</li></ol>	<ol style="list-style-type: none"><li>3. <b>Cost of designing an ADU (drafting plans)</b></li><li>4. <b>Finding someone to design an ADU</b></li><li>5. <b>Navigating the city design and permitting process</b></li><li>6. <b>City permitting fees</b></li></ol>	<ol style="list-style-type: none"><li>7. Cost of building an ADU</li><li>8. Ease of obtaining ADU financing</li><li>9. Navigating the construction process</li><li>10. Homeowners' Association (HOA) standards that restrict ADUs</li><li>11. Supply chain issues</li><li>12. Utility connections and access issues</li><li>13. Neighborhood opposition to ADUs</li></ol>

*\*New parking spaces are no longer required for ADUs per Arizona House Bill 2720.*



# Benefits of an ADU Model Plans library



## Community

1. Lower and more predictable design costs
2. Lower building permit review fees
3. Public can preview plans for free
4. Easier to find a designer
5. Plans can be required to meet certain design standards, such as all-electric and energy-efficient
6. **Easier and less costly to build an ADU >>> more ADUs in Flagstaff**

## Designers

1. Benefit from reusing plans in different locations
2. Retain ownership of their plans and are compensated when plans are used
3. Fees cover working with clients to ensure plans fit on a site, and go through the building permit process
4. Lower time commitment to use plans can allow designers to work with more clients



# ADU Model Plans Program Goals

- 1. Create an ADU Model Plans Library to host a growing inventory of pre-approved all-electric and energy-efficient ADU model plans**
2. Increase awareness of ADUs and their benefits to the Flagstaff community
- 3. Increase ADUs in Flagstaff by simplifying the process and reducing the costs to design and permit ADUs**
4. Connect interested homeowners with design professionals and other ADU resources

***Collaboration between Sustainability, Building Safety, Housing, Planning, and other City staff***



# ADUs in the Model Plans Library



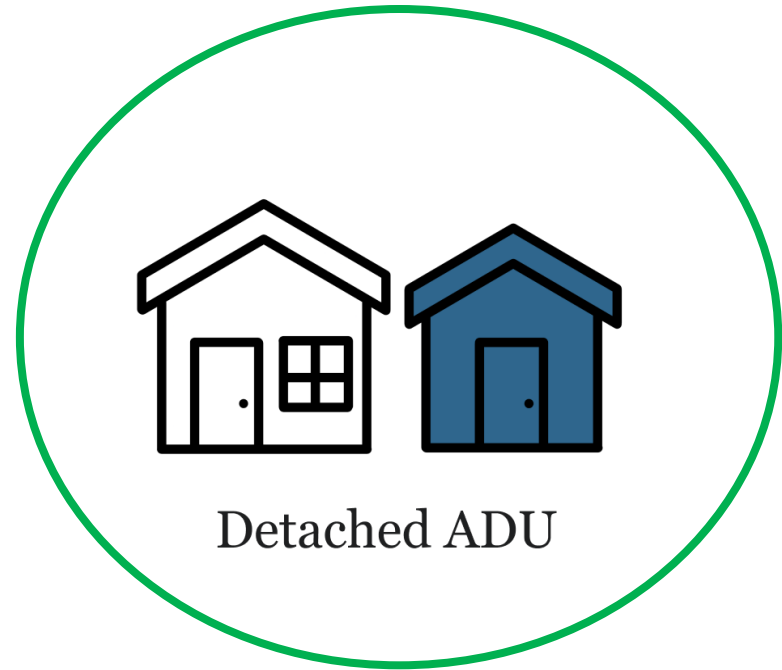
## Different types of ADUs



Interior attached ADU



Attached ADU  
(via Addition)



Detached ADU

**The ADU Model Plans Library contains detached ADUs only**

# ADU Model Plans Library

[www.flagstaff.az.gov/ADUs](http://www.flagstaff.az.gov/ADUs)



# Selected Designs



**Cozy Cottage**



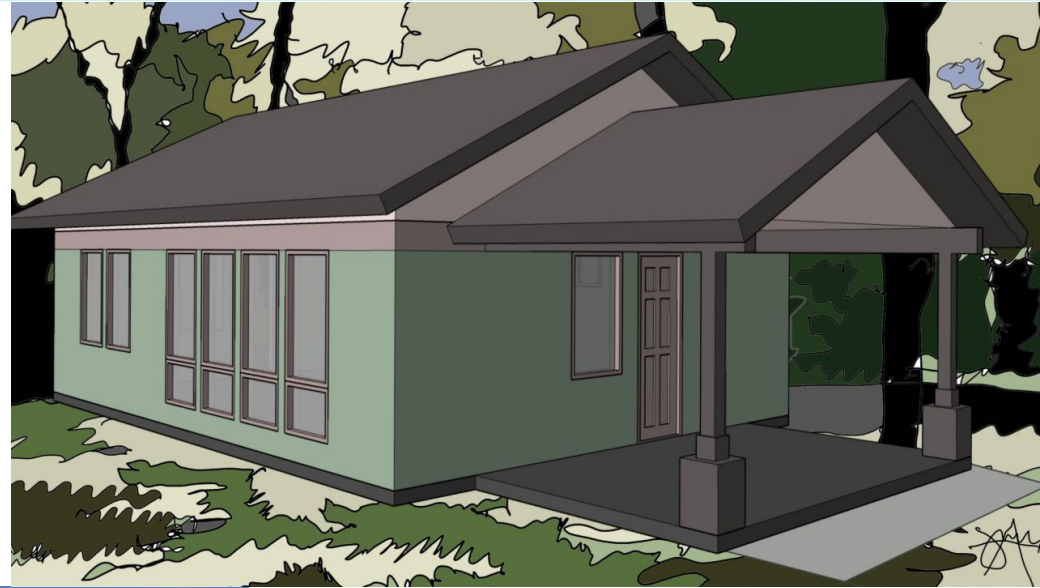
**Three Peaks**



**Green Gables**



# Selected Designs



**The Juniper**



**Grandma's Contemporary ADU**



**The Dwell**



# Selected Designs

**Grandpa's ADU**



**Silver Bush**



**The Ponderosa**



**The Sojourn**



**Equilibrium**



# ADU Model Plans Website Tour

[www.flagstaff.az.gov/ADUs](http://www.flagstaff.az.gov/ADUs)

- 3 main pages (for now)
- [Home Page](#)
- [Model Plans Library](#)
- [Frequently Asked Questions](#)



# How to build an ADU from the Model Plans Library



- **Step 1:** Browse the library and pick your favorite plan
- **Step 2:** Do background research to ensure the ADU will fit on your property
- **Step 3:** Contact the plan designer and pay the designer's reuse fee
- **Step 4:** Designer will prepare a site plan for your property and help you select pre-approved customization options (if any)
- **Step 5:** Apply for a City of Flagstaff Building Permit for your property
- **Step 6:** Receive an approved City of Flagstaff Building Permit
- **Step 7:** Choose your contractor/builder (can be done earlier)
- **Step 8:** Construct your ADU
- **Step 9:** Receive a Certificate of Occupancy from the City of Flagstaff for your ADU
- **Step 10: Enjoy the benefits of having your own backyard home**

# Outreach + Next Steps



# Outreach and engagement



1. Press Release
2. Social Media campaign
3. City Sustainability Newsletter
4. City Housing Newsletter
5. City Council announcement
6. Presentations to City Commissions
7. Collaborations with City and external partners
8. Printed previews of plans placed at strategic locations
9. Other printed outreach
- 10. Other ideas?**



# What's next

- **Coconino County** is interested in having these plans be pre-approved across the County
  - Plans will need to go through the County building plan review
  - Plans that are pre-approved in the County will be indicated on the ADU Model Plans Library website
- Analyzing plans against the City's **Townsite Overlay standards** to make it easier to build ADUs in this neighborhood
  - Staff are working with Heritage Preservation Commission to identify if plans already meet Townsite design standards
- State law now requires cities to have model plans libraries for **single-family homes, ADUs, duplexes, and triplexes**
  - The Model Plans Library will be expanded to include additional building types



# Potential future ADU Library expansion

- Staff will continue to explore opportunities to grow the library
- Some ideas:
  - Hold another **call-to-designers**
  - Open the library to include **additional model plans** outside of a call-to-designers process
  - Create a **modular ADUs section** in the library
    - Support a modular ADUs **bulk buy**
- Explore other ways to support the growth of ADUs in Flagstaff





# Discussion questions

- Are there additional outreach and engagement channels that staff should use to spread the word about the Model Plans Library?
- How can the City further support ADUs in Flagstaff, either through expanding the Library or other means?
  - One consideration: how to address the other barriers identified in the ADU survey

# Thank you

Gpearthree@flagstaffaz.gov | 928-213-2156

### Flagstaff ADU Model Plans Library: Design Specifications

ADU Name	Grandma's Contemporary	Grandpa's ADU	Three Peaks	Silver Bush	Green Gables	Cozy Cottage	The Dwell	The Sourjourn	The Juniper	The Ponderosa	Equilibrium	Simple Home (under review)
<b>Building Plan Number</b>	BP-25-00958	BP-25-00912	BP-25-00887	BP-25-00878	BP-25-00877	BP-25-00972	BP-25-00964	BP-25-00965	BP-25-01014	BP-25-01013	BP-25-02196	BP-25-01395
<b>Roof Pitch</b>	2:12 OR 3:12	6:12	8:12	8:12 OR 10:12	8:12 OR 10:12	4:12 or 8:12	6:12	6:12	6:12	6:12	20.8:12	4:12
<b>Roof height</b>	14'1 7/8"	16'10"	17'6"	19'2"	16'10" or 19'10"	22'8" or 15'5"	15'0"	16'0"	14'9"	16'9"	16'11 3/4"	12'0"
<b>Sq footage</b>	708 SF	682 SF	792 SF	723 SF	524 SF	605 SF or 805 SF	440 SF	741 SF	384 SF	768 SF	419 sf	750 SF
<b>Bedroom #</b>	1	1	1	1	1	1 or 2	1	2	STUDIO	2	STUDIO	2
<b>Bathroom #</b>	1	1	1	1	1	1 or 2	1	1	1	1	1	1
<b>Pre approved exterior materials</b>	-STUCCO -OTHER SIDING OPTIONS MAY BE AVAILABLE	-STUCCO -OTHER SIDING OPTIONS MAY BE AVAILABLE	3 OPTIONAL TRIANGULAR DORMERS	2 ROOF OPTIONS: SIDE GABLED OR FRONT/BACK GABLED	2 ROOF OPTIONS: SIDE GABLED OR FRONT/BACK GABLED	'3 SIDING OPTIONS: - MALPAIS WAINSCOT WITH LAP SIDING -BOARD & BATTEN WITH SHINGLE SHAKE -STUCCO FINISH OPTIONAL PERGOLA OVER BACK DOOR	NOT SPECIFIED	NOT SPECIFIED	-OPTIONAL COVERED FRONT PORCH -CHOICE OF EXTERIOR ROOFING, SIDING, ENTRY DOOR STYLE, WINDOWS CAN BE OPERABLE, FIXED, OR OMITTED	-OPTIONAL COVERED FRONT PORCH -CHOICE OF EXTERIOR ROOFING, SIDING, ENTRY DOOR STYLE, WINDOWS CAN BE OPERABLE, FIXED, OR OMITTED	NOT SPECIFIED	OPTIONAL PORCH/DECK
<b>Extra pre-approved options</b>	2 FOUNDATION TYPES	2 FOUNDATION TYPES	2 FOUNDATION TYPES	- 2 FOUNDATION TYPES - 2 ROOF OPTIONS	- 2 FOUNDATION TYPES - 2 ROOF OPTIONS	- 3 FLOOR PLANS - 2 ROOF OPTIONS - 2 FOUNDATION TYPES	2 FOUNDATION TYPES	2 FOUNDATION TYPES	- 2 FLOOR PLANS - 2 FOUNDATION TYPES	-2 FLOOR PLANS ' 2 FOUNDATION TYPES	2 FOUNDATION TYPES	2 FOUNDATION TYPES



## Housing Commission

7. D.

**From:** Genevieve Pearthree, Senior Sustainability Planner

**DATE:** 04/23/2026

**SUBJECT:** **Analysis of the Costs, Benefits, and Barriers to Building Highly Energy-Efficient and All-Electric Homes in Flagstaff, Arizona: Filling the Data Gap**

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### **STAFF RECOMMENDED ACTION:**

None. Informational only.

### **Executive Summary:**

This presentation will share the results of a study conducted by an external energy expert to evaluate the costs, benefits, and barriers to building energy-efficient and all-electric homes in Flagstaff. The results of this study can inform future program and policy development.

### **Introduction**

The City of Flagstaff (the City) is committed to advancing its climate and housing goals, while maintaining a high quality of life for residents. A key strategy for reducing greenhouse gas (GHG) emissions and monthly utility costs is the expansion of energy efficiency and beneficial electrification in new residential construction. While several national studies provide evidence suggesting energy efficiency and electrification can bring health, economic, and other benefits to residents of cold climate Western cities, industry experience has shown that national studies may not always reflect local construction realities.

Recognizing this disparity, the City commissioned a study by Noverra Collective to evaluate the capital and operational costs, barriers, and opportunities of building highly energy-efficient and all-electric new construction. The intent of this analysis is to address a critical data gap and inform City decisions about how to reduce energy use and emissions in the built environment while prioritizing long-term affordability. Through this work, the City seeks to develop defensible, locally grounded cost insights that reflect Flagstaff's real-world construction practices, while highlighting both the economic and non-economic barriers to and benefits of energy-efficient, all-electric development.

### **Methodology**

This study was informed by two research methods:

1. Interviews and a focus group with 13 Flagstaff architects, builders, general contractors, and sub-contractors who provided feedback on estimated capital costs, modeled operational costs, barriers, lessons learned, and recommendations.
2. Modeling to explore capital costs and the impacts of different Arizona Public Service (APS) electricity plans on operational costs for single- and multi-family homes (APS is the electricity provider for the Flagstaff region). Scenarios explored the differences in capital and operational (utility) costs for mixed-fuel (natural gas/electric), homes, all-electric (ducted and ductless) homes, and highly energy-efficient (HEE) homes. HEE homes were modeled as a 24% improvement in energy efficiency over Flagstaff's current energy code. Scenarios include:

## Scenarios Modeled

### **Single-family home (2,500 sf)**

Base case: Mixed-fuel (electricity and natural gas)

Scenario 1: Ducted all-electric

Scenario 2: Ductless all-electric

Scenario 3: Mixed-fuel, highly energy-efficient (HEE)

Scenario 4: Ducted all-electric, HEE

Scenario 5: Ductless all-electric, HEE

### **Multi-family home (990 sf)**

Base case: Mixed-fuel (electricity and natural gas)

Scenario 1: Ductless, all-electric

Scenario 2: Mixed-fuel, HEE

Scenario 3: Ductless all-electric, HEE

## **Key Cost Findings**

### Costs for single family homes:

1. It is less costly to construct an all-electric, ductless single family home, compared to a mixed-fuel home in Flagstaff; all-electric ducted homes cost more to construct than a mixed-fuel home.
2. It costs less to operate an all-electric ductless home than a mixed-fuel home on all APS electricity plans.
3. For all-electric ducted homes, the picture is mixed: using the APS Time of Use (TOU) Plus Demand Charge Plan reduces costs versus a mixed-fuel home; on all other APS plans, it is more costly to operate an all-electric ducted home.
4. Energy efficiency features add to construction costs for all home types but lead to long-term utility cost savings.

### Costs for multifamily homes:

1. It is less expensive to construct an all-electric ductless multifamily home than a mixed-fuel home in Flagstaff.
2. It costs less to operate all-electric ductless multifamily homes than a mixed-fuel home on all APS rate plans. The greatest utility cost savings come from the APS TOU Plus Demand Charge Plan.
3. Energy efficiency features add to construction costs for all home types but lead to long-term utility cost savings, although the cost savings are lower than for single-family homes because multifamily homes tend to use less energy (they are smaller, and attached housing is more energy efficient).

The full report and a summary of results are available at [Energy Efficiency and Electrification Study Results | City of Flagstaff Official Website](#).

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## **Attachments**

Presentation

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# Analysis of the Costs, Benefits, and Barriers to Building New Highly Energy-Efficient and All- Electric Residential Homes in Flagstaff, Arizona

**Filling the Data Gap**

City of Flagstaff Housing Commission | April 23, 2026

# Why we needed this information

- Fill a **critical data gap**
  - We knew general costs of electrification and energy efficiency
  - National studies identified all-electric homes can achieve cost-parity with mixed-fuel homes and bring other benefits to residents
    - However, these studies do not always match local conditions, potentially setting us up for failure
- Develop **defensible, locally grounded cost** insights on costs, benefits, and barriers that reflect Flagstaff's real-world construction practices
- **Inform City decisions** about how to reduce energy use and emissions in the built environment while prioritizing long-term affordability
  - Feed into broader code change discussions (Zoning, energy code, etc.)
  - Inform future policy and programming
  - Ensure programs that support electrification bring co-benefits to residents (affordability, health, etc.)

# Study Goals & Desired Outcomes

- Determine **key costs, barriers, and benefits** to building new all-electric and highly energy-efficient single- and multi-family homes
- Identify ways to **overcome** these barriers
- Increase dialogue with members of the building community and **build connections**



# Methodology

# Study Components

- Investigated **costs**
- **Professional feedback – 13 local builders**
  - Provide a nuanced perspective on the costs, barriers, and benefits of all-electric and energy efficiency
  - Inform modeling
- **Modeling** to determine capital and operational costs for single-family and multifamily homes (natural gas/electric and all-electric)




















# Flagstaff study participants

## **Designers, contractors, developers, and other building experts**

1. Capstone Homes
2. Coconino County Sustainable Building Program
3. Cozy Home
4. Flagstaff Comfort Systems
5. Green Mountain Construction
6. Hope Construction
7. Mandalay Homes
8. Miramonte Homes
9. Radiance Heating and Plumbing
10. Stang Architecture
11. Tesano Contracting
12. Trinsic Construction
13. Smith Architecture
14. UpDesign













# Modeling: Single-Family Homes





Single-Family Home Scenarios		Fuel type	Air distribution	Highly efficient?
Base case	Mixed-fuel (electricity and natural gas)	 		
1	Ducted, all-electric			
2	Ductless, all-electric			
3	Mixed-fuel, highly energy-efficient (HEE)	 		
4	Ducted, all-electric, HEE			
5	Ductless, all-electric, HEE			

Key:  = gas  = Electric  = Ducted  = Ductless

- Base case and scenarios 1-2: meet **Flagstaff's current energy code**
- Scenarios 3-5: **3-27% improvement in energy efficiency**

# Modeling: Multi-family Homes

Multi-Family Home Scenarios		Fuel type	Air distribution	Highly efficient?
Base case	Mixed-fuel (electricity and natural gas)	 		
1	Ductless, all-electric			
2	Mixed-fuel, HEE	 		
3	Ductless, all-electric, HEE			

Key:  = gas  = Electric  = Ducted  = Ductless

- **Compare capital and operational costs**

- Base Case and scenario 1: Flagstaff's current energy code
- Scenarios 2-3 modeled: **3-21% improvement in energy efficiency**

The multi-family home was assumed to be three stories and fall under the Residential IECC

A scenic landscape featuring a range of mountains with patches of snow or light-colored rock. The foreground is filled with a dense forest of evergreen trees. The sky is a gradient of colors, transitioning from a deep blue on the left to a warm orange and red on the right, suggesting a sunset or sunrise. The overall mood is serene and majestic.

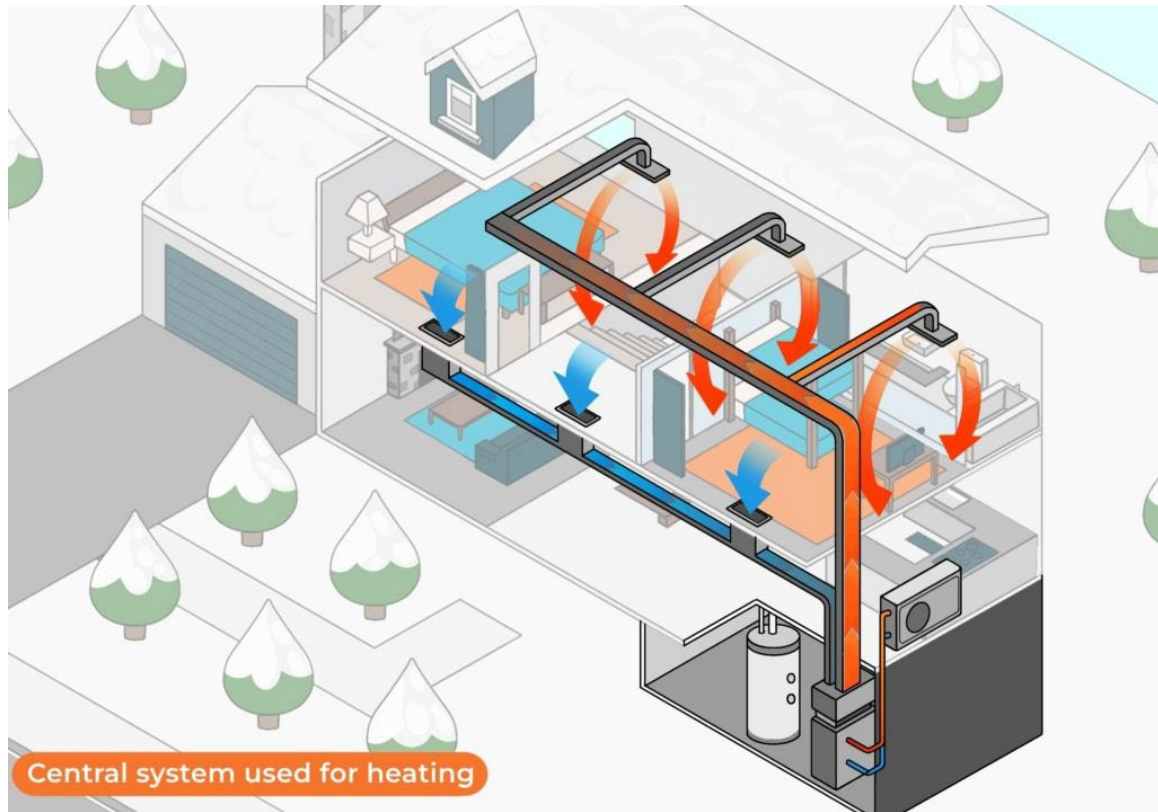
# Key Concepts

# Beneficial Electrification

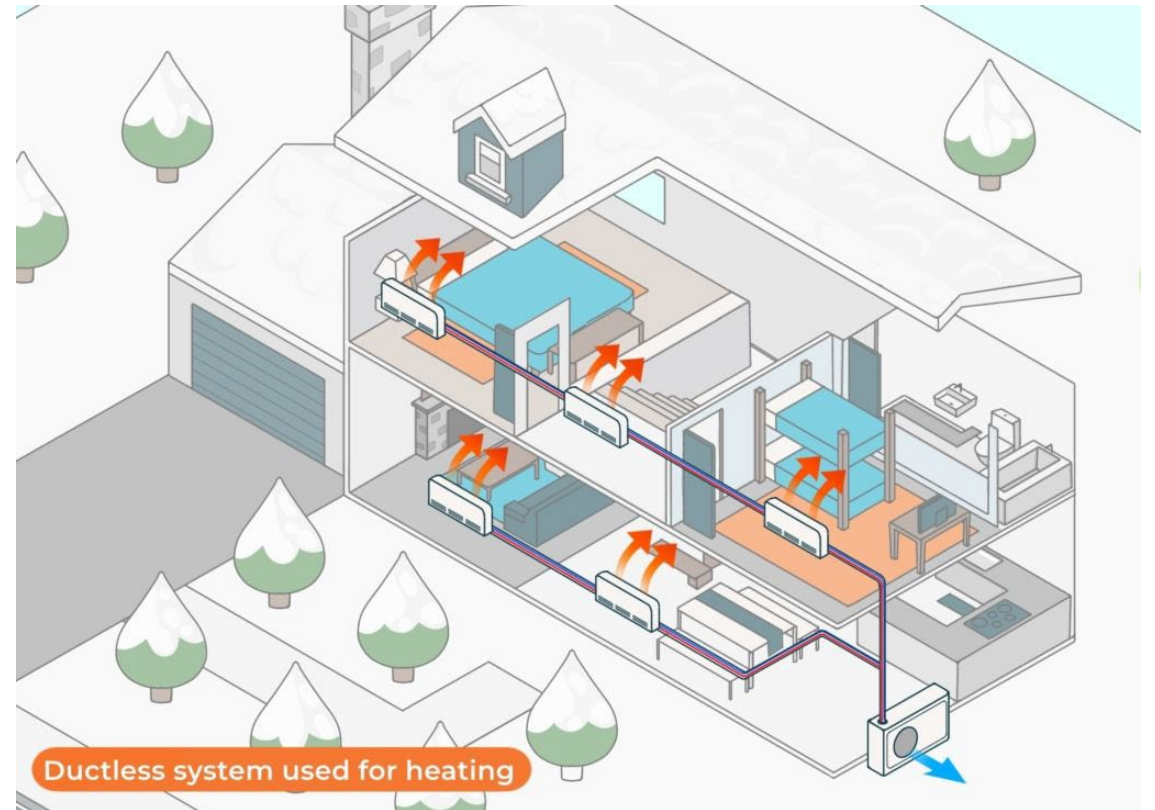
- The process of **strategically replacing natural gas-powered equipment** with electric-powered equipment.
- Brings the most **benefits to the consumer** through:
  - Improving indoor air quality
  - Optimizing energy use
  - Providing the potential for lower monthly energy costs
  - Reducing carbon emissions
  - Improving electrical grid management.
- **Does not include installing inefficient electric appliances**, such as electric-resistance furnaces.

# Ducted vs. Ductless Heat Pumps

## Ducted (central) system



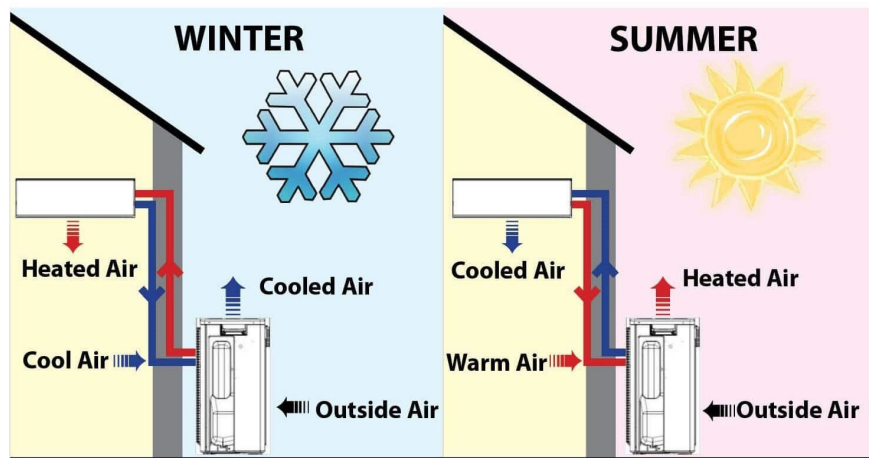
## Ductless (mini-split) system



# Air Source Heat Pump

## Air Source Heat Pump (ASHP)

- Provide heating and cooling (AC in the summer and heating in the winter).
- **300-400% more efficient at heating** than a gas or electric resistance furnace.
- Ducted or ductless (mini-split) systems.
- **Cold climate air source heat pumps** (ccASHPs) are designed to provide heating for cold climates, such as Flagstaff's.
  - Can operate effectively at temperatures as low as **-22 deg F** without a backup heating system.



# Cold Climate Air Source Heat Pump

- Air-source heat pumps designed to operate efficiently at very low temperatures.
- Designed to provide heating for **cold climates**, such as Flagstaff's.
- cASHPs can operate effectively at temperatures as low as **-22 deg F** without a backup heating system.

# APS Residential Electricity Plans

- Arizona Public Service (APS) provides electricity to Flagstaff and offers several residential electricity plans.
- **Rates vary** by plan and time of day.
- **Fixed Energy Plan:**
  - 3 tiers (small, medium, large) based on residents' average monthly electricity usage
  - Rates increase as usage increases.

# Fixed Energy Charge Electricity Plan

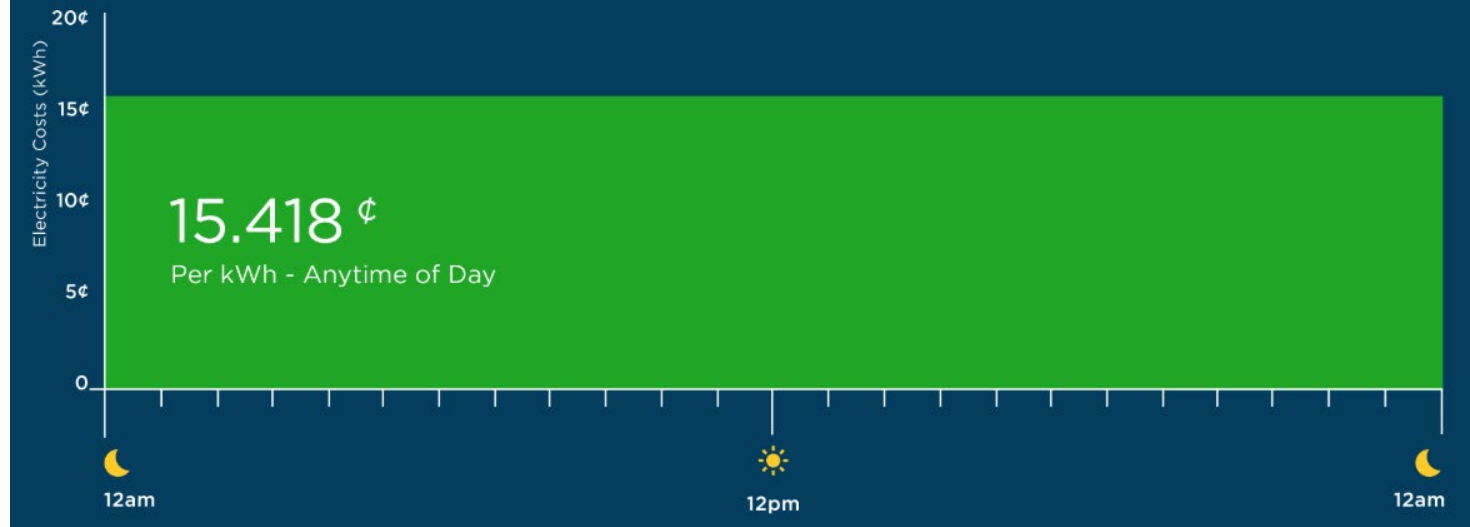
## Electricity costs:

- Tier 1 (**Small**): 12.925¢ per kilowatt hour (kWh)
- Tier 2 (**Medium**): 14.052¢
- Tier 3 (**Large**): 15.418¢

### Fixed Energy Charge Plan

- This rate plan has the same rates year-round
- Tier 3 pricing represented below

*(1,000+ kWh average monthly energy usage throughout the year)*



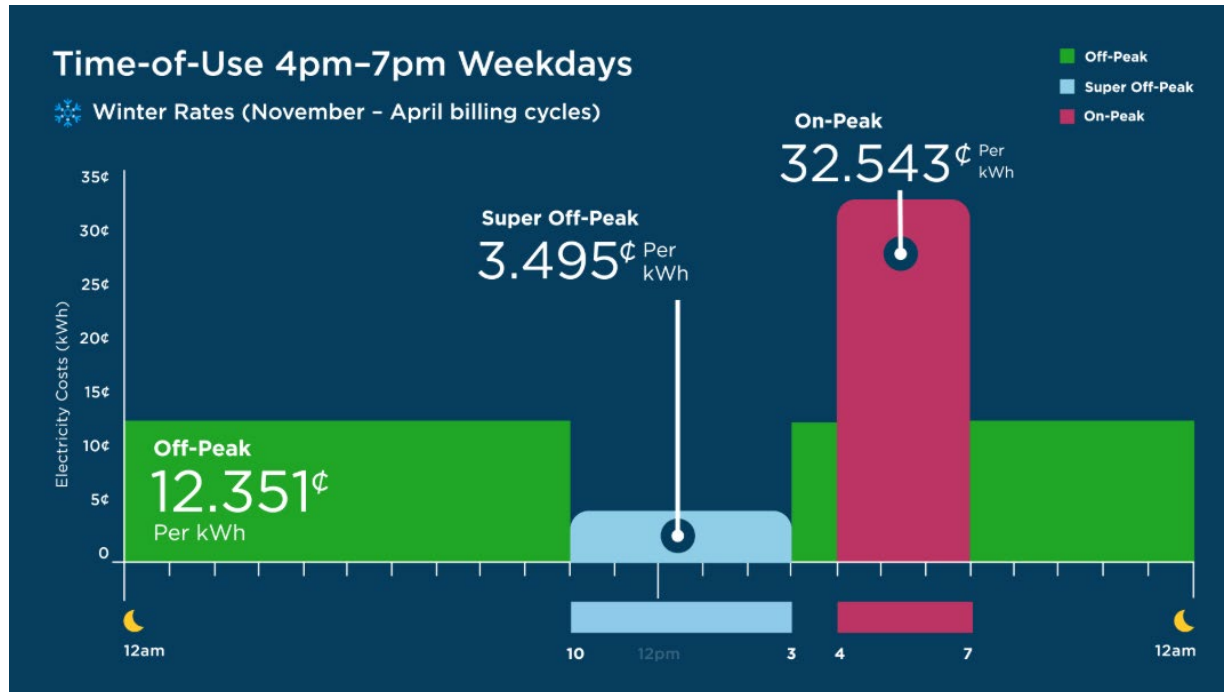
Shows rates per kWh for Tier 3 (Large).

# Time of Use Electricity Plans

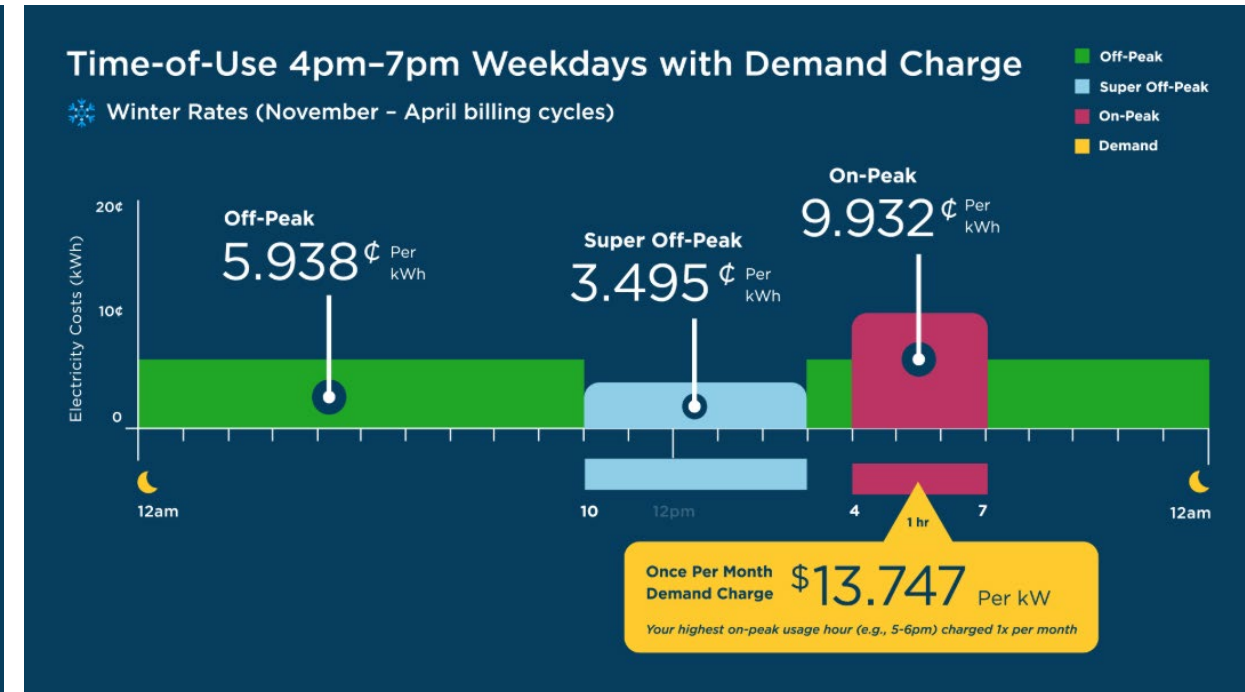
- **Time of Use (TOU) Plan and TOU + Demand Charge Plan**
  - Higher rates: “on-peak” hours (4-7 pm weekdays).
  - Lower rates: “off-peak” hours (all other times).
  - Lowest rates: “super off-peak” hours (10am – 3pm M-F, November – April).
- TOU + Demand Charge Plan has the lowest rates, but higher costs for using electricity during “on-peak” hours.
- **Both plans incentivize residents to minimize electricity use during “on-peak” hours.**

# Time of Use Electricity Plans

## Time of Use



## Time of Use + Demand Charge



Winter rates are lower than summer rates; winter is when Flagstaff residents tend to use the most energy (to heat their homes).



# Key Findings

# Summary of Capital Costs: Single-Family

Scenario	Total Cost	Range	Cost Difference (vs. Base Case)
Base case: mixed-fuel	\$14,500	\$10,500 - \$18,500	--
1: All-electric ducted	\$17,000	\$14,000 - \$20,000	+\$2,500
2: All-electric ductless	\$14,000	\$12,000 - \$16,000	-\$500
3: Mixed-fuel, HEE	\$23,000	\$15,500 - \$30,500	+\$8,500
4: All-electric ducted, HEE	\$25,500	\$19,000 - \$32,000	+\$11,000
5: All-electric ductless, HEE	\$22,500	\$17,000 - \$28,000	+\$8,000

Green shading indicates that costs are less than the mixed-fuel base case; orange shading indicates costs are greater.

# Summary of Capital Costs: Multi-Family

Scenario	All-in cost	Range	Cost difference vs. base case
Base case: Mixed-fuel	\$12,500	\$8,300 - \$15,800	--
1: All-electric, ductless	\$11,300	+/- \$4,000	-\$1,200
2: Mixed-fuel, HEE	\$19,000	\$13,200 - \$27,800	+\$6,500
3: All-electric, ductless, HEE	\$17,800	\$11,300 - \$27,300	+\$5,300

Green shading indicates that costs are less than mixed-fuel base case; orange shading indicates costs are greater.

# Key Capital Cost Takeaways

- All-electric ductless systems had the **lowest capital costs** in all home types.
- **All-electric ducted systems are likely to be more expensive** than mixed-fuel systems.
- Adding **energy efficiency** measures increases capital costs.
- Capital costs will likely **vary by home size and energy type**.

Given each home's unique nature, it is difficult to accurately pinpoint an exact cost for each system. *These **values should be considered illustrative.***

# Operational Costs: Single-Family

## Monthly energy costs for a new 2,500 sf single-family home on different APS electricity plans

Scenario	Fixed Rate (Medium)	TOU	TOU plus demand
Base case: Mixed-fuel	\$159	\$158	\$138
1: All-electric, ducted	\$182	\$172	\$129
2: All-electric, ductless	\$131	\$127	\$97
3: Mixed-fuel, HEE	\$138	\$137	\$116
4: All-electric, ducted, HEE	\$141	\$137	\$103
5: All-electric, ductless, HEE	\$128	\$124	\$95

Green shading indicates all-electric costs are less than mixed-fuel base case; orange shading indicates all-electric costs are greater.

# Operational Costs: Multi-Family

## Monthly energy costs for a new 990 sf multi-family home on different APS electricity plans

Scenario	Fixed rate (small)	TOU	TOU plus demand
Base case: Mixed-Fuel	\$77	\$82	\$71
1: All-electric, ductless	\$63	\$69	\$55
2: Mixed-fuel, HEE	\$72	\$77	\$65
3: All-electric, ductless, HEE	\$61	\$68	\$54

Green shading indicates all-electric costs are less than mixed-fuel base case.  
No all-electric costs exceed the mixed-fuel base case.

# Key Operational Cost Takeaways: Single- and Multi-Family Homes

**All-electric and highly energy-efficient homes have the potential to offer lower operational costs.**

The **lowest operational costs** can be achieved through:

- Energy efficiency.
- Switching to the APS TOU plus demand plan.
- All-electric ductless systems.

**Energy efficiency gains and cost savings vary by home and system type.**

# Thank you

See <https://www.flagstaff.az.gov/5165/Energy-Efficiency-and-Electrification-St> to view the full report

Genevieve Pearthree | Senior Sustainability Planner | City of Flagstaff  
[gpearthree@flagstaff.az.gov](mailto:gpearthree@flagstaff.az.gov) | 928-213-2156