

# PLANNING COMMISSION REPORT

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Meeting Date: *October 9, 2024*  
General Plan Element: *Economic Vitality*  
General Plan Goal: *Manage land uses to enhance economic development while protecting neighborhoods.*

## NON-ACTION

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### **Adaptive Reuse & Development Application Determination Text Amendment 3-TA-2024**

Presentation and discussion regarding the proposed draft amendment to sections of the City's Zoning Ordinance for the purposes of addressing recent State of Arizona legislation relating to adaptive reuse (HB2297) & development application determination timing (SB1162) as provided in Case No. 3-TA-2024.

#### **Related Policies, References:**

Scottsdale General Plan 2035, as amended  
Zoning Ordinance

#### **Key Items for Consideration**

- Amending the City's Zoning Ordinance to ensure compliance with State law, including:
  - Arizona State Legislature passed HB2297 – required compliance by January 1, 2025
  - Arizona State Legislature passed SB1162

## STAFF CONTACTS

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Brad Carr, AICP, LEED-AP, Planning & Development Area Manager – Current Planning Services  
Adam Yaron, Planning & Development Area Manager – Long Range Planning Services

## APPLICABILITY

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Citywide

## BACKGROUND

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In the 2024 session, the Arizona State Legislature passed HB2297 (Attachment 1), which requires Arizona municipalities with a population of 150,000 or more to establish standards to *not more than* ten percent (10%) of *existing* commercial, office and mixed-use buildings to be repurposed to multifamily housing, generally referred to as adaptive reuse by the legislation,

subject to certain limitations and requirements. A key component of HB2297 specifies that the process of converting from the existing use to the new multifamily residential use must occur without requiring any public hearings. In Scottsdale, that would include rezoning, conditional use permit and development review hearings. Further, the Arizona State Legislature also passed SB1162 (Attachment 2). Included in this bill are requirements that Arizona municipalities amend their zoning codes to address the processing of zoning applications and outline specific time frames for review and approval of zoning applications. The Governor signed both bills and the new legislation became effective September 14, 2024. Scottsdale now must amend its Zoning Ordinance by January 1, 2025, to comply with State Law.

*Although the legislation only requires an update to its Zoning Ordinance, staff determined during review of the state legislation that an amendment to Scottsdale General Plan 2035 would be necessary to bring together the effect of this legislation at the policy level, commensurate with the regulatory changes proposed by Case No. 3-TA-2024. For this reason, the city will pursue an effort to amend its General Plan through a separate, future public input and hearing process as a result of any Zoning Ordinance changes that occur with this text amendment.*

## ANALYSIS & ASSESSMENT

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The following summarizes staff's analysis of HB2297 and SB1162, and the response to this new legislation that is proposed within 3-TA-2024 (Attachment 3), which includes the City's effort to comply with other recent actions of City Council.

### **HB2297 – Adaptive Reuse**

HB2297 requires municipalities with a population of 150,000 or more to establish standards to allow the conversion of *not more than* ten percent (10%) of the total *existing* commercial, office, or mixed-use buildings within a municipality to multifamily residential development without a public hearing process. Conversion eligibility is determined by several different factors including the total area a municipality chooses to allocate for conversion, property size, property condition, infrastructure, building code requirements, and the provision of moderate or low-income housing. Eligibility is further limited by exclusion areas such as those designated for commercial protection by the City, and areas in the vicinity of an airport.

To minimize the impacts of this new State law on the community, the City's intent is to utilize all qualifying exclusionary provisions allowed, while still meeting the legal parameters of the bill. This includes:

- Excluding 10% of existing commercial, office, and mixed-use building areas within eligible parts of the city, which will be designated as Commercial or Employment Hubs or Essential Commercial or Employment Use Areas,
- Excluding land in an area that is designated historic by a local government, or that is designated as historic on the national register of historic places, and
- Excluding land in the territory in the vicinity of a Federal Aviation Administration commercially licensed airport or general aviation or public airport as defined by State Statute.

The new legislation sets forth criteria that a municipality must follow in establishing standards for conversion to multifamily residential development, which includes:

The city *cannot*:

- require public outreach, rezoning, conditional use permits or development review hearings that the city would normally require for such changes in buildings and land uses from commercial and office to multifamily residential, and
- establish setback, density, parking & building height that is any greater than the requirements set forth in State Law.

The city *can* require:

- administrative site plan review and approval,
- public utility review,
- adequate public sewer and water service is provided,
- compliance with building and fire codes,
- that the existing buildings are economically or functionally obsolete,
- that the existing buildings are located on a parcel or parcels that are at least one (1) acre in size, but no more than twenty (20) acres in size, and
- a minimum of ten percent (10%) of the total new dwelling units be set aside for either moderate-income housing or low-income housing, or any combination of the two for at least twenty (20) years after the initial occupation of the proposed development.

In response to HB2297, the proposed draft text amendment includes the following:

- New Zoning Ordinance definitions for: Building Code, Economically or Functionally Obsolete, Low-income Housing, Moderate-income housing, and Multifamily Conversion. These definitions will ensure critical elements of the State Law are incorporated, and subsequently implemented, into the city's Zoning Ordinance as required by State Statute.
- Establish a new defined land use entitled "Multifamily Conversion" in commercial zoning districts throughout the Zoning Ordinance.
- Establish qualifications to utilize the Multifamily Conversion land use, including:
  - A Multifamily Conversion development must be located on a parcel or parcels that have an existing commercial, mixed-use, or office building or buildings that have received a Certificate of Occupancy on or before December 31, 2024,
  - A Multifamily Conversion development must be located on a parcel or parcels that are a minimum of one (1) net acre in size, but not more than twenty (20) net acres in size,
  - A Multifamily Conversion development shall not be located in any of the exclusion areas as permitted by State Statute and noted above.
  - A Multifamily Conversion development must demonstrate adequate public water and sewer infrastructure service for the entire proposed development, as administered by the City of Scottsdale.
  - A Multifamily Conversion development must demonstrate that the existing building or buildings located on the parcel or parcels of the development have been economically or functionally obsolete for at least six (6) months on or before December 31, 2024, to the satisfaction of the Zoning Administrator or designee.
  - A Multifamily Conversion development must allocate a minimum of ten (10%) percent of the total dwelling units of the Multifamily Conversion development as either moderate-income housing or low-income housing, or any combination thereof, for at least twenty (20) years after the initial occupation of the proposed development project, in a form satisfactory to the City Attorney or designee.

- A Multifamily Conversion development must have a total gross floor area that cumulatively with any existing and approved Multifamily Conversion development, does not exceed the Scottsdale Total Allocated Multifamily Conversion Development Projects Allotment. Fulfillment of the allotment is determined by:
  - The number of buildings and/or building area redeveloped for Multifamily Conversion; in culmination with
  - The number of buildings and/or building area with approved building permits for Multifamily Conversion but not yet completed; in culmination with
  - The number of buildings and/or building area with submitted construction documents for development of a Multifamily Conversion but not yet permitted.

Finally, the legislation outlines certain property development standards that a municipality must follow for a Multifamily Conversion. Generally, a Multifamily Conversion development will be subject to the property development standards of the underlying zoning district for which the development is located. However, per the new State Law the property development standards for building setbacks, density allowances, and building height maximum allowances will be based upon established multifamily residential development within one mile of a Multifamily Conversion. If a new Multifamily Conversion development is not located within one mile of an established multifamily residential development, then the Multifamily Conversion property development standards will be based upon that of existing multifamily residential zoning districts in the Zoning Ordinance. Those property development standards specified in the State Law include:

**Density**

- The maximum multifamily residential density for a Multifamily Conversion development shall be equal to the highest allowable multifamily residential density of a multifamily residential zoning district within one (1) mile of the subject Multifamily Conversion development. If there is no multifamily residential zoning district within one (1) mile of the subject Multifamily Conversion development, the maximum multifamily residential density for the subject Multifamily Conversion development shall be equivalent to the Two-Family Residential (R-2) zoning district.
  - A Multifamily Conversion development constructed does not qualify as being within one (1) mile of a subsequent Multifamily Conversion development, or as the next closest multifamily residential district in the Zoning Ordinance.

**Building Height**

- The maximum building height for a Multifamily Conversion development located within one hundred (100) feet of a Single-family Residential District shall not exceed the lesser of two stories or thirty (30) feet (inclusive of rooftop appurtenances). This building height limitation applies to all buildings of the Multifamily Conversion development.
- The maximum building height for a Multifamily Conversion development that is not located within one hundred (100) feet of a Single-family Residential District shall not exceed the lesser of five (5) stories or sixty (60) feet, or the highest allowable multifamily residential building height (exclusive of rooftop appurtenances) for a multifamily residential zoning district or the portion of a Planned Community (P-C) with an underlying zoning district comparable to a multifamily residential district. If there is no multifamily residential zoning district within one (1) mile of the subject Multifamily Conversion



development, the maximum building height for the subject Multifamily Conversion development shall be equivalent to the Townhouse Residential (R-4) zoning district.

- Any Multifamily Conversion development constructed pursuant to the provisions of this section does not qualify as being within one (1) mile of a subsequent Multifamily Conversion development, or as the next closest multifamily residential district in the Zoning Ordinance.

**Building Setbacks**

- The minimum building setback for a Multifamily Conversion development is equivalent to the building setback requirements of the Townhouse Residential (R-4) zoning district.

**Private Outdoor Living Space**

- All dwelling units are to include private outdoor living space located directly adjacent to the dwelling unit.
- Each private outdoor living space is to be at least six (6) feet deep and sixty (60) square feet in area.

**SB1162 – Development Application Determination**

SB1162 introduces new requirements for how a municipality processes zoning applications. These changes require municipalities to adopt updates to their zoning ordinances that address two key areas:

***1. Administrative Completeness (30-Day Review Period):***

The City must determine whether a zoning application is administratively complete within 30 days of receiving it. Although the City currently reviews applications for completeness within 15 days, this practice has not been codified. With the updates proposed in 3-TA-2024, the City proposes to formalize the 30 business day review requirement in its Zoning Ordinance.

***2. Substantive Review and Approval or Denial (180-Day Deadline):***

After the City has determined a zoning application to be administratively complete, the City must approve or deny a zoning application within 180 business days. This time-period includes:

- The time the City utilizes to conduct a substantive review of the application (excluding any periods when the application is returned to the applicant for revisions),
- Public noticing requirements, and
- All public hearings before relevant boards and commissions, such as the Airport Advisory Commission, Development Review Board, Planning Commission, and City Council.

***Extension Options:***

- The City may grant a one-time extension of the overall time frame of up to 30 days in cases of extenuating circumstances.
- Applicants may request 30-day extensions of the overall time frame, with the possibility of multiple extensions if needed.

These changes are expected to impact the timeline for public involvement and may affect the community's familiarity with current development review processes. However, the 180-day time limit, while firm, allows for some flexibility through applicant-initiated extensions.

**Additional Proposed Zoning Ordinance Amendments in 3-TA-2024**

On [September 10, 2024](#), City Council adopted Resolution 13232, which accomplished the following:

- Repealed Resolution No. 8356, which previously established the McDowell & Scottsdale Corridor Single Central Business District.
- Initiated a text amendment to the City of Scottsdale Zoning Ordinance (No. 455) to update the size requirements for the Planned Community (P-C) District.

Included within this text amendment are updates to the Zoning Ordinance that will preserve existing zoning entitlements for properties with P-C district zoning as well as those properties of 10 acres or more in land area by using the McDowell Road/Scottsdale Road Growth Area Boundary as the policy framework.

**PUBLIC PARTICIPATION**

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An informative video regarding Case No. 3-TA-2024 was created by the City and posted online. As of the drafting of this report, online viewership has been noteworthy at over 300 views. Further, City staff hosted two open house events to discuss proposed changes to the Zoning Ordinance on Thursday, September 19, 2024, and Friday, September 20, 2024. A total of 20 people attended the in-person sessions.

Overall, attendees responded positively to the proposed amendments, with many attendees expressing support that their properties would not be as affected, and there would be fewer overall community impacts, due to exclusions allowed under the new State Law, particularly airport vicinity areas. The full citizen involvement report can be found as Attachment 4.

**OTHER BOARDS & COMMISSIONS**

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**Planning Commission**

This effort to update the Zoning Ordinance in response to HB2297 and SB1162 was initiated by the Planning Commission on July 10, 2024.

**Neighborhood Advisory Commission (NAC)**

Staff presented this text amendment to the [NAC on September 25, 2024](#) as an informational item.

**STAFF RECOMMENDATION & NEXT STEPS**

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**RECOMMENDED APPROACH**

Review, discuss, and answer Planning Commission questions about the proposed Zoning Ordinance text amendment, educate the public about the new State Laws, and provide an opportunity for continued public input.

**NEXT STEPS**

After the Non-Action review of this proposal by the Planning Commission, the proposal will be heard for possible recommendation by the Planning Commission at the 10/23/2024 hearing.

**RESPONSIBLE DEPARTMENTS & STAFF CONTACTS**

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Planning and Development Services Department  
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**APPROVED BY**


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9/30/2024  
Date

  
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10/01/2024  
Date

**ATTACHMENTS**

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1. HB2297 Legislative Text
2. SB1162 Legislative Text
3. –DRAFT– 3-TA-2024 – Adaptive Reuse & Development Application Determination Text Amendment
4. Citizen Involvement Report

Senate Engrossed House Bill

~~adaptive reuse; commercial buildings; zoning~~  
~~(now: zoning; adaptive reuse; commercial buildings)~~  
(now: commercial buildings; adaptive reuse)

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
Second Regular Session  
2024

## CHAPTER 141

# HOUSE BILL 2297

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 6.1, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 9-462.10; RELATING TO MUNICIPAL ZONING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 9, chapter 4, article 6.1, Arizona Revised  
3 Statutes, is amended by adding section 9-462.10, to read:

4 9-462.10. Commercial buildings; multifamily development;  
5 adaptive reuse; prohibition on rezoning or  
6 municipal review; objective standards;  
7 applicability; definitions

8 A. ON OR BEFORE JANUARY 1, 2025, THE GOVERNING BODY OF A  
9 MUNICIPALITY WITH A POPULATION OF ONE HUNDRED FIFTY THOUSAND OR MORE  
10 PERSONS SHALL ESTABLISH OBJECTIVE STANDARDS TO ALLOW MULTIFAMILY  
11 RESIDENTIAL DEVELOPMENT OR ADAPTIVE REUSE ON NOT MORE THAN TEN PERCENT OF  
12 THE TOTAL EXISTING COMMERCIAL, OFFICE OR MIXED USE BUILDINGS WITHIN THE  
13 MUNICIPALITY WITHOUT REQUIRING A CONDITIONAL USE PERMIT, A PLANNED UNIT  
14 DEVELOPMENT OR REZONING APPLICATION OR ANY OTHER APPLICATION THAT WOULD  
15 REQUIRE A PUBLIC HEARING. THE GOVERNING BODY OF THE MUNICIPALITY MAY  
16 MODIFY THE PERCENTAGE OF EXISTING COMMERCIAL, OFFICE OR MIXED USE  
17 BUILDINGS WITHIN THE MUNICIPALITY AVAILABLE FOR MULTIFAMILY RESIDENTIAL  
18 DEVELOPMENT OR ADAPTIVE REUSE EVERY TEN YEARS.

19 B. A MUNICIPALITY MAY DESIGNATE COMMERCIAL OR EMPLOYMENT HUBS AND  
20 OTHER ESSENTIAL COMMERCIAL OR EMPLOYMENT USE AREAS WHERE EXISTING  
21 COMMERCIAL, OFFICE, EMPLOYMENT OR MIXED USE BUILDINGS ARE EXCLUDED FROM  
22 THE PROVISIONS OF THIS SECTION. THE DESIGNATIONS MADE PURSUANT TO THIS  
23 SUBSECTION MAY NOT EXCEED TEN PERCENT OF THE EXISTING COMMERCIAL, OFFICE,  
24 EMPLOYMENT OR MIXED USE BUILDINGS WITHIN THE MUNICIPALITY. A MUNICIPALITY  
25 MAY MODIFY THE COMMERCIAL OR EMPLOYMENT HUBS THAT ARE EXCLUDED FROM THE  
26 PROVISIONS OF THIS SECTION ONCE EVERY TEN YEARS.

27 C. FOR MULTIFAMILY RESIDENTIAL DEVELOPMENT OR ADAPTIVE REUSE, THE  
28 OBJECTIVE STANDARDS ESTABLISHED BY A MUNICIPALITY SHALL REQUIRE BUT MAY  
29 NOT REQUIRE MORE THAN THE FOLLOWING:

30 1. A MUNICIPAL SITE PLAN REVIEW AND APPROVAL PROCESS REQUIREMENT,  
31 INCLUDING SITE PLAN REVIEW BY ANY UTILITY PROVIDER IMPACTED BY THE  
32 PROPOSED DEVELOPMENT.

33 2. ADEQUATE PUBLIC SEWER AND WATER SERVICE FOR THE ENTIRE PROPOSED  
34 DEVELOPMENT.

35 3. COMPLIANCE WITH ALL APPLICABLE BUILDING AND FIRE CODES.

36 4. THAT THE EXISTING BUILDINGS ARE ECONOMICALLY OR FUNCTIONALLY  
37 OBSOLETE.

38 5. THAT THE EXISTING BUILDINGS ARE LOCATED ON A PARCEL OR PARCELS  
39 THAT ARE AT LEAST ONE ACRE IN SIZE BUT NOT MORE THAN TWENTY ACRES IN SIZE.

40 6. A SET ASIDE OF TEN PERCENT OF THE TOTAL DWELLING UNITS FOR  
41 EITHER MODERATE-INCOME HOUSING OR LOW-INCOME HOUSING OR ANY COMBINATION OF  
42 THE TWO FOR AT LEAST TWENTY YEARS AFTER THE INITIAL OCCUPATION OF THE  
43 PROPOSED DEVELOPMENT. THE DEVELOPER MAY SET ASIDE MORE THAN TEN PERCENT  
44 AT THE DEVELOPER'S SOLE DISCRETION.

1 D. THE OBJECTIVE STANDARDS MAY NOT CONTAIN PARKING SPACE  
2 REQUIREMENTS THAT EXCEED THE PARKING REQUIREMENTS THAT APPLY TO  
3 MULTIFAMILY RESIDENTIAL BUILDINGS OR ADAPTIVE REUSE BUILDINGS UNDER THE  
4 EXISTING ZONING CODE UNLESS THE PROPOSED MULTIFAMILY RESIDENTIAL  
5 DEVELOPMENT OR ADAPTIVE REUSE ALSO QUALIFIES AS A MIXED USE DEVELOPMENT.

6 E. A MUNICIPALITY MAY NOT WITHHOLD A DEMOLITION PERMIT IF A  
7 MULTIFAMILY RESIDENTIAL DEVELOPMENT MEETS THE REQUIREMENTS OF THIS  
8 SECTION. FOR A MULTIFAMILY RESIDENTIAL DEVELOPMENT, ALL OF THE FOLLOWING  
9 APPLY:

10 1. THE DEMOLITION OF ALL OR A PORTION OF THE EXISTING COMMERCIAL,  
11 OFFICE OR MIXED USE BUILDINGS SHALL BE ALLOWED.

12 2. SETBACK REQUIREMENTS MAY NOT EXCEED WHAT IS REQUIRED IN THE  
13 EXISTING ZONING CODE FOR MULTIFAMILY RESIDENTIAL BUILDINGS.

14 3. NOTWITHSTANDING SECTION 9-462.01, SUBSECTION C, THE MAXIMUM  
15 HEIGHT AND DENSITY SHALL BE EQUAL TO THE HIGHEST ALLOWABLE MULTIFAMILY  
16 HEIGHT AND DENSITY FOR A MULTIFAMILY ZONING DISTRICT IN THE MUNICIPALITY  
17 WITHIN ONE MILE OF THE BUILDING TO BE REDEVELOPED. IF THERE IS NO  
18 MULTIFAMILY ZONING DISTRICT IN THE MUNICIPALITY WITHIN ONE MILE OF THE  
19 BUILDING TO BE REDEVELOPED, THE MAXIMUM HEIGHT AND DENSITY SHALL BE  
20 EQUIVALENT TO THE NEXT CLOSEST MULTIFAMILY ZONING DISTRICT.

21 4. THE ALLOWABLE HEIGHT MAY NOT EXCEED FIVE STORIES AND A  
22 MUNICIPALITY MAY LIMIT THE HEIGHT TO TWO STORIES IN THE AREAS OF A SITE  
23 WITHIN ONE HUNDRED FEET OF SINGLE-FAMILY RESIDENTIAL ZONES. MULTIFAMILY  
24 RESIDENTIAL DEVELOPMENT THAT IS CONSTRUCTED PURSUANT TO THIS SECTION DOES  
25 NOT QUALIFY AS BEING WITHIN ONE MILE OF THE BUILDING BEING REDEVELOPED OR  
26 THE NEXT CLOSEST MULTIFAMILY BUILDING.

27 F. A MUNICIPALITY MAY NOT WITHHOLD A DEMOLITION PERMIT IF AN  
28 ADAPTIVE REUSE PROJECT MEETS THE REQUIREMENTS OF THIS SECTION. FOR  
29 ADAPTIVE REUSE, ALL OF THE FOLLOWING APPLY:

30 1. THE DEMOLITION OF A PORTION OF THE EXISTING COMMERCIAL, OFFICE  
31 OR MIXED USE BUILDING OR BUILDINGS SHALL BE ALLOWED.

32 2. THE SETBACK REQUIREMENTS FOR THE PROPOSED USE SHALL APPLY. IF  
33 THE MINIMUM SETBACK REQUIREMENT THAT APPLIES TO THE EXISTING COMMERCIAL,  
34 OFFICE OR MIXED USE BUILDING IS LESS THAN THE MINIMUM SETBACK REQUIREMENT  
35 THAT APPLIES TO THE PROPOSED USE, THE EXISTING BUILDING SHALL BE  
36 CONSIDERED NONCONFORMING FOR SETBACK PURPOSES UNLESS EASEMENTS, INCLUDING  
37 PUBLIC UTILITY EASEMENTS, ARE LOCATED WITHIN SETBACK AREAS.

38 3. IF THE MAXIMUM ALLOWABLE HEIGHT THAT APPLIES TO THE EXISTING  
39 COMMERCIAL, OFFICE OR MIXED USE BUILDING EXCEEDS THE MAXIMUM ALLOWABLE  
40 HEIGHT FOR THE PROPOSED USE, THE EXISTING HEIGHT MAY REMAIN AND SHALL BE  
41 CONSIDERED NONCONFORMING FOR HEIGHT PURPOSES AND THE EXISTING BUILDING MAY  
42 BE EXPANDED TO THE MAXIMUM ALLOWABLE DENSITY FOR THE PROPOSED USE. ANY  
43 ROOFTOP APPURTENANCES SHALL BE INCLUDED WITHIN THE HEIGHT EXEMPTION.

1 G. THIS SECTION DOES NOT APPLY TO ANY OF THE FOLLOWING:

2 1. LAND IN AN AREA THAT IS DESIGNATED AS A DISTRICT OF HISTORICAL

3 SIGNIFICANCE PURSUANT TO SECTION 9-462.01, SUBSECTION A, PARAGRAPH 10.

4 2. LAND IN AN AREA THAT IS DESIGNATED HISTORIC BY A LOCAL

5 GOVERNMENT.

6 3. LAND IN AN AREA THAT IS DESIGNATED AS HISTORIC ON THE NATIONAL

7 REGISTER OF HISTORIC PLACES.

8 4. LAND IN THE TERRITORY IN THE VICINITY OF A MILITARY AIRPORT OR

9 ANCILLARY MILITARY FACILITY AS DEFINED IN SECTION 28-8461.

10 5. LAND IN THE TERRITORY IN THE VICINITY OF A FEDERAL AVIATION

11 ADMINISTRATION COMMERCIALLY LICENSED AIRPORT OR A GENERAL AVIATION OR

12 PUBLIC AIRPORT AS DEFINED IN SECTION 28-8486.

13 6. LAND IN A MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND.

14 H. FOR THE PURPOSES OF THIS SECTION:

15 1. "ADAPTIVE REUSE" MEANS CONVERTING AN EXISTING BUILDING FROM THE

16 USE FOR WHICH IT WAS CONSTRUCTED TO A NEW USE BY MAINTAINING SOME OR ALL

17 OF THE ELEMENTS OF THE BUILDING.

18 2. "BUILDING CODE" HAS THE SAME MEANING PRESCRIBED IN SECTION

19 9-1301.

20 3. "ECONOMICALLY OR FUNCTIONALLY OBSOLETE" MEANS THE COMMERCIAL,

21 OFFICE OR MIXED USE BUILDING IS IN A STATE OF DISREPAIR OR HAS A FIFTY

22 PERCENT VACANCY IN THE TOTAL LEASABLE SQUARE FOOTAGE.

23 4. "LOW-INCOME HOUSING" MEANS HOUSING:

24 (a) FOR A PERSON OR PERSONS WHOSE HOUSEHOLD INCOME DOES NOT EXCEED

25 EIGHTY PERCENT OF THE AREA MEDIAN INCOME.

26 (b) FOR WHICH THE OCCUPANT PAYS NOT MORE THAN THIRTY PERCENT OF THE

27 OCCUPANT'S GROSS INCOME FOR THE OCCUPANT'S RENT OR MORTGAGE, AS DETERMINED

28 BY THE ARIZONA DEPARTMENT OF HOUSING AND ADJUSTED FOR HOUSEHOLD SIZE BASED

29 ON THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

30 5. "MODERATE-INCOME HOUSING" MEANS HOUSING:

31 (a) FOR A PERSON OR PERSONS WHOSE HOUSEHOLD INCOME DOES NOT EXCEED

32 ONE HUNDRED TWENTY PERCENT OF THE AREA MEDIAN INCOME.

33 (b) FOR WHICH THE OCCUPANT PAYS NOT MORE THAN THIRTY PERCENT OF THE

34 OCCUPANT'S GROSS INCOME FOR THE OCCUPANT'S RENT OR MORTGAGE, AS DETERMINED

35 BY THE ARIZONA DEPARTMENT OF HOUSING AND ADJUSTED FOR HOUSEHOLD SIZE BASED

36 ON THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

37 6. "MULTIFAMILY RESIDENTIAL DEVELOPMENT" MEANS A BUILDING OR

38 BUILDINGS THAT ARE DESIGNED AND USED FOR RESIDENTIAL PURPOSES AND THAT

39 CONTAIN MORE THAN ONE APARTMENT OR DWELLING UNIT FOR SALE OR FOR RENT BUT

40 THAT ARE NOT ADAPTIVE REUSE.

41 7. "NONCONFORMING" MEANS STRUCTURES THAT HAVE RECEIVED BUILDING AND

42 ZONING PERMITS UNDER THE REGULATIONS IN PLACE AT THE TIME OF CONSTRUCTION.

H.B. 2297

- 1           8. "ROOFTOP APPURTENANCES":
- 2           (a) MEANS ROOFTOP STRUCTURES THAT PRINCIPALLY HOUSE AIR
- 3           CONDITIONING EQUIPMENT, SOLAR PANELS, UTILITIES, ELEVATORS, OTHER ENERGY
- 4           PRODUCTION FACILITIES AND OTHER NONHABITABLE STRUCTURES.
- 5           (b) INCLUDES OPEN SPACE FEATURES, SWIMMING POOLS, SPACE FOR USE BY
- 6           RESIDENTS AND LANDSCAPING.
- 7           (c) DOES NOT INCLUDE ENCLOSED AREAS, SPIRES, BELL TOWERS, DOMES,
- 8           CUPOLAS, PEDIMENTS, OBELISKS OR MONUMENTS.

APPROVED BY THE GOVERNOR APRIL 10, 2024.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 10, 2024.



House Engrossed Senate Bill

~~telecommunications fund; report; posting~~  
(now: residential zoning; housing; assessment; hearings)

State of Arizona  
Senate  
Fifty-sixth Legislature  
Second Regular Session  
2024

## CHAPTER 172

# SENATE BILL 1162

AN ACT

AMENDING SECTION 9-462.04, ARIZONA REVISED STATUTES; AMENDING TITLE 9, CHAPTER 4, ARTICLE 6.1, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-462.10; AMENDING TITLE 9, CHAPTER 4, ARTICLE 6.4, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-469; RELATING TO MUNICIPALITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

S.B. 1162

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-462.04, Arizona Revised Statutes, is amended  
3 to read:

4 9-462.04. Public hearing required; definition

5 A. If the municipality has a planning commission or a hearing  
6 officer, the planning commission or hearing officer shall hold a public  
7 hearing on any zoning ordinance. Notice of the time and place of the  
8 hearing including a general explanation of the matter to be considered and  
9 including a general description of the area affected shall be given at  
10 least fifteen days before the hearing in the following manner:

11 1. The notice shall be published at least once in a newspaper of  
12 general circulation published or circulated in the municipality, or if  
13 there is none, it shall be posted on the affected property in such a  
14 manner as to be legible from the public right-of-way and in at least ten  
15 public places in the municipality. A posted notice shall be printed so  
16 that the following are visible from a distance of one hundred feet: the  
17 word "zoning", the present zoning district classification, the proposed  
18 zoning district classification and the date and time of the hearing.

19 2. In proceedings involving rezoning of land that abuts other  
20 municipalities or unincorporated areas of the county or a combination of a  
21 municipality and an unincorporated area, copies of the notice of public  
22 hearing shall be transmitted to the planning agency of the governmental  
23 unit abutting such land. In proceedings involving rezoning of land that  
24 is located within the territory in the vicinity of a military airport or  
25 ancillary military facility as defined in section 28-8461, the  
26 municipality shall send copies of the notice of public hearing by first  
27 class mail to the military airport. In addition to notice by publication,  
28 a municipality may give notice of the hearing in any other manner that the  
29 municipality deems necessary or desirable.

30 3. In proceedings that are not initiated by the property owner  
31 involving rezoning of land that may change the zoning classification,  
32 notice by first class mail shall be sent to each real property owner, as  
33 shown on the last assessment of the property, of the area to be rezoned  
34 and all property owners, as shown on the last assessment of the property,  
35 within three hundred feet of the property to be rezoned.

36 4. In proceedings involving one or more of the following proposed  
37 changes or related series of changes in the standards governing land uses,  
38 notice shall be provided in the manner prescribed by paragraph 5 of this  
39 subsection:

40 (a) A ten percent or more increase or decrease in the number of  
41 square feet or units that may be developed.

42 (b) A ten percent or more increase or reduction in the allowable  
43 height of buildings.

1 (c) An increase or reduction in the allowable number of stories of  
2 buildings.

3 (d) A ten percent or more increase or decrease in setback or open  
4 space requirements.

5 (e) An increase or reduction in permitted uses.

6 5. In proceedings governed by paragraph 4 of this subsection, the  
7 municipality shall provide notice to real property owners pursuant to at  
8 least one of the following notification procedures:

9 (a) Notice shall be sent by first class mail to each real property  
10 owner, as shown on the last assessment, whose real property is directly  
11 governed by the changes.

12 (b) If the municipality issues utility bills or other mass mailings  
13 that periodically include notices or other informational or advertising  
14 materials, the municipality shall include notice of the changes with such  
15 utility bills or other mailings.

16 (c) The municipality shall publish the changes before the first  
17 hearing on such changes in a newspaper of general circulation in the  
18 municipality. The changes shall be published in a "display ad" covering  
19 not less than one-eighth of a full page.

20 6. If notice is provided pursuant to paragraph 5, subdivision (b)  
21 or (c) of this subsection, the municipality shall also send notice by  
22 first class mail to persons who register their names and addresses with  
23 the municipality as being interested in receiving such notice. The  
24 municipality may charge a fee not to exceed \$5 per year for providing this  
25 service and may adopt procedures to implement this paragraph.

26 7. Notwithstanding the notice requirements in paragraph 4 of this  
27 subsection, the failure of any person or entity to receive notice does not  
28 constitute grounds for any court to invalidate the actions of a  
29 municipality for which the notice was given.

30 B. If the matter to be considered applies to territory in a high  
31 noise or accident potential zone as defined in section 28-8461, the notice  
32 prescribed in subsection A of this section shall include a general  
33 statement that the matter applies to property located in the high noise or  
34 accident potential zone.

35 C. After the hearing, the planning commission or hearing officer  
36 shall render a decision in the form of a written recommendation to the  
37 governing body. The recommendation shall include the reasons for the  
38 recommendation and be transmitted to the governing body in the form and  
39 manner prescribed by the governing body.

40 D. If the planning commission or hearing officer has held a public  
41 hearing, the governing body may adopt the recommendations of the planning  
42 commission or hearing officer without holding a second public hearing if  
43 there is no objection, request for public hearing or other protest. The  
44 governing body shall hold a public hearing if requested by the party  
45 aggrieved or any member of the public or of the governing body, or, in any

1 case, if a public hearing has not been held by the planning commission or  
2 hearing officer. The governing body may consider the testimony of any  
3 party aggrieved when making its decision. In municipalities with  
4 territory in the vicinity of a military airport or ancillary military  
5 facility as defined in section 28-8461, the governing body shall hold a  
6 public hearing if, after notice is transmitted to the military airport  
7 pursuant to subsection A of this section and before the public hearing,  
8 the military airport provides comments or analysis concerning the  
9 compatibility of the proposed rezoning with the high noise or accident  
10 potential generated by military airport or ancillary military facility  
11 operations that may have an adverse impact on public health and safety,  
12 and the governing body shall consider and analyze the comments or analysis  
13 before making a final determination. Notice of the time and place of the  
14 hearing shall be given in the time and manner provided for the giving of  
15 notice of the hearing by the planning commission as specified in  
16 subsection A of this section. A municipality may give additional notice  
17 of the hearing in any other manner as the municipality deems necessary or  
18 desirable. For the purposes of this subsection, "party aggrieved" means  
19 any property owner within the notification area prescribed by subsection  
20 A, paragraph 3 of this section.

21 E. A municipality may enact an ordinance authorizing county zoning  
22 to continue in effect until municipal zoning is applied to land previously  
23 zoned by the county and annexed by the municipality, but not longer than  
24 six months after the annexation.

25 F. A municipality is not required to adopt a general plan before  
26 the adoption of a zoning ordinance.

27 G. If there is no planning commission or hearing officer, the  
28 governing body of the municipality shall perform the functions assigned to  
29 the planning commission or hearing officer.

30 H. If the owners of twenty percent or more of the property by area  
31 and number of lots, tracts and condominium units within the zoning area of  
32 the affected property, **EXCLUDING GOVERNMENT OWNED PROPERTY**, file a protest  
33 in writing against a proposed amendment, the change shall not become  
34 effective except by the favorable vote of three-fourths of all members of  
35 the governing body of the municipality. If any members of the governing  
36 body are unable to vote on such a question because of a conflict of  
37 interest, then the required number of votes for passage of the question  
38 shall be three-fourths of the remaining membership of the governing body,  
39 provided that such required number of votes shall not be less than a  
40 majority of the full membership of the legally established governing body.  
41 For the purposes of this subsection, the vote shall be rounded to the  
42 nearest whole number. A protest filed pursuant to this subsection shall  
43 be signed by the property owners, **EXCLUDING GOVERNMENT OWNED PROPERTY**,  
44 opposing the proposed amendment and filed in the office of the clerk of  
45 the municipality not later than 12:00 noon one business day before the

1 date on which the governing body will vote on the proposed amendment or on  
2 an earlier time and date established by the governing body.

3 I. In applying an open space element or a growth element of a  
4 general plan, a parcel of land shall not be rezoned for open space,  
5 recreation, conservation or agriculture unless the owner of the land  
6 consents to the rezoning in writing.

7 J. Notwithstanding section 19-142, subsection B, a decision by the  
8 governing body involving rezoning of land that is not owned by the  
9 municipality and that changes the zoning classification of such land may  
10 not be enacted as an emergency measure and the change shall not be  
11 effective for at least thirty days after final approval of the change in  
12 classification by the governing body.

13 K. For the purposes of this section, "zoning area" means both of  
14 the following:

15 1. The area within one hundred fifty feet, including all  
16 rights-of-way, of the affected property subject to the proposed amendment  
17 or change.

18 2. The area of the proposed amendment or change.

19 Sec. 2. Title 9, chapter 4, article 6.1, Arizona Revised Statutes,  
20 is amended by adding section 9-462.10, to read:

21 9-462.10. Residential zoning; amendment; applications;  
22 deadline; extensions; applicability

23 A. ON OR BEFORE JANUARY 1, 2025, A MUNICIPALITY SHALL ADOPT AN  
24 AMENDMENT TO THE MUNICIPALITY'S ZONING ORDINANCE THAT REQUIRES THE  
25 MUNICIPALITY TO DETERMINE WHETHER A ZONING APPLICATION IS ADMINISTRATIVELY  
26 COMPLETE WITHIN THIRTY DAYS AFTER RECEIVING THE APPLICATION. IF THE  
27 MUNICIPALITY DETERMINES THAT THE APPLICATION IS NOT ADMINISTRATIVELY  
28 COMPLETE, THE MUNICIPALITY SHALL FOLLOW THE PROCEDURES PRESCRIBED IN  
29 SECTION 9-835, SUBSECTION E UNTIL THE APPLICATION IS ADMINISTRATIVELY  
30 COMPLETE. THE MUNICIPALITY SHALL DETERMINE WHETHER A RESUBMITTED  
31 APPLICATION IS ADMINISTRATIVELY COMPLETE WITHIN FIFTEEN DAYS AFTER  
32 RECEIVING THE RESUBMITTED APPLICATION. AFTER DETERMINING THAT THE  
33 APPLICATION IS ADMINISTRATIVELY COMPLETE, THE MUNICIPALITY SHALL APPROVE  
34 OR DENY THE APPLICATION WITHIN ONE HUNDRED EIGHTY DAYS.

35 B. NOTWITHSTANDING SUBSECTION A OF THIS SECTION, THE MUNICIPALITY  
36 MAY EXTEND THE TIME FRAME TO APPROVE OR DENY THE REQUEST BEYOND ONE  
37 HUNDRED EIGHTY DAYS FOR EITHER OF THE FOLLOWING REASONS:

38 1. FOR EXTENUATING CIRCUMSTANCES, THE MUNICIPALITY MAY GRANT A  
39 ONETIME EXTENSION OF NOT MORE THAN THIRTY DAYS.

40 2. IF AN APPLICANT REQUESTS AN EXTENSION, THE MUNICIPALITY MAY  
41 GRANT EXTENSIONS OF THIRTY DAYS FOR EACH EXTENSION GRANTED.

42 C. THIS SECTION DOES NOT APPLY TO LAND THAT IS DESIGNATED AS A  
43 DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT TO SECTION 9-462.01,  
44 SUBSECTION A, PARAGRAPH 10 OR AN AREA THAT IS DESIGNATED AS HISTORIC ON  
45 THE NATIONAL REGISTER OF HISTORIC PLACES OR PLANNED AREA DEVELOPMENTS.

1       Sec. 3. Title 9, chapter 4, article 6.4, Arizona Revised Statutes,  
2 is amended by adding section 9-469, to read:

3       9-469. Municipal housing needs assessment; annual report;  
4             applicability

5       A. BEGINNING JANUARY 1, 2025 AND EVERY FIVE YEARS THEREAFTER, A  
6 MUNICIPALITY SHALL PUBLISH A HOUSING NEEDS ASSESSMENT THAT INCLUDES THE  
7 FOLLOWING:

8       1. THE TOTAL POPULATION GROWTH PROJECTED FOR THE SUBSEQUENT  
9 FIVE-YEAR PERIOD.

10      2. THE TOTAL JOB GROWTH PROJECTED FOR THE SUBSEQUENT FIVE-YEAR  
11 PERIOD.

12      3. THE TOTAL AMOUNT OF RESIDENTIALLY ZONED LAND WITH DETAIL ON LAND  
13 ZONED AS SINGLE-FAMILY AND MULTIFAMILY.

14      4. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT  
15 AND FOR SALE IN THE MUNICIPALITY TO MEET:

16       (a) ANY DEFICIENCIES IN HOUSING THE EXISTING POPULATION.

17       (b) ANY DEFICIENCIES IN HOUSING THE EXISTING WORKFORCE.

18       (c) POPULATION GROWTH PROJECTIONS.

19       (d) JOB GROWTH PROJECTIONS.

20       (e) HOUSING NEEDS ACROSS ALL VARIOUS INCOME LEVELS.

21      B. BEGINNING JANUARY 1, 2025 AND EVERY YEAR THEREAFTER, EACH  
22 MUNICIPALITY SHALL SUBMIT AN ANNUAL REPORT TO THE ARIZONA DEPARTMENT OF  
23 HOUSING ACCOUNTING FOR THE TOTAL NUMBER OF PROPOSED RESIDENTIAL HOUSING  
24 UNITS SUBMITTED TO THE MUNICIPALITY, THE TOTAL NUMBER OF NET NEW  
25 RESIDENTIAL HOUSING UNITS SUBMITTED TO THE MUNICIPALITY AND THE TOTAL  
26 NUMBER OF NEW RESIDENTIAL HOUSING UNITS THAT ARE ENTITLED, HAVE BEEN  
27 PLATTED, HAVE BEEN ISSUED A BUILDING PERMIT AND HAVE RECEIVED A  
28 CERTIFICATE OF OCCUPANCY BY THE MUNICIPALITY. THE ANNUAL REPORT SHALL  
29 INCLUDE ALL OF THE FOLLOWING:

30      1. THE NUMBER OF HOUSING DEVELOPMENT APPLICATIONS RECEIVED IN THE  
31 PRIOR YEAR.

32      2. THE NUMBER OF LOTS AND MULTIFAMILY UNITS INCLUDED IN ALL  
33 DEVELOPMENT APPLICATIONS IN THE PRIOR YEAR.

34      3. THE NUMBER OF LOTS AND MULTIFAMILY UNITS APPROVED AND  
35 DISAPPROVED OR OTHERWISE NOT APPROVED IN THE PRIOR YEAR.

36      4. A THRESHOLD PERCENTAGE REQUIREMENT OF MULTIFAMILY ZONED LAND  
37 VERSUS SINGLE-FAMILY ZONED LAND NEEDED TO MEET POPULATION DEMAND IN EACH  
38 MUNICIPALITY.

39      5. THE STATUS AND PROGRESS IN MEETING THE MUNICIPALITY'S HOUSING  
40 NEEDS.

41      6. A PLAN THAT SPECIFIES HOW THE MUNICIPALITY INTENDS TO SATISFY  
42 THE IDENTIFIED NEED FOR ADDITIONAL HOUSING UNITS WITHIN THE MUNICIPALITY.

43      C. A MUNICIPALITY THAT HAS CONDUCTED A HOUSING NEEDS ASSESSMENT  
44 REPORT AS OF JANUARY 1, 2021 SHALL AMEND ALL EXISTING REPORTS TO INCLUDE  
45 THE INFORMATION REQUIRED IN SUBSECTION A OF THIS SECTION.

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1           D. THE ARIZONA DEPARTMENT OF HOUSING SHALL COMPILE THE REPORTS  
2 RECEIVED PURSUANT TO SUBSECTION B OF THIS SECTION AND SUBMIT THE REPORTS  
3 TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE  
4 OF REPRESENTATIVES.

5           E. THIS SECTION DOES NOT REQUIRE A MUNICIPALITY TO FULFILL THE  
6 PROJECTIONS IN THE HOUSING NEEDS ASSESSMENT REQUIRED BY SUBSECTION A OF  
7 THIS SECTION.

8           F. THIS SECTION DOES NOT APPLY TO A MUNICIPALITY THAT IS LOCATED ON  
9 TRIBAL LAND OR A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY  
10 THOUSAND PERSONS.

APPROVED BY THE GOVERNOR APRIL 23, 2024.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 23, 2024.

**ADAPTIVE REUSE & DEVELOPMENT APPLICATION DETERMINATION**  
**TEXT AMENDMENT**  
**3-TA-2024**

**Section 1.** That the Zoning Ordinance of the City of Scottsdale, ARTICLE I. – ADMINISTRATION AND PROCEDURES, Section 1.206. and Section 1.305. are amended as follows with all new language depicted in grey shading and deleted language in strike-through:

**Sec. 1.206. Processing of development applications.**

- A. The Zoning Administrator shall process the following development applications: General Plan amendments, Zoning Ordinance text amendments, zoning district map amendments, conditional use permits, municipal use master site plan approvals, abandonments, development review, variances, conditional use permit revocations, multifamily conversion developments, and subdivision plats.
- B. The Historic Preservation Officer shall process the following development applications: Historic Property (HP) District designation, Certificates of No Effect, Certificates of Appropriateness, Certificates of Demolition Approval, and Certificates of Economic Hardship relating to development of historic and/or archaeological resources.

\* \* \*

**Sec. 1.305. Review of Development Applications.**

- A. ~~Review for Administrative Completeness Review of Development Applications.~~ After the filing of a development application the Zoning Administrator shall review the application for completeness, and in the case of a complete application (other than an application for a conditional use permit for an adult use, which is governed by Section 1.403.A), shall forward the application to the secretary of the appropriate board or commission within twenty one (21) days of the application submittal date.

If the applicant is required by this article to provide a public safety plan, lighting plan, exterior refuse control plan, or other plan subject to approval, the Zoning Administrator shall forward the plan to the reviewing department. The department shall complete its review of the plan and inform the Zoning Administrator and the applicant in writing whether the plan has been approved, and if not, of the steps necessary to correct any deficiencies.

1. *Initial administrative completeness review of development applications.* After the filing of a development application, the Zoning Administrator or designee shall review the application for completeness and notify the applicant of whether the application has been determined to be administratively complete or administratively incomplete within thirty (30) business days of application submittal. This review time frame does not apply to a development application for a conditional use permit for an adult use, which is governed by Section 1.403.A.
2. *Incomplete development applications.* If the Zoning Administrator or designee determines that the development application is administratively incomplete, the Zoning

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Administrator or designee shall, within thirty (30) business days of the development application submittal date, convey a comprehensive list of specific deficiencies to the applicant in a written or electronic notice. The written or electronic notice shall not serve as verification of accuracy of the information submitted. The administrative completeness review time frame and the overall time frames as published by the city shall be suspended upon conveyance of the comprehensive list of specific deficiencies to the applicant in a written or electronic notice until such date that the city receives the necessary information from the applicant to satisfy the deficiencies of the application.

3. *Second and subsequent administrative completeness reviews.* The Zoning Administrator or designee shall review any second or subsequent development application submittals for administrative completeness within fifteen (15) business days of the second or subsequent development application submittals. The Zoning Administrator or designee may issue an additional written or electronic notice of administrative completeness or deficiencies based upon the applicant's submission of necessary information.

If after the Zoning Administrator or designee has conveyed a comprehensive list of specific deficiencies to the applicant in a written or electronic notice, and the applicant has not supplied the documentation or information requested, or an explanation of why the information cannot be provided, within six (6) months of said written or electronic notice, the development application may be considered withdrawn, and any subsequent resubmittal shall be treated as a new development application that will be subject to new review time frames.

- B. ~~*Incomplete applications.*~~ *Substantive Review of Development Applications.* ~~If the Zoning Administrator determines the application is incomplete, the Zoning Administrator shall, within twenty two (22) days of the application submittal date, convey to the applicant a written statement of the reasons therefor. The written statement shall not serve as verification of accuracy or completeness of the information submitted. The Zoning Administrator shall process any resubmitted application as a new application. If the Zoning Administrator has not forwarded a complete application to the secretary of the appropriate board or commission within six (6) months of the application submittal date, then the application may be considered withdrawn.~~

1. *Substantive review of development applications.* If the Zoning Administrator or designee has determined a development application to be administratively complete, the Zoning Administrator or designee shall complete a substantive review of the development application.

If the applicant is required by this section to provide any other necessary information subject to approval by another reviewing department, the Zoning Administrator or designee shall forward the necessary information to the reviewing department. The reviewing department shall complete its assessment of the necessary information and inform the Zoning Administrator or designee and the applicant in writing whether the necessary information is accepted, and if not, of the steps necessary to correct any deficiencies.

- a. *Review time frame for Zoning District Map Amendments.* For purposes of Zoning District Map Amendment development applications only, the substantive review of

a development application shall not exceed one hundred eighty (180) business days. During the substantive review process, the applicant may make a written or electronic request to extend the substantive review time frame and overall time frame by thirty (30) business days for each request. During the substantive review process, the city may employ a onetime extension of the substantive review time frame to review a Zoning District Map Amendment development application by thirty (30) business days.

- b. *Review time frame for all other development application types.* For all other development applications, substantive review time frames shall follow those time frames published by the City to meet state statutes. During the substantive review process, the applicant may request an extension of the substantive review time frame and overall time frame by written or electronic request.

2. *Request for corrections.* During the substantive review time frame, the Zoning Administrator or designee may issue a comprehensive written or electronic request for corrections. If an initial comprehensive written or electronic request for corrections or supplemental requests for corrections are issued, the substantive review time frame and overall time frames shall be suspended from the date the request for corrections is issued until the date that the city receives the applicant's submission of corrections that satisfy the request for corrections.

If after the Zoning Administrator or designee has conveyed a comprehensive written or electronic request for corrections, and the applicant has not supplied the documentation or information requested, or an explanation of why the information cannot be provided, within six (6) months of said written or electronic request for corrections, then the development application may be considered withdrawn, and any subsequent resubmittal shall be treated as a new development application that will be subject to new review time frames.

C. *Citizen Review Process:*

1. *Purpose.* The purpose of the Citizen Review Process is to:
  - a. Provide citizens and property owners sufficient time to learn the substance of zoning district map amendments and Zoning Ordinance text amendments that may affect them, and
  - b. Enhance communications with citizens regarding zoning district map amendments and Zoning Ordinance text amendments to promote early and effective citizen participation, and to identify and address issues at an early stage in the process.
2. *Citizen review plan and report.* Applications for zoning district map amendments and for Zoning Ordinance text amendments shall include a Citizen Review Process comprised of a citizen review plan and a citizen review report.
  - a. *Citizen review plan.* A citizen review plan shall be submitted with the application and implemented prior to the notice of the first public hearing. At a minimum, the citizen review plan must include the following:
    - i. The means by which adjacent property owners and other potentially affected citizens will receive early notification by the applicant of the substance of the

request in order to promote early citizen involvement. The applicant's notification shall be prior to any notification made by the city required by Sections 1.605 and 1.702.

- ii. The early notification by the applicant shall also identify the method by which adjacent property owners and other potentially affected citizens will be provided an opportunity to express any issues or concerns prior to the notice of the first public hearing.
- iii. The means by which the school district will be notified if the zoning district map amendment application changes zoning classification(s) from a non-residential zoning classification to a residential zoning classification, and/or changes in residential zoning classification(s), and/or amends the stipulations that results in greater residential densities, thereby increasing the number of potential students.
  - (1) The property owner shall deliver a letter by registered mail to the superintendent(s) of all applicable school districts at least 30 days prior to filing an application.
  - (2) The letter shall provide specifics of the proposed zoning district map amendment, including the projected number of new residential units proposed within the development project, and the resulting projected number of new students. The projected number of new students shall be based upon a student-per-household ratio methodology approved and published by the appropriate school district(s). If a school district fails to establish a student-per-household ratio methodology for projecting the number of new students resulting from a rezoning application, then an estimate may be derived based upon an authoritative source using the most recent published census information.
  - (3) The property owner shall include as part of the rezoning application a copy of the letter delivered to the school district(s).
  - (4) School district input thereafter may be sought by the city or the property owner on the issue for consideration by the Planning Commission and/or City Council in making a decision on the rezoning application.
- iv. Additional information as required on a checklist for the Citizen Review Process.
- v. The applicant shall be responsible for notifying parties identified in the citizen review plan of ~~any~~ **substantial** modification to their proposal prior to the notice of the first public hearing. The means of notification of the modification shall be identified in the citizen review report described below.
- b. *Citizen review report.* The applicant shall also provide to the Zoning Administrator a written report of the results of their citizen review effort prior to notice of the first public hearing. This report on the applicant's citizen review effort shall be included with the public hearing report. The means of notifying citizens identified in the case of a modification shall be identified in the citizen review report. If the citizen review report has been submitted and any additional modifications occur, the applicant

shall submit an addendum to the citizen review report. The addendum shall describe the citizen involvement process which provided citizens the opportunity to review and comment on the modification.

- c. *Incomplete citizen review plan and/or report.* If the citizen review plan and/or report does not meet the requirements of Section 1.305.C., the application for the zoning district map amendment or Zoning Ordinance text amendment shall be considered incomplete and shall not be scheduled for public hearing.

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**Section 2.** That the Zoning Ordinance of the City of Scottsdale, ARTICLE III. – DEFINITIONS, Section 3.100. is amended to create several new definitions as follows with all new language depicted in grey shading:

*Building code* shall mean the construction codes adopted by the City of Scottsdale including, but not limited to, plumbing codes, mechanical codes, electrical codes, residential construction codes, fire codes, energy conservation codes, existing building construction codes, green building codes, property maintenance codes, neighborhood preservation codes, anti-blight codes, or other similar codes, however denominated.

\* \* \*

*Economically or functionally obsolete* shall mean an existing commercial, mixed-use, or office building that is in a state of disrepair or has a fifty percent (50%) or greater vacancy in the total leasable square footage of the building.

\* \* \*

*Low-income housing* shall mean housing:

- A. For a person or persons whose household income does not exceed eighty percent (80%) of the area median income.
- B. For which the occupant pays not more than thirty percent (30%) of the occupant's gross income for the occupant's rent or mortgage, as determined by the Arizona Department of Housing and adjusted for household size based on the United States Department of Housing and Urban Development.

\* \* \*

*Moderate-income housing* shall mean housing:

- A. For a person or persons whose household income does not exceed one hundred twenty percent (120%) of the area median income.

- B. For which the occupant pays not more than thirty percent (30%) of the occupant's gross income for the occupant's rent or mortgage, as determined by the Arizona Department of Housing and adjusted for household size based on the United States Department of Housing and Urban Development.

\* \* \*

*Multifamily Conversion* shall mean the conversion of an existing, qualified building or buildings from the existing commercial, mixed, or office uses for which it was constructed to a building or buildings that are designed and used for residential purposes and that contain more than one (1) dwelling unit.

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**Section 3.** That the Zoning Ordinance of the City of Scottsdale, ARTICLE V. – DISTRICT REGULATIONS, Sections 5.2102. and 5.2605. are amended as follows with all new language depicted in grey shading and deleted language in strike-through:

**Sec. 5.2100. Planned Community (P-C).**

**Sec. 5.2102. General provisions.**

- A. *Qualifications.* P-C districts may be established on parcels of land which, because of their unified ownership or control, size, topography, proximity to large public facilities, or exceptional or unusual locational advantages, are suitable for planned development in a manner consistent with the purposes of this section.
- B. *Minimum district size.*
1. Minimum parcel size for any P-C District established within the boundaries of the McDowell Road/Scottsdale Road Growth Area ~~single Central Business District~~ as designated by the Scottsdale General Plan ~~City Council in Resolution No. 8356~~: ten (10) acres of gross lot area of all lots shown on the Development Plan.
  2. Minimum parcel size for any P-C District established outside the boundaries of the McDowell Road/Scottsdale Road Growth Area ~~single Central Business District~~ as designated by the Scottsdale General Plan ~~City Council in Resolution No. 8356~~: one hundred sixty (160) acres of gross lot area of all lots shown on the Development Plan.
- C. *Property development standards.* All land uses in a P-C district shall conform to the property development standards of the comparable zoning district. Modification of the comparable district's standards may be allowed as provided in the modification procedure below. The Zoning Administrator shall determine, primarily on the basis of proposed use and density, which of the districts of this Zoning Ordinance is most closely comparable to the proposed development.

*Property development standards modification procedure.* Application shall be made and the procedure followed as provided in Section 1.300. Development Applications; with the addition that an application for proposed amendments to development standards in a

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~~designated redevelopment area~~ within the boundaries of the McDowell Road/Scottsdale Road Growth Area shall first be heard by the Development Review Board, Section 1.900. The application shall be accompanied by written terminology, graphic material, and will illustrate the conditions that the modified standards will produce, so as to enable the Planning Commission and the City Council to make the determination that the modification will produce a living environment, landscape quality and life-style superior to that produced by existing standards.

- D. All provisions of this Zoning Ordinance shall apply to development in the P-C district except as allowed in the immediately preceding paragraph C.

\* \* \*

## **Sec. 5.2600. Planned Regional Center (PRC).**

### **Sec. 5.2605. Use regulations.**

- A. ~~The uses allowed in the PRC District are shown in Table 5.2605.A. with additional limitations on uses as listed.~~ *Permitted uses.* Buildings, structures, or premises shall be used and buildings and structures shall hereafter be erected, altered, or enlarged only for the following uses:

1. Any use shown as permitted in Table 5.2605.A., subject to the limitations as listed.

- B. ~~Drive-through and drive-in services are not permitted in the Downtown Area.~~ *Uses permitted by conditional use permit.*

1. Any use shown as permitted by conditional use permit in Table 5.2605.A., subject to the limitations as listed.

- C. Drive-through and drive-in services are not permitted in the Old Town Area.

**Table 5.2605.A. Use Table**

<b>Land Uses</b>	<b>Permitted (P) or Conditional Use CU)</b>
1. Aquarium, indoor	CU
2. Bar	CU
3. Big box	P (1), CU (1)
4. Carwash	CU
5. Civic and social organization	P (2)
6. Community buildings and recreational facilities not publically owned	CU
7. Courier and messenger	P
8. Cultural institution	P (2)
9. Day care center	P (2)
10. Dwelling	P (2)
11. Educational service, elementary and secondary school	P (2) (3)

12. Educational service other than elementary and secondary school	P
13. Financial institution, including drive-through and drive-in service	P
14. Furniture and home furnishings sales	P
15. Game center	P
16. Gas station	CU
17. Health and fitness studio	P
18. Live entertainment	CU
19. <del>Municipal use</del> Multifamily Conversion	P (2) (7)
20. Multimedia production without communication tower	P
21. Multimedia production with communication tower	CU
22. Municipal use	P
22.23. Office	P
23.24. Personal care service	P
24.25. Place of worship	P (2)
25.26. Planetarium	CU
26.27. Plant nursery	P
27.28. Pool hall	P
28.29. Repair and maintenance	P
29.30. Residential health care facility	P (2) (4)
30.31. Restaurant, including drive-through and drive-in	P
31.32. Retail	P
32.33. Seasonal art festival	CU
33.34. Teen dance center	CU
34.35. Theater	P
35.36. Travel accommodations	P (2)
36.37. Vehicle leasing, rental or sales with indoor vehicle display and storage located in an enclosed building	P (5)
37.38. Vehicle leasing, rental or sales with outdoor vehicle display and storage	CU
38.39. Vehicle repair	CU
39.40. Veterinary and pet care service	P (6)
40.41. Wireless communications facilities; Types 1, 2, and 3	P
41.42. Wireless communications facilities; Type 4	CU

Use Limitations:

- (1) Big box retail sales are not allowed in the Environmentally Sensitive Lands Overlay District and are subject to a Conditional Use Permit if:
  - a. Primary access is from a local residential street, or
  - b. Residential property is located within one thousand three hundred (1,300) feet of the big box property line, except where the residential property is developed with nonresidential uses or separated from the big box by the Loop 101 Pima Freeway.

Resolution No. TBD

Exhibit A

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- (2) Uses are allowed except in the AC-3 area as described in the City's procedures for development near the Scottsdale Airport and Chapter 5 of the Scottsdale Revised Code, as amended.
- (3) Educational services, elementary and secondary school, are subject to the following standards:
- a. The facility shall be located not less than five hundred (500) feet from any adult use.
  - b. The net lot area for the facility shall be a minimum of forty-three thousand (43,000) square feet.
  - c. The facility shall not have outdoor speaker systems or bells.
  - d. A maximum of one-third ( $\frac{1}{3}$ ) of the required parking may be shared parking with other uses located within six hundred (600) feet of the building front entrance.
  - e. Outdoor playgrounds and recreation areas shall be:
    - i. Located not less than fifty (50) feet from any residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A;
    - ii. Located within the rear or side yard; and
    - iii. Enclosed and screened by a six-foot tall wall or fence.
  - f. A drop-off area accommodating a minimum of five (5) vehicles shall be located along a sidewalk or landing area connected to the main entrance to the facility. This area shall not include internal site traffic aisles, parking spaces, or fire lanes.
  - g. Public trails or pedestrian connections shall link to the front door of the main building, subject to Development Review Board approval.
  - h. The circulation plan shall show minimal conflicts among the student drop-off area, any vehicle drop-off area, parking, access driveways, pedestrian and bicycle paths on site.
  - i. Facilities located in the AC-2 area, described in the City's procedures for development near the Scottsdale Airport and Chapter 5 of the Scottsdale Revised Code, as amended, shall be constructed with sound transmission requirements of the International Building Code (IBC).
- (4) Residential health care facilities.
- a. Specialized residential health care facilities.
    - i. The number of beds shall not exceed eighty (80) per acre of gross lot area of the Development Plan.
  - b. Minimal residential health care facilities.
    - i. The number of units shall not exceed forty (40) dwelling units per acre of gross lot area of the Development Plan.



- (5) Vehicle leasing, rental or sales.
  - a. Required parking shall not be used for vehicle storage.
- (6) Veterinary and pet care services are permitted if all facilities are within a soundproof building. However, outdoor activities are permitted if:
  - a. An employee or pet owner shall accompany an animal at all times when the animal is outside the building.
  - b. The property owner and operator maintain all outdoor areas in a clean and sanitary condition, including immediate and proper disposal of animal waste.
  - c. The outdoor areas are set back at least one hundred (100) feet from any lot line adjacent to a residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A., measured from the property boundary to the zoning district line all within the City limits.
  - d. There is no outdoor kennel boarding.
- (7) Multifamily Conversion permitted subject to the requirements of Sec. 7.1300.

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**Section 4.** That the Zoning Ordinance of the City of Scottsdale, ARTICLE VII. – GENERAL PROVISIONS is amended to create Section 7.1300 through Section 7.1304. as follows with all new language depicted in grey shading:

**Sec. 7.1300. Multifamily Conversion developments.**

**Sec. 7.1301. Purpose.**

- A. These provisions describe the qualifications, application requirements, and property development standards for a development application for a Multifamily Conversion development. The qualifications, requirements, and regulations in these provisions are in addition to the other codes and requirements of the City of Scottsdale.

**Sec. 7.1302. Qualifications.**

- A. A Multifamily Conversion development shall only be established upon all of the following requirements being met:
  - 1. *Location.*
    - a. The Multifamily Conversion development shall be located on a parcel or parcels that have an existing commercial, mixed-use, or office building or buildings and that have received a Certificate of Occupancy on or before December 31, 2024, and

- b. The Multifamily Conversion development shall be located on a parcel or parcels that are a minimum of one (1) net acre in size, but not more than twenty (20) net acres in size, and
- c. The Multifamily Conversion development shall not be located in any of the following areas:
  - i. An area designated as a Commercial or Employment Hub or Essential Commercial or Employment Use Area on the Commercial and Employment Hubs and Essential Areas Map, as adopted by Ordinance No. XXXX, and on file with the Planning Department, or
  - ii. An area designated as a district of historical significance pursuant to A.R.S. § 9-462.01.A.10., or
  - iii. An area designated as historic by the City of Scottsdale or on the national register of historic places, or
  - iv. Land, which by whole or part, is located in the territory in the vicinity of a military airport or ancillary military facility as defined in A.R.S. § 28-8461, or
  - v. Land, which by whole or part, is located in the territory in the vicinity of a federal aviation administration commercially licensed airport or a general aviation or public airport as defined in A.R.S. § 28-8486.
- 2. *Water and sewer infrastructure.*
  - a. The Multifamily Conversion development shall demonstrate adequate public water and sewer infrastructure service for the entire proposed development, as administered by the City of Scottsdale.
- 3. *Building and fire codes.*
  - a. The Multifamily Conversion development shall demonstrate compliance with all applicable building code and fire code requirements, as adopted by the City of Scottsdale.
- 4. *Economically or functionally obsolete buildings.*
  - a. The Multifamily Conversion development shall demonstrate that the existing building or buildings located on the parcel or parcels of the development have been economically or functionally obsolete for at least six (6) months on or before December 31, 2024, to the satisfaction of the Zoning Administrator or designee.
- 5. *Moderate-income housing or low-income housing.*
  - a. The Multifamily Conversion development project shall allocate a minimum of ten (10) percent of the total dwelling units of the Multifamily Conversion development as either moderate-income housing or low-income housing, or any combination thereof, for at least twenty (20) years after the initial occupation of the proposed development project, in a form satisfactory to the City Attorney or designee.
- 6. *Maximum building area.*
  - a. The Multifamily Conversion development shall have a total gross floor area that, cumulatively with any existing and approved Multifamily Conversion development,

does not exceed the Scottsdale Total Allocated Multifamily Conversion Development Projects Allotment, as adopted by Ordinance No. XXXX and on file with the Planning Department, and as administered by the Zoning Administrator or designee. Fulfillment of the Scottsdale Total Allocated Multifamily Conversion Development Projects Allotment shall be determined by:

- i. The number buildings and/or building area redeveloped for Multifamily Conversion under this Ordinance; in cumulative with
- ii. The number of buildings and/or building area with approved building permits for Multifamily Conversion under this Ordinance but not yet completed; in cumulative with
- iii. The number of buildings and/or building area with submitted construction documents for development of a Multifamily Conversion under this Ordinance but not yet permitted.

**Sec. 7.1303. Application requirements.**

- A. Prior to issuance of any permit for a Multifamily Conversion, the property owner shall submit for review of a development application, subject to the requirements of Sec. 1.300. The Zoning Administrator or designee shall review a development application for a qualified Multifamily Conversion development. The Zoning Administrator or designee shall have the authority to approve, approve with stipulations, or deny a development application for a qualified Multifamily Conversion development and the decision shall not be appealable. The property owner must receive approval of the development application before any permit for a Multifamily Conversion development will be issued.
- B. In addition to the standard requirements of a development application, any development application for a Multifamily Conversion development shall demonstrate the following application requirements, to the satisfaction of the Zoning Administrator or designee:
  1. A site plan in conformance with City of Scottsdale rules, regulations, and guidelines for development. The site plan shall also demonstrate, amongst other requirements, that the proposed development is located on a parcel or parcels that are a minimum of one (1) net acre in size, but not more than twenty (20) net acres in size, and that the Scottsdale Total Allocated Multifamily Conversion Development Projects Allotment has not, or will not be, exceeded by the proposed development.
  2. A site plan review and approval by all applicable utility providers impacted by the proposed development.
  3. Adequate existing public water supply and service, and sewer capacity and service for the entire proposed development, as administered by the City of Scottsdale.
  4. Compliance with all applicable building code and fire code requirements, as adopted by the City of Scottsdale.
  5. That the proposed Multifamily Conversion development is located on a parcel or parcels that have an existing commercial, mixed-use, or office building or buildings that received a Certificate of Occupancy on or before December 31, 2024.

6. That the existing building or buildings located on the parcel or parcels of the proposed Multifamily Conversion development have been economically or functionally obsolete for at least six (6) months on or before December 31, 2024.
7. That the proposed Multifamily Conversion development will allocate a minimum of ten (10) percent of the total dwelling units of the Multifamily Conversion development as either moderate-income housing or low-income housing, or any combination thereof, for at least twenty (20) years after the initial occupation of the proposed development, in a form satisfactory to the Zoning Administrator and City Attorney or designees. The final form of documentation of this requirement shall be recorded by the City prior to issuance of any building permit.

#### **Sec. 7.1304. Property Development Standards.**

- A. A Multifamily Conversion development shall be subject to the property development standards of the zoning district for which the proposed development is located within, except as modified by this section. If there is a conflict between the property development standards of the underlying zoning district and the property development standards outlined in this section, the property development standards of this section shall control.

1. *Density.*

- a. Multifamily Conversion.

- i. The maximum multifamily residential density for a Multifamily Conversion development shall be equal to the highest allowable multifamily residential density of a multifamily residential zoning district shown in Table 4.100.A., or the portion of a Planned Community (P-C) with an underlying zoning district comparable to a multifamily residential district shown in Table 4.100.A., within one (1) mile of the subject Multifamily Conversion development. If there is no multifamily residential zoning district within one (1) mile of the subject Multifamily Conversion development, the maximum multifamily residential density for the subject Multifamily Conversion development shall be equivalent to the next closest multifamily residential zoning district as listed in Table 4.100.A. (Two-Family Residential (R-2) zoning district).
    - ii. A Multifamily Conversion development constructed pursuant to the provisions of this section does not qualify as being within one (1) mile of a subsequent Multifamily Conversion development, or as the next closest multifamily residential district.

2. *Building height.*

- a. Multifamily Conversion.

- i. The maximum building height for a Multifamily Conversion development located within one hundred (100) feet of a Single-family Residential District shall not exceed the lesser of two stories or thirty (30) feet (inclusive of rooftop appurtenances). This building height limitation applies to all buildings of the Multifamily Conversion development.

- ii. The maximum building height for a Multifamily Conversion development that is not located within one hundred (100) feet of a Single-family Residential District shall not exceed the lesser of five (5) stories or sixty (60) feet, or the highest allowable multifamily residential building height (exclusive of rooftop appurtenances) for a multifamily residential zoning district shown in Table 4.100.A., or the portion of a Planned Community (P-C) with an underlying zoning district comparable to a multifamily residential district shown in Table 4.100.A., within one (1) mile of the subject Multifamily Conversion development. If there is no multifamily residential zoning district within one (1) mile of the subject Multifamily Conversion development, the maximum building height for the subject Multifamily Conversion development shall be equivalent to the next closest multifamily residential zoning district as listed in Table 4.100.A. (Townhouse Residential (R-4) zoning district).
- iii. Any Multifamily Conversion development constructed pursuant to the provisions of this section does not qualify as being within one (1) mile of a subsequent Multifamily Conversion development, or as the next closest multifamily residential district.

3. *Building setbacks.*

a. Multifamily Conversion.

- i. The minimum building setback for a Multifamily Conversion development shall be equivalent to the building setback requirements of the Townhouse Residential (R-4) zoning district.

4. *Private outdoor living space.*

a. Multifamily Conversion.

- i. All dwelling units shall include private outdoor living space located directly adjacent to the dwelling unit.
- ii. Each private outdoor living space shall be at least six (6) feet deep and sixty (60) square feet in area.

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**Section 5.** That the Zoning Ordinance of the City of Scottsdale, ARTICLE XI. – LAND USE TABLES is amended as follows with all new language depicted in grey shading and deleted language in strike-through:

**ARTICLE XI. LAND USE TABLES**

**Sec. 11.100. Reserved.**

**Sec. 11.200. Commercial, Industrial, and Parking Land Uses Table**

**Sec. 11.201. Use regulations.**

- A. *Permitted uses.* The uses allowed in certain zoning districts are shown in Table 11.201.A., subject to the limitations as listed. Buildings, structures, or premises shall be used and buildings and structures shall hereafter be erected, altered, or enlarged only for uses noted.
- B. *Uses permitted by conditional use permit.* The uses allowed by conditional use permit in certain zoning districts are shown in Table 11.201.A., subject to the limitations as listed, and any additional conditional use permit criteria.
- C. Drive-through and drive-in services are not permitted in the Downtown Area.
- D. Drive-through and drive-in services are not permitted in the Service Residential (S-R) zoning district.

**Table 11.201.A. Land Use Table**

(Note – Land Use Table begins on next page)

LAND USES	ZONING DISTRICTS - Permitted (P) or Conditional Use (CU)														
	S-R	C-S	C-1	C-2	C-3	C-4	S-S	C-O	PNC	PCC	PCoC	I-1	I-G	P-1	P-2
Adult uses				CU	CU							P <sup>13</sup>			
Aeronautical use, except off-airport heliport or helipad															
Amusement and theme parks					CU	CU									
Animal and veterinary hospital								P <sup>4</sup>							
Appliance sales						P									
Arts and craft production						P							P		
Auction sales					P							CU			
Bar		CU		CU	CU					CU					
Big box		P/CU <sup>5</sup>		P/CU <sup>5</sup>	P/CU <sup>5</sup>	P/CU <sup>5</sup>				P/CU <sup>5</sup>					
Bowling alley		P		P	P										
Building material and garden sales						P <sup>12</sup>	P <sup>12</sup>								
Bus station, excluding overnight parking and storage of buses				CU	CU										
Carports															P
Carwash		CU	CU	CU	CU	CU			CU	CU	CU				
Civic and social organization				P <sup>1</sup>	P <sup>1</sup>		P <sup>1</sup>			P <sup>1</sup>					
Community buildings and recreational facilities not publicly owned			CU		CU				CU	CU					
Courier and messenger			P	P	P			P	P	P	P	P	P		
Cultural institution				P <sup>1</sup>	P <sup>1</sup>		P <sup>1</sup>			P <sup>1</sup>					
Data processing, hosting and related service												P	P		
Day care center with drop off or outdoor play area farther than 100 feet from a residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A.	P <sup>1</sup>	P <sup>1</sup>	P <sup>1</sup>	P <sup>1</sup>	P <sup>1</sup>	P <sup>1</sup>						P <sup>1</sup>	P <sup>1</sup>	CU <sup>1</sup>	
Day care center with drop off or outdoor play area within 100 feet of a residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A.	CU <sup>1</sup>	CU <sup>1</sup>	CU <sup>1</sup>	CU <sup>1</sup>	CU <sup>1</sup>			CU <sup>1</sup>	CU <sup>1</sup>	CU <sup>1</sup>	CU <sup>1</sup>	CU <sup>1</sup>	CU <sup>1</sup>		
Dwelling	P <sup>1</sup>		P <sup>1,10</sup>	P <sup>1,10</sup>					P <sup>1,10</sup>	P <sup>1,10</sup>	P <sup>1,10</sup>	P <sup>1,10</sup>			



LAND USES	ZONING DISTRICTS - Permitted (P) or Conditional Use (CU)													
	S-R	C-S	C-1	C-2	C-3	C-4	S-S	C-O	PNC	PCC	PCoC	I-1	I-G	P-1
Educational service, elementary and secondary school	P <sup>1,2</sup>	P <sup>1,2</sup>	P <sup>1,2</sup>	P <sup>1,2</sup>	P <sup>1,2</sup>	P <sup>1,2</sup>		P <sup>1,2</sup>	P <sup>1,2</sup>	P <sup>1,2</sup>		CU <sup>1,2</sup>	CU <sup>1,2</sup>	P-2
Educational service, other than elementary and secondary school	P		P	P	P	P		P	P	P	P	P	P	
Electronic shopping and mail-order service												P	P	
Equipment storage												P		
Equipment sales, rental, and storage					CU	P	P							
Farm supply sales						P								
Financial institution	P	P	P	P	P			P	P	P		P/CU <sup>6,14</sup>		
Funeral home and funeral services				CU	CU			CU						
Furniture and home furnishing sales		P	P	P	P	P			P	P				
Game center		CU		CU	CU				CU					
Gas station		CU	CU	CU	CU	CU			CU	CU	CU			
General and specialty trade contractors						P	P							
Gun shop				P	P									
Health and fitness studio			P	P	P			P	P	P		P	P	
Hospital								CU <sup>1</sup>						
Industrial launderer												P		
Internalized community storage			P	P	P	P			P	P				
Light manufacturing						P						P	P	
Live entertainment		CU	CU	CU	CU				CU	CU				
Medical and diagnostics laboratory	P	P		P	P			P		P		P	P	
Medical marijuana caregiver cultivation												CU		
Medical marijuana use												CU		
Medical marijuana use, excluding medical marijuana cultivation								CU						
Miniature golf course					CU									
Multifamily Conversion	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>	P <sup>1,16</sup>		
Multimedia production with communication tower equal to or less than 100 feet in height						P						P		
Multimedia production with communication tower over 100 feet in height						CU						CU		
Multimedia production without communication tower			P	P	P	P		P	P	P		P	P	
Municipal use	P	P	P	P	P	P	P	P	P	P	P	P	P	
Off-airport heliport or helipad												CU		



LAND USES	ZONING DISTRICTS - Permitted (P) or Conditional Use (CU)														
	S-R	C-S	C-1	C-2	C-3	C-4	S-S	C-O	PNC	PCC	PCoC	I-1	I-G	P-1	P-2
Office	P	P	P	P	P			P	P	P	P	P	P		
Outdoor sales display area						CU									
Parking structures															P
Pawnshop				P	P										
Permitted uses of Downtown Overlay (DO), Central Business (C-2), or Highway Commercial (C-3) zoning districts, in a building above ground-level parking															P
Personal care service		P	P	P	P				P	P	P	P <sup>14</sup>			
Place of worship	P <sup>1,3</sup>	P <sup>1</sup>	P <sup>1</sup>	P <sup>1</sup>	P <sup>1</sup>			P <sup>1</sup>	P <sup>1</sup>	P <sup>1</sup>		P <sup>1</sup>	P <sup>1</sup>		
Plant nursery		P	P	P	P										
Pool hall				CU	CU										
Public utility buildings, structures or appurtenances thereto for public service uses			CU							CU					
Recyclable material collection center						P								CU	
Refuse enclosures															P
Repair and maintenance					P	P									
Residential health care facility			P <sup>1,9</sup>	P <sup>1,9</sup>	P <sup>1,9</sup>			P <sup>1,9</sup>	P <sup>1,9</sup>	P <sup>1,9</sup>					
Restaurant, excluding drive-through restaurant and excluding drive-in restaurant		P	P	P	P				P	P	P	P			
Restaurant, including drive-through restaurant but excluding drive-in restaurant		P	P	P					P	P					
Restaurant, including drive-through restaurant and including drive-in restaurant		CU			P							CU <sup>14</sup>			
Restoration service												P			
Retail		P	P	P	P				P	P	P				
Scenic and sightseeing transportation												P			
Scientific research and development						P		CU				P	P		
Seasonal art festival				CU	CU	CU				CU					
Sports arena					CU <sup>1</sup>										
Storage buildings															P <sup>15</sup>
Surface parking lots														P	P
Swimming pool sales, including display pools only and including construction equipment storage yard						P									

LAND USES	ZONING DISTRICTS - Permitted (P) or Conditional Use (CU)														
	S-R	C-S	C-1	C-2	C-3	C-4	S-S	C-O	PNC	PCC	PCoC	I-1	I-G	P-1	P-2
Swimming pool sales, including display pools only, but excluding construction equipment storage yard					P	P									
Taxi and limousine service												P			
Teen dance center				CU	CU										
Theater		P <sup>1</sup>		P <sup>1</sup>	P <sup>1</sup>				P <sup>1</sup>	P <sup>1</sup>					
Towing service						CU	CU								
Travel accommodation				P <sup>1</sup>	P <sup>1</sup>					P <sup>1</sup>					
Utility service yard						P	P					CU			
Vehicle emissions testing facility						P						P			
Vehicle leasing, rental or sales with indoor or outdoor vehicle display and storage				CU		P				CU					
Vehicle leasing, rental or sales with indoor vehicle display and storage located in an enclosed building		P <sup>7</sup>			P <sup>7</sup>	P <sup>7</sup>				CU <sup>7</sup>					
Vehicle leasing, rental or sales with outdoor vehicle display and storage located more than 150 feet from a residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A., measured from the property boundary to the zoning district line all within the City limits		P			P										
Vehicle leasing, rental or sales with outdoor vehicle display and storage located 150 feet or less from a residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A., measured from the property boundary to the zoning district line all within the City limits		CU			CU										
Vehicle repair				CU		P <sup>8</sup>				CU					

LAND USES	ZONING DISTRICTS - Permitted (P) or Conditional Use (CU)														
	S-R	C-S	C-1	C-2	C-3	C-4	S-S	C-O	PNC	PCC	PCoC	I-1	I-G	P-1	P-2
Vehicle repair, located more than 150 feet from a residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A., measured from the property boundary to the zoning district line all within the City limits		P <sup>8</sup>			P <sup>8</sup>										
Vehicle repair, located 150 feet or less from a residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A., measured from the property boundary to the zoning district line all within the City limits		CU			CU										
Vehicle storage adjacent to residential districts					CU <sup>11</sup>	P <sup>11</sup>						CU <sup>11</sup>			
Vehicle storage not adjacent to residential districts					CU <sup>11</sup>	P <sup>11</sup>						P <sup>11</sup>			
Veterinary and pet care service	P <sup>4</sup>	P <sup>4</sup>	P <sup>4</sup>	P <sup>4</sup>	P <sup>4</sup>	P <sup>4</sup>			P <sup>4</sup>	P <sup>4</sup>	P <sup>4</sup>				
Wholesale, warehouse and distribution					P	P						P	P		
Wireless communications facility, Type 1, 2, and 3	P	P	P	P	P	P	P	P	P	P	P	P	P		
Wireless communications facility, Type 4	CU	CU	CU	CU	CU	CU	CU	CU	CU	CU	CU	CU	CU	CU	

## Use Limitations:

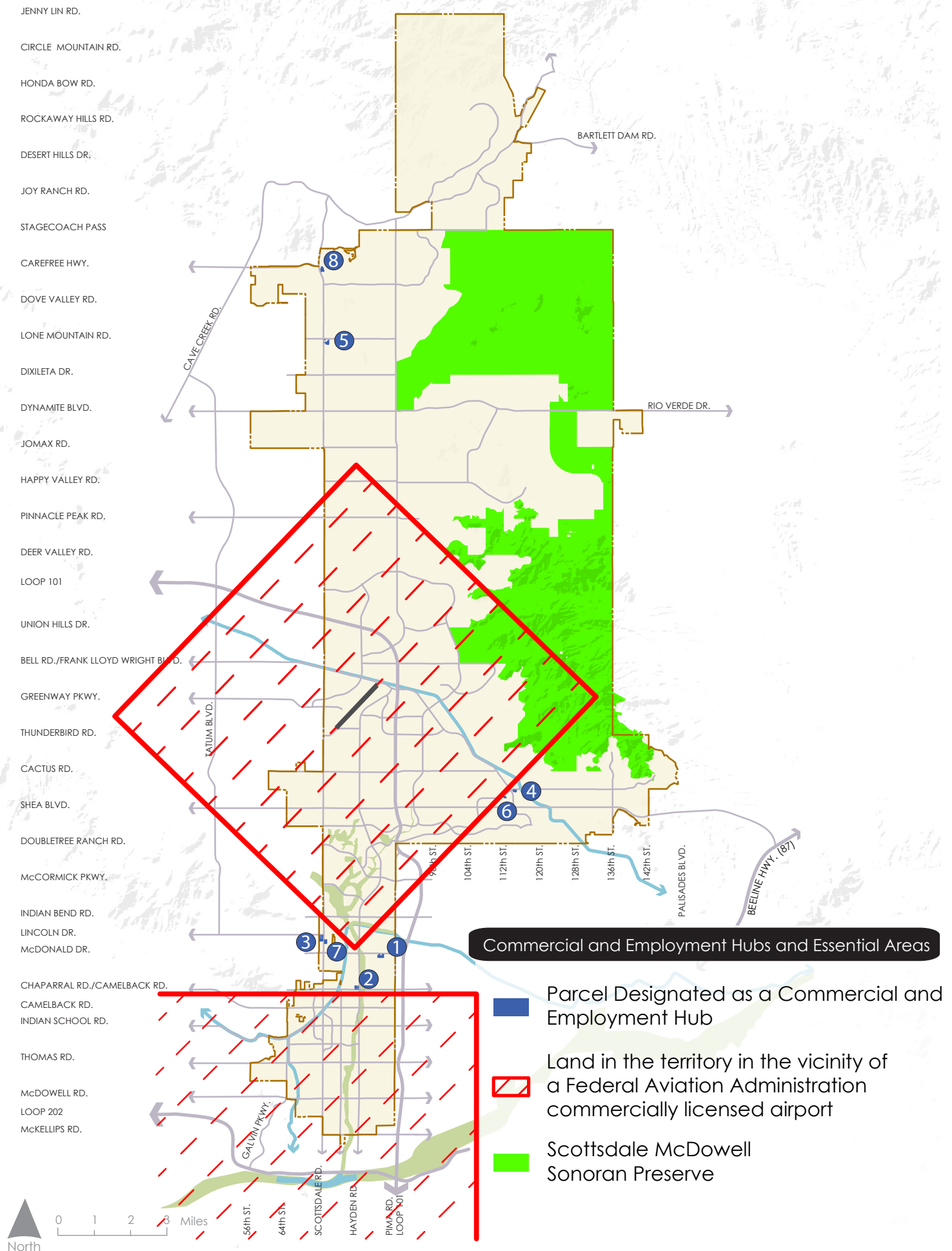
- (1) Uses are allowed except in the AC-3 area as described in the City's procedures for development near the Scottsdale Airport and Chapter 5 of the Scottsdale Revised Code, as amended.
- (2) Educational services, elementary and secondary school, are subject to the following standards:
  - a. The facility shall be located not less than five hundred (500) feet from any adult use, except for a facility located within the S-R zoning district, which shall be located not less than 1,320 feet from any adult use.
  - b. Net lot area. Minimum: 43,000 square feet.
  - c. The facility shall not have outdoor speaker systems or bells.
  - d. Outdoor playgrounds and recreation areas shall be:
    - i. Located not less than 50 feet from any residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A;
    - ii. Located within the rear or side yard; and
    - iii. Enclosed and screened by a six-foot wall or fence.
  - e. All lighting adjacent to residential districts shall be set back a minimum of thirty (30) feet from the property line.
  - f. A minimum twenty-four (24) foot setback shall be provided and maintained where parking is adjacent to a residential district.
  - g. A drop-off area accommodating a minimum of five (5) vehicles shall be located along a sidewalk or landing area connected to the main entrance to the facility. This area shall not include internal site traffic aisles, parking spaces, or fire lanes.
  - h. Public trails or pedestrian connections shall link to the front door of the main building, subject to Development Review Board approval.
  - i. The circulation plan shall show minimal conflicts among the student drop-off area, any vehicle drop-off area, parking, access driveways, pedestrian and bicycle paths on site.
  - j. Facilities located in the AC-2 area, described in the City's procedures for development near the Scottsdale Airport and Chapter 5 of the Scottsdale Revised Code, as amended, shall be constructed with sound transmission requirements of the International Building Code (IBC). In the I-1 and I-G zoning districts, facilities shall be constructed with sound attenuation measures to reduce outdoor to indoor noise by a minimum of twenty-five (25) decibels. Compliance with the noise attenuation measures set forth in Appendix F to FAA Part 150 Noise Compatibility Study Section 4.00 is deemed compliance with this requirement.
- (3) Places of worship are subject to the following standards:
  - a. Net lot area. Minimum: 20,000 square feet.
  - b. Floor area ratio. Maximum: 0.2.
  - c. Building and structure height.
    - i. Building height including mechanical equipment (such equipment shall be screened). Maximum: 30 feet. However:
      - (1) Non-habitable steeples, towers and spires that cover a maximum of ten (10) percent of the roof area, maximum: 45 feet.
      - (2) Non-habitable freestanding steeples, towers and spires. Maximum: 45 feet.
    - ii. Building height exceptions contained in Article VII shall not apply.

- d. Required open space.
    - i. Minimum: 0.24 multiplied by the net lot area.
    - ii. Building heights over twenty (20) feet: the minimum open space requirement plus 0.004 multiplied by the net lot area for each foot of building height over twenty (20) feet.
    - iii. NAOS may be included in the required open space.
  - e. Lighting.
    - i. All pole mounted lighting shall be shielded, directed downward and a maximum of sixteen (16) feet in height.
    - ii. All lighting adjacent to residential districts shall be set back a minimum of thirty (30) feet from the property line.
    - iii. All lighting, other than security lighting, shall not be operated between 10:00 p.m. and 6:00 a.m.
  - f. Screening. Screening shall be as approved by the Development Review Board.
  - g. Access. All places of worship must have primary access to a street classified in the Transportation Master Plan as a minor collector or greater.
  - h. Operations.
    - i. No outdoor activities shall be permitted after 10:00 p.m.
    - ii. The use shall not have outdoor speakers.
- (4) Veterinary and pet care services are permitted if all facilities are within a soundproof building. However, outdoor activities are permitted if:
- a. An employee or pet owner shall accompany an animal at all times when the animal is outside the building.
  - b. The property owner and operator maintain all outdoor areas in a clean and sanitary condition, including immediate and proper disposal of animal waste.
  - c. The outdoor areas are set back at least 100 feet from any lot line abutting a residential district shown on Table 4.100.A., or the residential portion of a Planned Community P-C, or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A., measured from the property boundary to the zoning district line all within the City limits.
  - d. There is no outdoor kennel boarding, except within the C-4 zoning district.
- (5) Big box retail sales are not allowed in the Environmentally Sensitive Lands Overlay District and are subject to a conditional use permit if:
- a. Primary access is from a local residential street, or
  - b. Residential property is located within 1,300 feet of the big box property line, except where the residential property is developed with nonresidential uses or separated from the big box by the Loop 101 Pima Freeway.
- (6) Drive-through and drive-in service subject to Conditional Use Permit in I-1 zoning district.
- (7) Vehicle leasing, rental or sales with indoor vehicle display and storage located in an enclosed building is subject to the following standards:
- a. Required parking shall not be used for vehicle storage or display.
  - b. None of the above criteria shall prohibit the Development Review Board from considering an application to reconstruct or remodel an existing vehicle leasing, rental or sales with indoor vehicle display and storage located in an enclosed building facility.
- (8) The vehicle repair use is subject to the following standards:
- a. All repairs shall be performed within an enclosed building, except vehicle repair facilities located in the C-4 zoning district.

- b. Vehicles may only enter the rear of the building, except vehicles may enter the side of the building if the lot is:
    - i. A corner lot,
    - ii. A lot abutting a residential district shown on Table 4.100.A.,
    - iii. A lot abutting the residential portion of a Planned Community P-C or any portion of a Planned Residential Development PRD with an underlying zoning district comparable to the residential districts shown on Table 4.100.A., or
    - iv. Separated by an alley from one (1) of the districts set forth in subsection b.ii. or b.iii. above.
  - c. If the lots meets any requirement of subsection b. above, and side entry bays are proposed, the side entry repair bays shall be screened from street views by solid masonry walls, and the landscape plan shall demonstrate to the Development Review Board's satisfaction, that the proposed screening does not impact the streetscape by exposing repair bays, unassembled vehicles, vehicle repair activities, or vehicle parts.
  - d. All vehicles awaiting repair shall be screened from view by a masonry wall or landscape screen.
  - e. Required parking shall not be used for vehicle storage.
  - f. None of the above criteria shall prohibit the Development Review Board from considering an application to reconstruct or remodel an existing vehicle repair facility.
- (9) Residential health care facilities are permitted subject to the following:
- a. Within the PNC zoning district: site size shall not exceed forty (40) percent of the Development Plan.
  - b. Within the PCC zoning district: site size shall not exceed thirty-five (35) percent of the Development Plan.
  - c. Specialized residential health care facilities.
    - i. The number of beds shall not exceed eighty (80) per acre of gross lot area.
  - d. Minimal residential health care facilities.
    - i. The gross lot area shall not be less than one (1) acre.
    - ii. The number of units shall not exceed forty (40) dwelling units per acre of gross lot area.
  - e. Required open space.
    - i. Minimum open space: 0.24 multiplied by the net lot area distributed as follows.
      - (1) Frontage open space minimum: 0.50 multiplied by the total open space, except as follows:
        - (a) Minimum: Twenty (20) square feet per one (1) linear foot of public street frontage.
        - (b) Not required to exceed fifty (50) square feet per one (1) linear foot of public street frontage.
      - (2) The remainder of the minimum open space, less the frontage open space, shall be provided as common open space.
  - f. The site shall be designed, to the maximum extent feasible, so that on-site parking is oriented to the building(s) to provide convenient pedestrian access for residents, guests, and visitors.
- (10) Dwelling units permitted subject to the following:
- a. Dwelling units shall be physically integrated with commercial establishments.

- b. Limited to one (1) dwelling unit per each business establishment. The dwelling unit limitation of one (1) dwelling unit per each business establishment does not apply to property in the PNC zoning district, the PCC zoning district, or the Downtown Area.
- (11) Vehicle storage facilities may include an apartment/office for on-site supervision but no vehicle shall be used as a dwelling, even temporarily.
- (12) Excludes concrete mixing/manufacturing.
- (13) Aeronautical uses are subject to Chapter 5 of the Scottsdale Revised Code.
- (14) Uses that are not accessory uses shall front on a major collector or higher street classification.
- (15) Subject to Zoning Administrator's approval and if the storage building meets the following requirements:
  - a. Is smaller than five hundred (500) square feet, and
  - b. Occupies an area unusable as a parking space.
- (16) Multifamily Conversion permitted subject to the requirements of Section 7.1300.







## Commercial and Employment Hubs and Essential Areas

Commercial and Employment Hubs ID	APN	Address	Number of Buildings	Building Square Footage
1	173-75-004L	8449 E MCDONALD DR	9	111,826
2	173-25-993B	7920 E CHAPARRAL RD	3	57,974
3	174-64-007 174-64-006N 174-64-006M 174-64-006L 174-64-006K 174-64-006F	6300 N SCOTTSDALE RD 6378 N SCOTTSDALE RD 6310 N SCOTTSDALE RD 7141 E LINCOLN DR 7165 E LINCOLN DR 7175 E LINCOLN DR	24	187,856
4	217-28-009X	11475 E VIA LINDA	2	58,846
5	216-66-806	31313 N SCOTTSDALE RD	4	67,251
6	217-28-737	11144 N FRANK LLOYD WRIGHT BLVD	3	26,510
7	174-15-001L	6263 N SCOTTSDALE RD	3	355,409
8	216-48-500	34505 N SCOTTSDALE RD	5	82,195
		<b>Total</b>	<b>53</b>	<b>947,867</b>

# 3-TA-2024 & 4-TA-2024

## Citizen Involvement Report

### Introduction

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In response to new Arizona Laws passed by the state legislature in the Spring of 2024, Scottsdale Planning Commission initiated the following text amendments at their regular meeting on July 10, 2024, in order to comply with State Law:

- 3-TA-2024, Adaptive Reuse & Development Application Determination Text Amendment. Request by City of Scottsdale to amend the City of Scottsdale Zoning Ordinance (Ordinance No. 455) for the purpose of addressing HB2297 and SB1162.
- 4-TA-2024, Accessory Dwelling Unit (ADU) Text Amendment, Request by City of Scottsdale to amend the City of Scottsdale Zoning Ordinance (Ordinance No. 455) for the purpose of addressing HB2720 and HB2325.

Consequently, as required by the city's Zoning Code, staff conducted two open houses where the public was invited to review, and provide public comment on, these amendments.

### Summary of Open Houses

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Two open house events were held to discuss proposed changes to the Zoning Code. Both events were advertised through an 1/8-page ad in the *Arizona Republic* newspaper, the *Scottsdale P & Z Link* e-newsletter, and postcards sent to the City's interested parties list.

Residents and stakeholders were encouraged to review case information online prior to the meeting, which included:

- An informative video about the City's efforts
- Full versions of all relevant State Laws
- The City's draft Zoning Code amendments
- An option to submit public comments
- Planning Commission and City Council hearing schedules

The first open house took place on Thursday, September 19, 2024, at McCormick Ranch Park Community Center from 5–7 pm, and the second on Friday, September 20, 2024, at the City's Community Design Studio from 11 am–1 pm. A total of 20 people attended the in-person sessions. As of the drafting of this report, online viewership has been significant, with 293 views for the video on the Adaptive Reuse & Development Application Determination Text Amendment (3-TA-2024), and 507 views for the video on the ADU Text Amendment (4-TA-2024).

The same material was presented at both sessions (Attachment 1), covering:

- Requirements of the new State bills,
- How the proposed Zoning Code amendments address the changes, and
- Efforts by the City of Scottsdale to mitigate any potential adverse impacts

Overall, attendees responded positively to the proposed amendments, with many attendees expressing support that their properties would not be as affected by the new State bills due to exclusions for Traffic Pattern Airspace and airport vicinity areas. Some attendees expressed a desire for further restrictions on Short-Term Rentals (STRs). No written comments were submitted.

Enclosures:

1. 3-TA-2024 and 4-TA-2024 Information Boards Presented at Open House
2. Open House Sign-in Sheets



# **Adaptive Reuse & Development Application Determination Zoning Code Amendment**

## **State Law Requirements & City Compliance**

HB2297 + SB1162 | 3-TA-2024



# Background

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- State of Arizona grants cities and towns with local authority the ability to set zoning/land use regulations subject to State Law
- HB2297 was introduced/passed by the State Legislature and signed by the Governor in April 2024 to allow adaptive reuse of existing commercial, office and mixed-use buildings to be repurposed as multi-family housing
- The City must comply with State Law
  - With compliance the City also intends to minimize the negative impacts of this law on the community



# What Buildings Are Included?

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New State law enables the adaptive reuse of:

- ✓ Existing commercial/office/mixed-use buildings
- ✓ Situated on land between 1 and 20 acres in size
- ✓ Buildings that are in a state of disrepair or have at least a 50% vacancy

The total allowed adaptive reuse may not exceed 10% of the existing buildings/floor area in the City.



# What Does State Law Dictate to the City?

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## The City CANNOT:

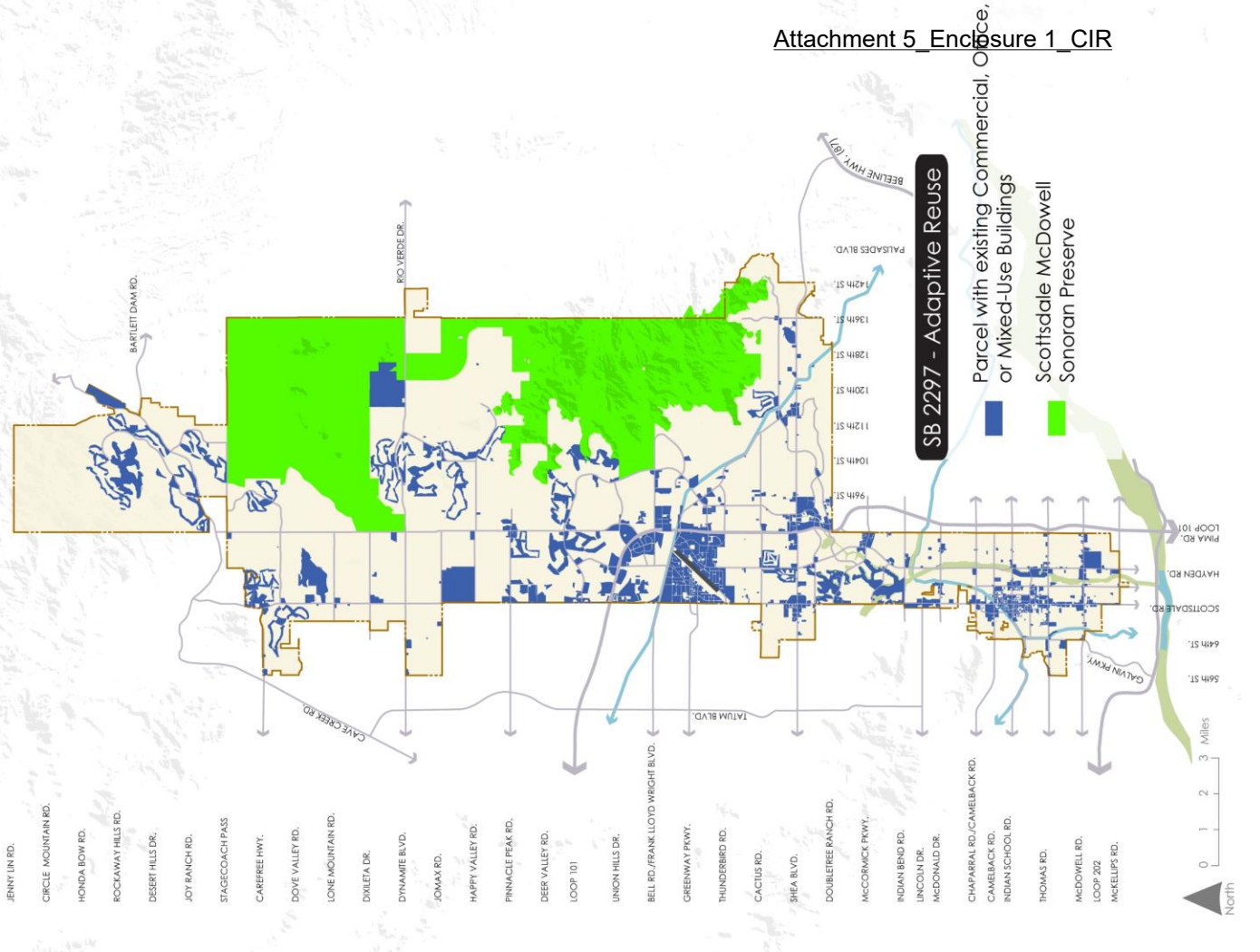
- Require a public hearing for adaptive reuse proposals – including rezoning, conditional use permits or Development Review Board action
- Establish setback, density, parking & building height that is any greater than the requirements set forth in State Law

## The City CAN REQUIRE:

- Site plan review and approval process
- Compliance with building/fire codes
- Adequate public sewer and water service
- Public utility review
- Existing buildings be economically or functionally obsolete
- A minimum of 10% of the total new multi-family units be set aside for either moderate-income, or low-income housing for at least 20 years
- Buildings within the vicinity of an airport, up to 10% of existing buildings, and historic properties can be excluded

# Building Locations Identified Before Exclusions Applied

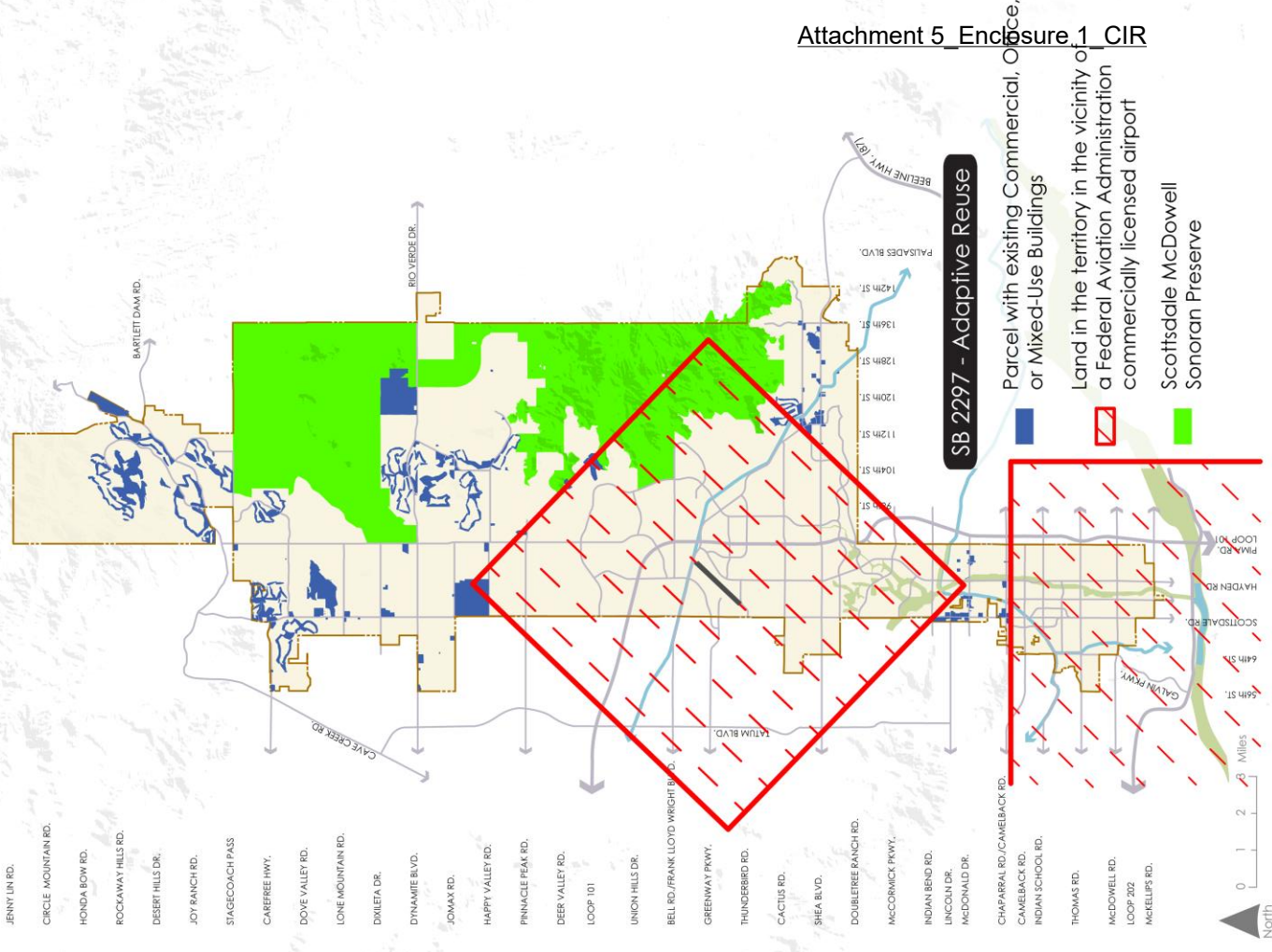
- Existing commercial, office & mixed-use buildings





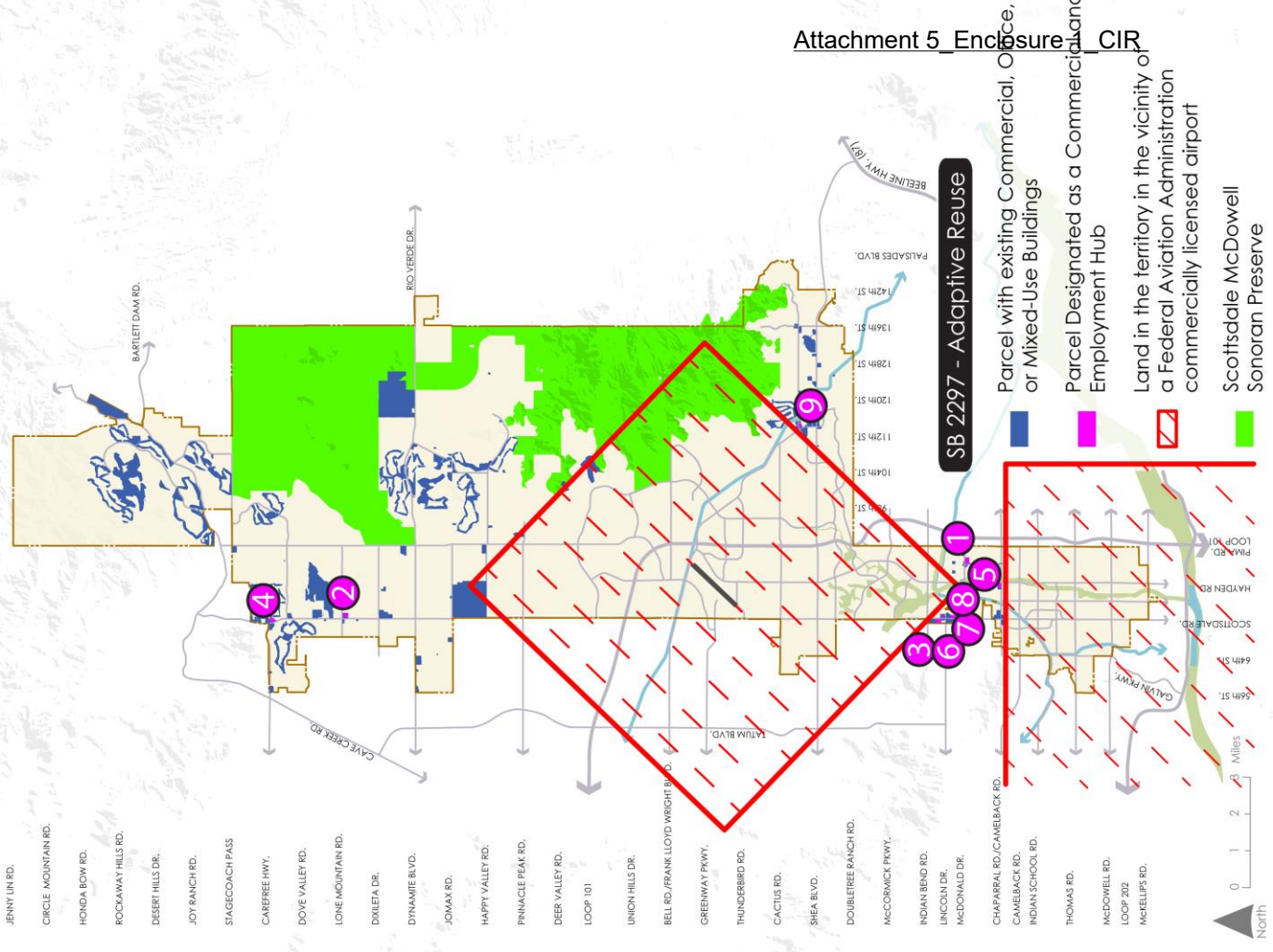
# Airport Exclusions:

- Exclude buildings in an airport vicinity
- Scottsdale has airport vicinity in two locations
  - Sky Harbor Airport Vicinity
  - Scottsdale Airport Vicinity
- Commercial, office & mixed-use buildings located within the red airport vicinity boundaries are excluded



# Up to 10% of Commercial/ Employment Hub Exclusions

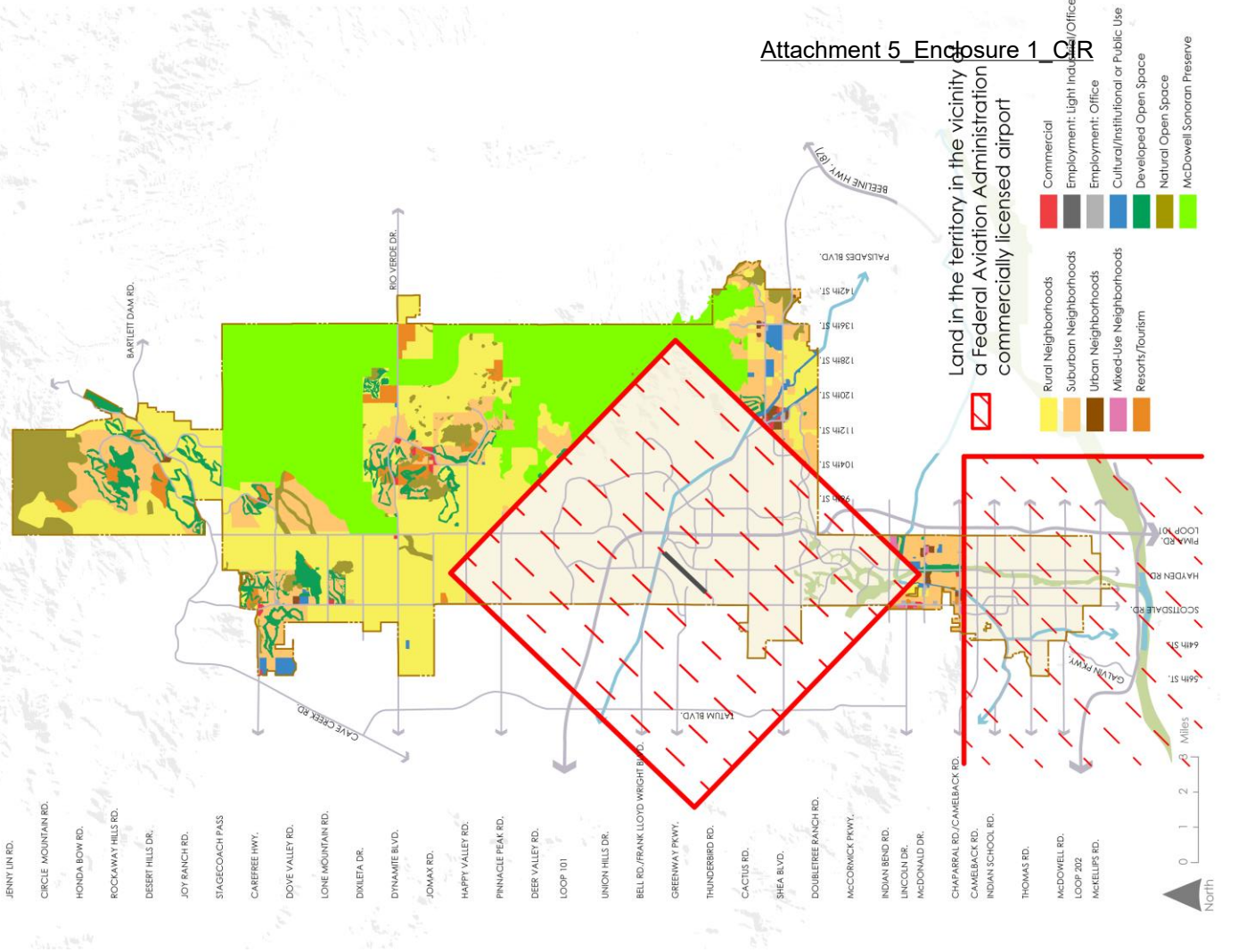
- City can exclude 10% of existing buildings by designating them as commercial/employment hubs
- The City is designating 9 sites equating to 1.2 million square feet of existing commercial, office, and mixed-use buildings.



# Not More Than 10% Eligibility

- State law requires **not more than 10%** of the city’s commercial/office/mixed-use buildings to be eligible for multi-family adaptive reuse

- Scottsdale is proposing to **allow 1%** to be eligible for adaptive reuse
- Why 1%? – It aligns with the existing proportion of commercial, office, and mixed-use in areas located outside of the vicinity of an airport





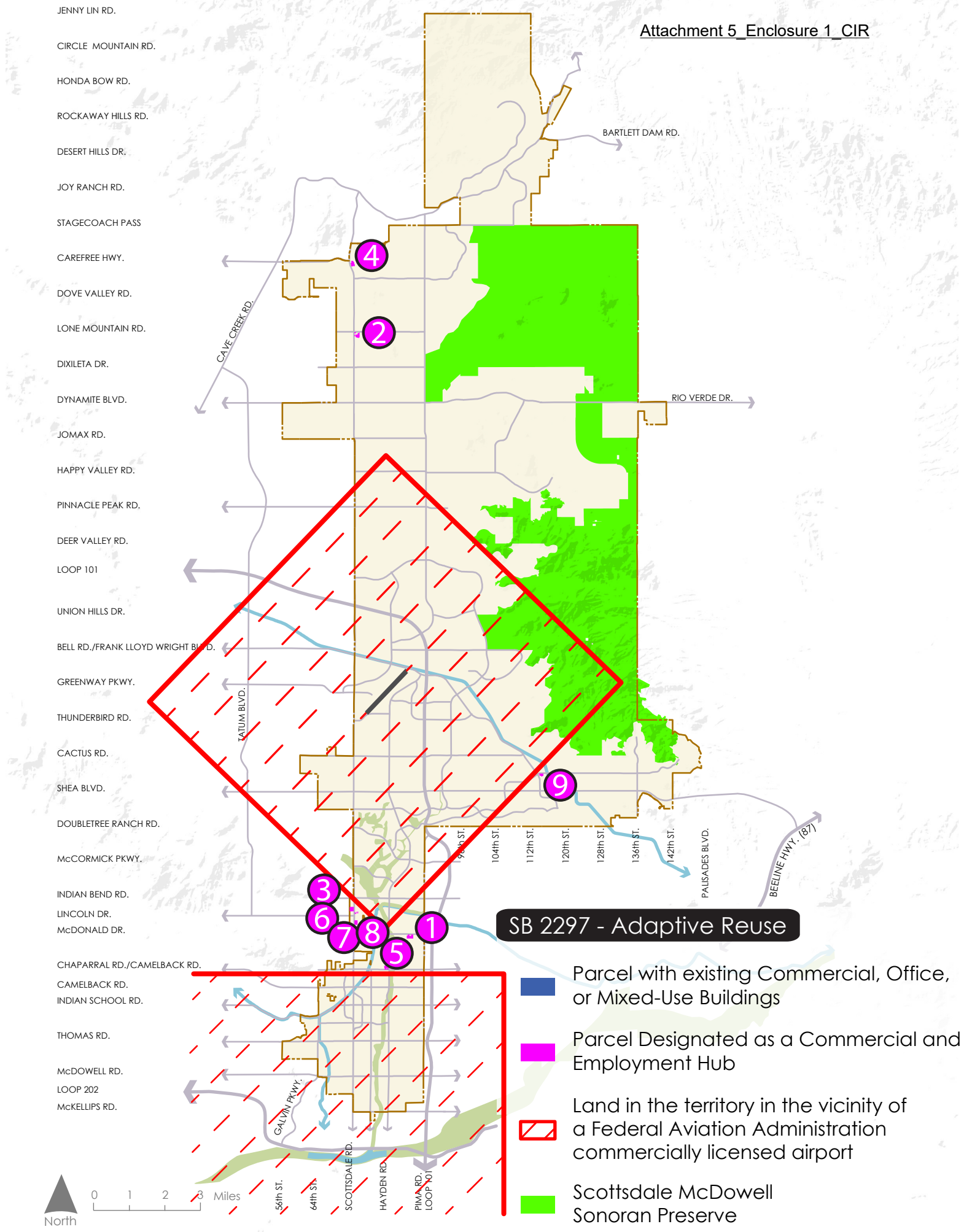
# Exclusions, Impacts & What Remains:

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Scanned with CamScanner

- ✓ Excludes buildings in an airport vicinity
  - ✓ Excludes commercial/employment hubs (not to exceed 10% of existing buildings)
  - ✓ Excludes historic properties (none of which have existing commercial, office, or mixed-use buildings)
- 
- ✓ For Scottsdale, 1% of existing buildings may be eligible for adaptive reuse to multi-family
  - ✓ Approximately 120,000 square feet of multi-family housing building space could be realized



# SB 1162 - Additional Amendment Language

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SB1162 – relating to processing of Zoning Map Amendment cases, requires that the City must adopt an ordinance to:

- Determine whether a zoning application is administratively complete within 30 days after receiving the application
- Approve or deny a zoning application within 180 days after the application has been determined to be administratively complete

The City can:

- Grant a one-time extension of not more than 30 days for extenuating circumstances
- Grant 30-day extension(s) for each applicant-initiated extension request

# Planned Community District

On September 10, 2024, City Council adopted Resolution No. 13232:

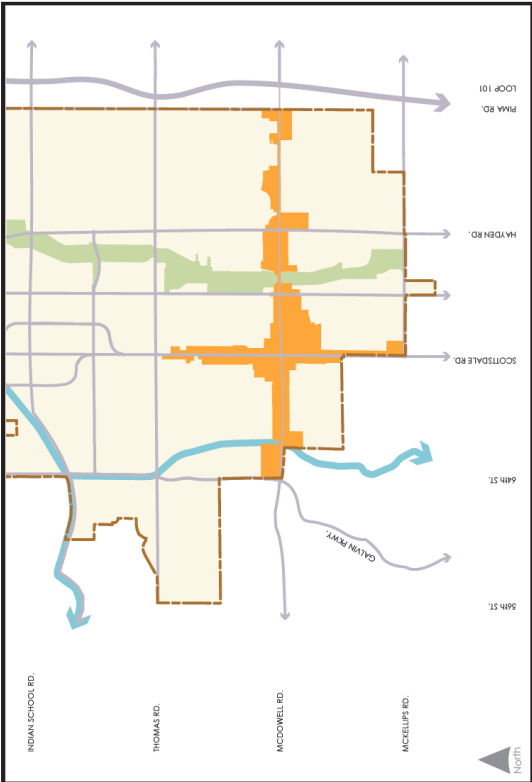
- Repealing Resolution No. 8356, terminating the McDowell & Scottsdale Corridor Single Central Business District designation
- Initiate a text amendment to the City of Scottsdale Zoning Ordinance (No. 455) for the purposes of updating the Planned Community (P-C) District size requirements

**Sec. 5.2100. Planned Community (P-C).**

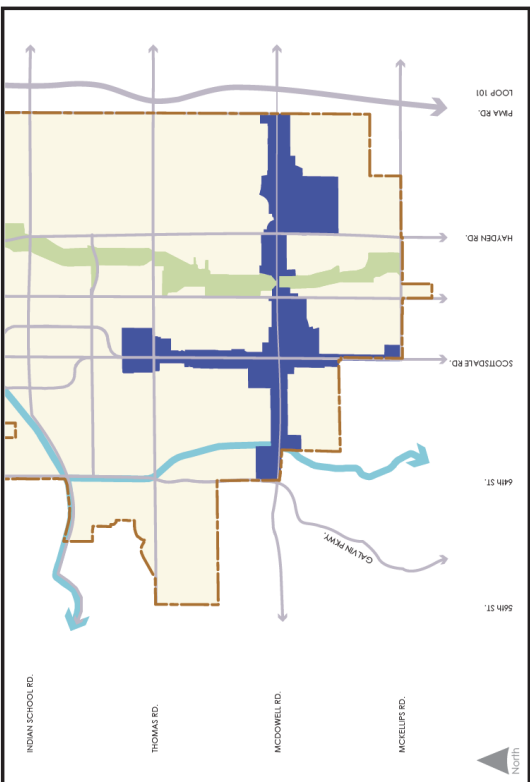
**Sec. 5.2102. General provisions.**

- A. *Qualifications.* P-C districts may be established on parcels of land which, because of their unified ownership or control, size, topography, proximity to large public facilities, or exceptional or unusual locational advantages, are suitable for planned development in a manner consistent with the purposes of this section.
- B. *Minimum district size.*
1. Minimum parcel size for any P-C District established within the boundaries of the McDowell Road/Scottsdale Road Growth Area as designated by the Scottsdale General Plan:City Council in Resolution No. 8356: ten (10) acres of gross lot area of all lots shown on the Development Plan.
  2. Minimum parcel size for any P-C District established outside the boundaries of the McDowell Road/Scottsdale Road Growth Area as designated by the Scottsdale General Plan:City Council in Resolution No. 8356: one hundred sixty (160) acres of gross lot area of all lots shown on the Development Plan.

Single Central Business District Boundary (Resolution No. 8356)



McDowell Road / Scottsdale Road Growth Area Boundary (General Plan 2035)



# **Accessory Dwelling Units (ADU) Zoning Code Amendment**

## **State Law Requirements & City Compliance**

HB2720 + HB2325 | 4-TA-2024







# Background

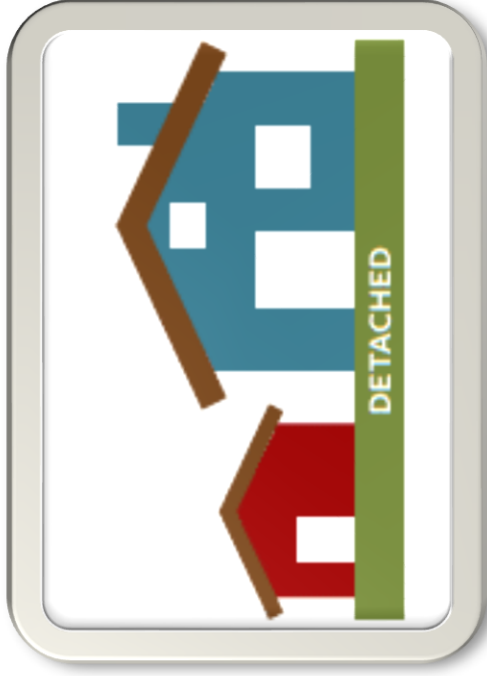
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- State of Arizona grants cities and towns with local authority the ability to set zoning/land use regulations subject to State Law
- HB2720 was introduced/passed by the State Legislature and signed by the Governor in April 2024 to allow for the development of accessory dwelling units on single family properties
- The City must comply with State Law
  - With compliance the City also intends to minimize the negative impacts of this law on the community
  - **If the city does not comply by January 1, 2025, HB 2720 outlines that “accessory dwelling units shall be allowed on all lots or parcels zoned for residential use in the municipality without limits.”**

# What is an Accessory Dwelling Unit (ADU)?

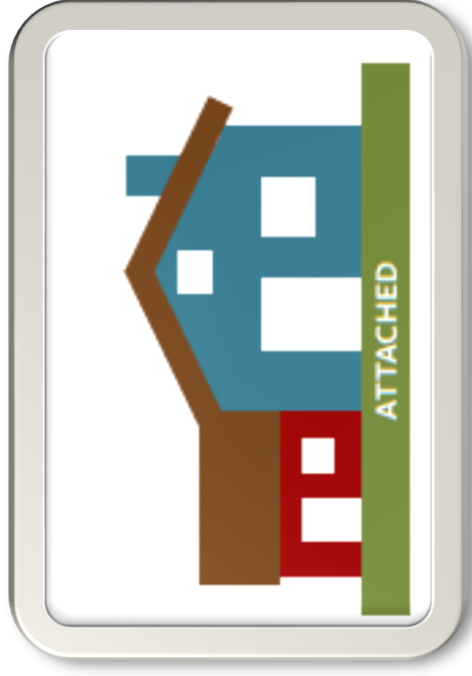
## An ADU:

- Is a subordinate, self-contained dwelling unit that is on the same lot as a main single-family residential dwelling
- Is designed for living purposes, and includes its own sleeping facilities, kitchen facilities, and sanitary facilities
- Can be attached or detached from the single-family dwelling



## ADUs come in many shapes/styles – most common:

- A self-contained living unit built as a detached structure, separate from the single-family home
- A self-contained living unit built as an attached extension off the single-family home (ex. either on the ground floor or 2<sup>nd</sup> level addition)





# What Does State Law Dictate to the City?

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## The City MUST:

- Allow **one attached** and **one detached** ADU per single-family property
- Allow a **third detached** ADU for parcels that are 1 acre in size or greater, if at least 1 of the ADUs is an affordable housing unit
- Allow the size of an ADU to be 75% of the gross floor area of the single-family home or up to a maximum 1,000 sq. ft. - whichever is less

## The City CANNOT:

- Prohibit the short- or long-term lease of an ADU
- Require familial relationship between the owner of the main home & ADU occupant(s)
- Require on site parking for an ADU (or fees in lieu of parking)
- Require an ADU to have an exterior design like that of the single-family home
- Require more than 5 feet of distance from the rear or side of the ADU to the property line
- Require improvements to the public street as a condition of allowing the ADU
- Require permits, licenses or conditions between private parties for use of the ADU
- Require an ADU to contain a fire sprinkler system

# Does Scottsdale Allow ADUs Now?



Scottsdale currently allows  
Guest Houses on single-family  
properties




A Guest House is an accessory  
building used to accommodate  
guests of the occupants of the  
main building/house

- Must be ½ the size or less of the main building/house
- Guest house connected to water meter of main dwelling
- Not rented separately from main building/house

# What is the Difference Between a Guest House & ADU in Scottsdale?




Guest House in Scottsdale



- **Maximum can be 1/2 size of main house**
- Example: a 3,000 square foot home may have a guest house that is 1,500 sq.ft. maximum
- **Cannot** be rented separately from main house

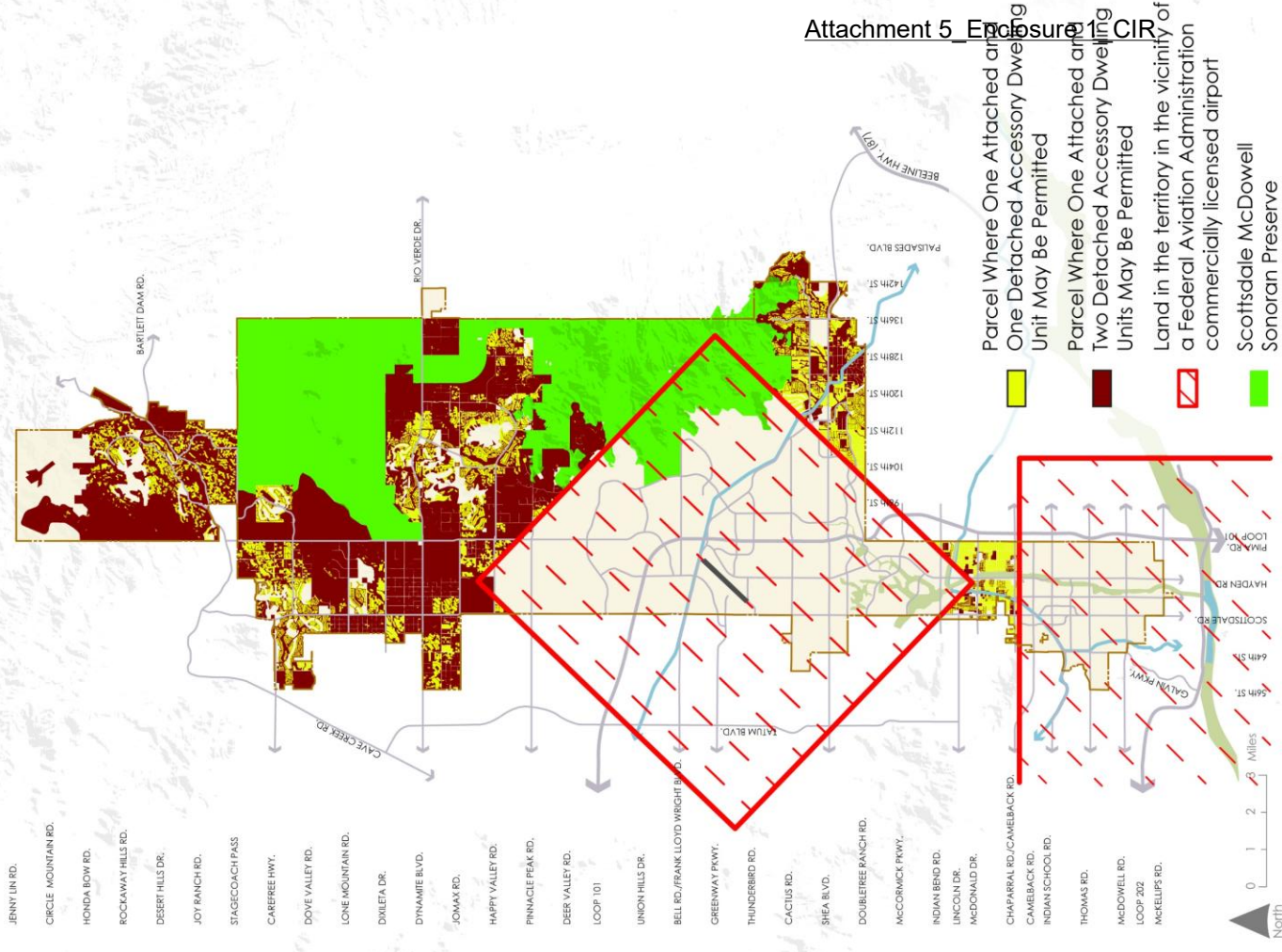
ADU in Scottsdale



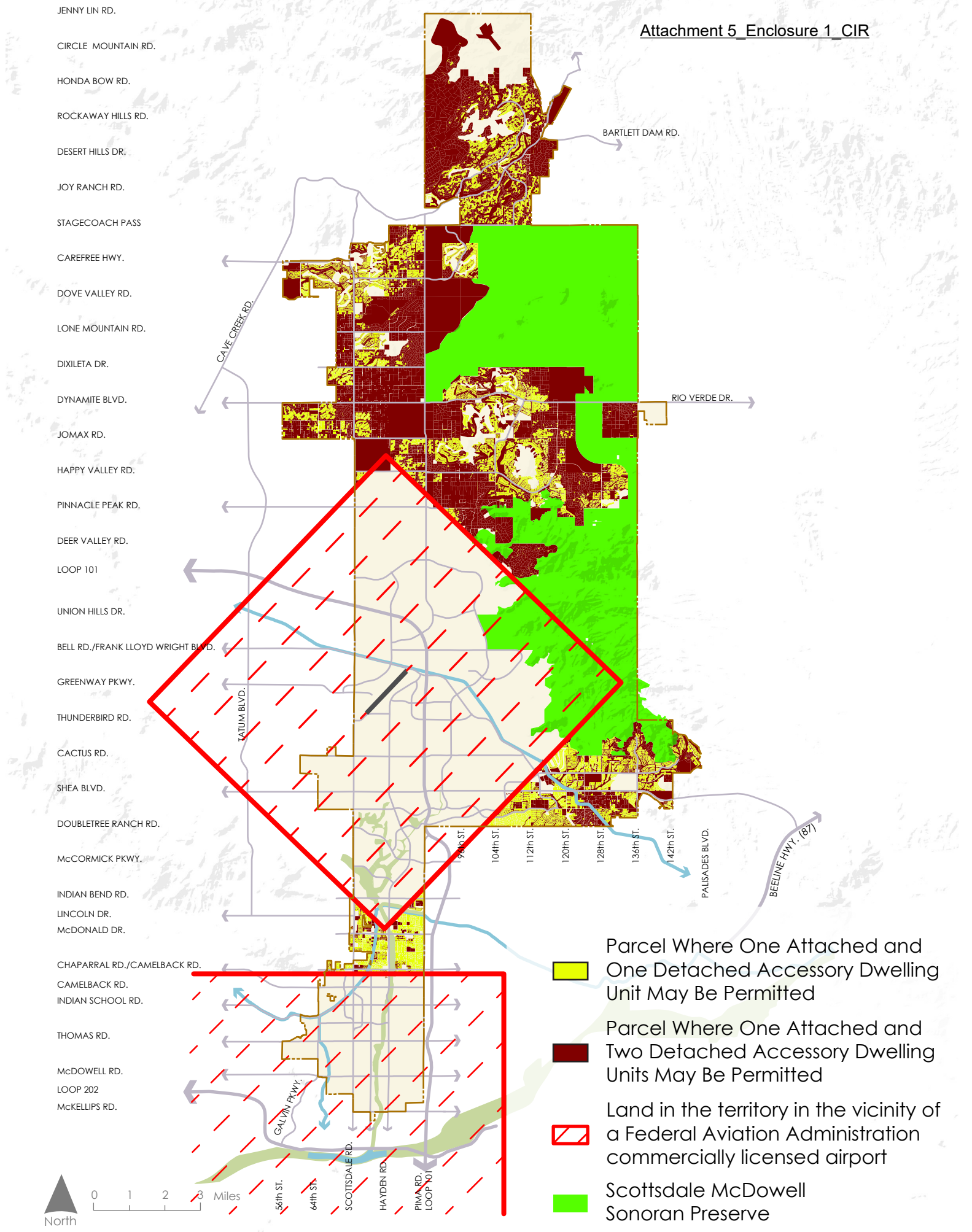
- **Maximum can be 75% of the size of main house or max of 1,000 square feet, whichever is less.**
- Example: an 1,800 square foot home may have an ADU that is 1,000 sq.ft. maximum (75% = 1,350 sq.ft.)
- **Can** be rented separately from the main house

# What is the City Proposing?

- **Exclude** areas as permitted by State Law
  - In the vicinity of an airport
  - HOA neighborhoods can privately restrict
- Require an owner of an ADU that is used as vacation or short-term rental after September 14, 2024 to reside on property
- Restrict size of multiple ADUs
- Ensure sufficient water supply and sewer capacity







JENNY LIN RD.

CIRCLE MOUNTAIN RD.

HONDA BOW RD.

ROCKAWAY HILLS RD.

DESERT HILLS DR.

JOY RANCH RD.

STAGECOACH PASS

CAREFREE HWY.

DOVE VALLEY RD.

LONE MOUNTAIN RD.

DIXILETA DR.

DYNAMITE BLVD.

JOMAX RD.

HAPPY VALLEY RD.

PINNACLE PEAK RD.

DEER VALLEY RD.

LOOP 101

UNION HILLS DR.

BELL RD./FRANK LLOYD WRIGHT BLVD.

GREENWAY PKWY.

THUNDERBIRD RD.

CACTUS RD.

SHEA BLVD.

DOUBLETREE RANCH RD.

MCCORMICK PKWY.

INDIAN BEND RD.

LINCOLN DR.

CHAPARRAL RD./CAMELBACK RD.

CAMELBACK RD.

INDIAN SCHOOL RD.

THOMAS RD.

MCDOWELL RD.

LOOP 202

McKELLIPS RD.

BARTLETT DAM RD.

RIO VERDE DR.

TATUM BLVD.

198th ST.

104th ST.

112th ST.

120th ST.

128th ST.

136th ST.

142th ST.

PAUSADES BLVD.

BEE LINE HWY. (87)

GALVIN PKWY.

SCOTSDALE RD.

HAYDEN RD.

PIVA RD.

LOOP 101



- Parcel Where One Attached and One Detached Accessory Dwelling Unit May Be Permitted
- Parcel Where One Attached and Two Detached Accessory Dwelling Units May Be Permitted
- Land in the territory in the vicinity of a Federal Aviation Administration commercially licensed airport
- Scottsdale McDowell Sonoran Preserve

# HB2325 – Backyard Fowl

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Arizona legislation now requires fowl to be kept in an enclosure located in the rear or side yard of the property at least twenty feet from a neighboring property and restrict the size of the enclosure to a maximum of two hundred square feet with a maximum height of eight feet.

3. Backyard fowl. This section applies only to single-family residential lots.

a. The keeping of fowl in the rear yard is a permitted accessory use to a main single-family dwelling. The keeping of backyard fowl is subject to the requirements of SRC Chapter 4, Article II., and the following requirements:

i. The keeping of fowl shall not be permitted in a required front or side yard.

ii. Fowl shall be kept in an enclosure located in the rear yard of the property. The enclosure shall be set back at least twenty (20) feet from a property line. The enclosure shall be limited to a maximum size of two hundred (200) square feet. The enclosure shall be limited to a maximum height of eight (8) feet, or

the maximum wall or fence height allowed in the zoning district where the property is located, whichever is less. These enclosure requirements shall not apply to an enclosure constructed prior to December 31, 2024.



# Next Steps

## 3-TA-2024: Adaptive Reuse 4-TA-2024: ADU



### Public outreach and open houses

When:	Thursday, September 19, 2024	When:	Friday, September 20, 2024
Time:	5:00 PM to 7:00 PM	Time:	11:00 AM to 1:00 PM
Location:	Mountain View Community Center 8625 E. Mountain View Road Scottsdale, AZ 85258	Location:	Community Design Studio 7506 E. Indian School Road Scottsdale, AZ 85251

### Planning Commission

- Non-Action Discussion Item (October 9, 2024)
- Recommendation hearing (October 23, 2024)

### City Council

- Action Hearing (Tentatively November 19, 2024)

***New provisions must be adopted by local municipalities no later than January 1, 2025***

# Want more information?

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## ***Follow the QR Codes to:***

- *Review the full versions of State laws and the city's proposed draft Zoning Code amendments*
  - *HB2297 + SB1162 = 3-TA-2024*
  - *HB2720 + HB2325 = 4-TA-2024*
- *Provide public comment*
- *Stay up-to-date on the public hearing schedule for Planning Commission and City Council*

Adaptive Reuse +  
Application Determination



Scan, snap, save, and share

Accessory Dwelling Units (ADU)





Adaptive Reuse & Development Application Determination  
And Accessory Dwelling Unit (ADU)  
Text Amendments Open House  
(3-TA-2024 & 4-TA-2024)  
September 19, 2024

Name	Jim Davis	Business or Property Address	
Mailing Address & Zip	27483 N 103rd Ave 85262	Phone	480-299-1815
Name	JESSE GRONNER	E-mail	j.davis@nabz1965a1b5.ced4
Mailing Address & Zip	12474 N 81st St	Business or Property Address	Same
Name	Susan + Chuck Wood	Phone	503-475-9804
Mailing Address & Zip	9630 E Yucca St	E-mail	JSGRONNER@GMAIL.COM
Name	[Signature]	Business or Property Address	
Mailing Address & Zip	9630 E Yucca St	Phone	480 540 9648
Name	[Signature]	E-mail	Samw122@aol.com
Mailing Address & Zip	[Signature]	Business or Property Address	
Name	Sonnie Kithy	Phone	
Mailing Address & Zip	ON RECORD	E-mail	2065A2@ymail.com
Name		Business or Property Address	
Mailing Address & Zip		Phone	
E-mail			

Please note that the city of Scottsdale receives requests from citizens to review comment cards and sign-in sheets and the city is obligated to release any information on the cards/sheets that is considered a public record.



# Adaptive Reuse & Development Application Determination And Accessory Dwelling Unit (ADU) Text Amendments Open House (3-TA-2024 & 4-TA-2024) September 19, 2024

Name <u>Robert Intemann</u>	Business or Property Address <u>7901 E. Wilshire Dr</u>	
Mailing Address & Zip <u>Same</u>	Phone <u>480-280-6372</u>	E-mail <u>rintemann@condurxlink.net</u>
Name <u>JAMES BLANDON</u>	Business or Property Address	
Mailing Address & Zip _____	Phone	E-mail
Name <u>Rob Borucki</u>	Business or Property Address	
Mailing Address & Zip <u>8231 E. DAVENPORT SCOTTSDALE 85260</u>	Phone	E-mail <u>UNFORGETDJ@YAHOO.COM</u>
Name <u>Copper Phillips</u>	Business or Property Address	
Mailing Address & Zip <u>7451 E. Via Dena Rd</u>	Phone <u>602-509 1174</u>	E-mail <u>CopperPhillips@cex.net</u>
Name <u>STANLEY MORGANSTEIN</u>	Business or Property Address <u>28482-N-77 ST SCOTTSDALE 85266</u>	
Mailing Address & Zip <u>28482 N. 77TH ST 85266</u>	Phone <u>216-470-1234</u>	E-mail <u>SMORGAN153@aol.com</u>
Name <u>Sharon Robinson</u>	Business or Property Address	
Mailing Address & Zip <u>16420 N. Thompson Peak Pl</u>	Phone <u>480-860-4626</u>	E-mail

Please note that the city of Scottsdale receives requests from citizens to review comment cards and sign-in sheets  
and the city is obligated to release any information on the cards/sheets that is considered a public record.





September 20, 2024

Name	Maryann McAllen	Business or Property Address	Both
Mailing Address & Zip	6302 N. 90th St.	Phone	480-266-8296
Name	Lisa Proszky	Business or Property Address	
Mailing Address & Zip	1702 E Double Tree Ranch	Phone	# 85258
Name		Business or Property Address	1520 11 Safarway
Mailing Address & Zip		Phone	
Name		Business or Property Address	
Mailing Address & Zip		Phone	
Name		Business or Property Address	
Mailing Address & Zip		Phone	
Name		Business or Property Address	
Mailing Address & Zip		Phone	

~~Attachment 5\_ Enclosure 2\_ CIR~~

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Adaptive Reuse & Development Application Determination  
And Accessory Dwelling Unit (ADU)  
Text Amendments Open House  
(3-TA-2024 & 4-TA-2024)  
September 20, 2024

Name Michael Brady	Business or Property Address 5890 W. 74th P)	Phone —	E-mail mikebrady@gmail.com
Name James Sherrin	Business or Property Address 2830 N 82nd St	Phone 703 608 8946	E-mail James.Sherrin@outlook.com
Name French Thompson	Business or Property Address French Designer Jeweler	Phone 480-994-4717	E-mail French@Frenchonminds.com
Name Mailing Address & Zip	Business or Property Address	Phone	E-mail
Name Mailing Address & Zip	Business or Property Address	Phone	E-mail
Name Mailing Address & Zip	Business or Property Address	Phone	E-mail

Attachment 5 Enclosure 2 CIR

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# Adaptive Reuse & Development Application Determination And Accessory Dwelling Unit (ADU) Text Amendments Open House (3-TA-2024 & 4-TA-2024)

September 20, 2024

Name <i>Michael Oyner</i>	Business or Property Address
Mailing Address & Zip <i>11210 E Dale Lane</i>	Phone <i>480-695-5803</i>
Name <i>Michael Messenger</i>	E-mail <i>MICHALOYNER@gmail.com</i>
Mailing Address & Zip <i>7495 E Montebello Ave.</i>	Phone <i>480-5602171</i>
Name <i>Kam: B. Sherrin</i>	E-mail <i>MRMessengerAZ@gmail.com</i>
Mailing Address & Zip <i>same</i>	Business or Property Address <i>2930 W 82ND ST</i>
Name <i>Barney Brownlee</i>	Phone <i>480 721 6145</i>
Mailing Address & Zip	E-mail <i>Scottdale 85257</i>
Name	Business or Property Address <i>brin-sherrin@outlook.com</i>
Mailing Address & Zip	Phone <i>480 721 6145</i>
Name	E-mail <i>Trace K. Kd. gobeejay@gmail</i>
Mailing Address & Zip	Phone
Name	Business or Property Address
Mailing Address & Zip	Phone
Name	E-mail
Mailing Address & Zip	Business or Property Address
Name	Phone
Mailing Address & Zip	E-mail

Attachment 5 Enclosure 2 CIR

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