ORDINANCE NO. 4687

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, FOR THE PURPOSE OF AMENDING THE ZONING ORDINANCE OF THE CITY OF SCOTTSDALE (ORDINANCE NO. 455), NAMELY ARTICLE III, SECTION 3.100 (DEFINITIONS); ARTICLE VII, SECTION 7.902 (ACCESSORY DWELLING UNITS - QUALIFICATIONS); AND ANY ASSOCIATED SECTIONS, TO ADDRESS RECENT STATE OF ARIZONA LEGISLATION RELATED TO ACCESSORY DWELLING UNITS (HB2928) AS PROVIDED IN CASE NO. 4-TA-2024#2.

WHEREAS, the City wishes to amend certain provisions of the Zoning Ordinance of the City of Scottsdale, Ordinance No. 455, namely Article III, Section 3.100 (Definitions); Article VII, Section 7.902 (Accessory Dwelling Units - Qualifications); and any associated sections, to address recent State of Arizona legislation, namely House Bill (HB) 2928 related to accessory dwelling units (ADU); and

WHEREAS, the Arizona State Legislature adopted HB2928, which amended certain statutory provisions, including Arizona Revised Statutes (A.R.S.) § 9-461.18, which provides various requirements, exceptions, and limitations related to ADUs; and

WHEREAS, HB2928 amended certain other statutory provisions, including A.R.S. § 9-500.39, which provides various requirements, exceptions, and limitations related to short-term rentals; and

WHEREAS, this Ordinance is being adopted by the City to comply with the new statutory requirements and regulations established pursuant to HB2928; and

WHEREAS, the City Council has considered the probable impact of this Ordinance on the cost to construct housing for sale or rent; and

WHEREAS, the Planning Commission held a public hearing on August 27, 2025 and considered a proposed text amendment to the Zoning Ordinance of the City of Scottsdale in Case No. 4-TA-2024#2; and

WHEREAS, the City Council has determined that the proposed amendment to the Zoning Ordinance of the City of Scottsdale is in conformance with the General Plan, as amended.

NOW, THEREFORE BE IT ORDAINED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. That the Zoning Ordinance of the City of Scottsdale, Ordinance No. 455, is hereby amended as specified in that certain document entitled "Accessory Dwelling Unit (ADU) Text Amendment", attached as Exhibit A, and hereby referred to, adopted, and made a part hereof as if fully set out in this Ordinance. In said Exhibit A, new text is represented by grey shading and deleted text represented by strikethrough.

Section 2. If any section, subsection, sentence, clause, phrase or portion of this Ordinance, or any part of the Scottsdale Revised Code adopted herein, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this 30th day of September, 2025.

ATTEST:

By: _____
Ben Lane
City Clerk

CITY OF SCOTTSDALE, an Arizona municipal corporation

By: _____
Lisa Borowsky
Mayor

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
Luis E. Santaella, Interim City Attorney
By: Shane C. Morrison, Assistant City Attorney

ACCESSORY DWELLING UNIT (ADU) TEXT AMENDMENT

Section 1. That the Zoning Ordinance of the City of Scottsdale, ARTICLE III. – DEFINITIONS, Section 3.100. is amended as follows with all new language depicted in grey shading and deleted language in strike-through:

Accessory Dwelling Unit (Restricted-Affordable Detached) shall mean a Detached Accessory Dwelling Unit that, through a private deed restriction, ~~shall only be~~is only rented to households earning up to eighty percent (80%) of area median income.

Section 2. That the Zoning Ordinance of the City of Scottsdale, ARTICLE VII. – GENERAL PROVISIONS, Section 7.902. is amended as follows with all new language depicted in grey shading and deleted language in strike-through:

Sec. 7.900. Accessory Dwelling Units.

Sec. 7.901. Purpose.

A. These provisions describe the qualifications, application requirements, and property development standards for the development of an Accessory Dwelling Unit to ensure that an Accessory Dwelling Unit is consistent with the character of single-family residential neighborhoods, and to minimize impacts of the development. The qualifications, requirements, and regulations in these provisions are in addition to the other codes and requirements of the City of Scottsdale.

Sec. 7.902. Qualifications.

A. An Accessory Dwelling Unit shall only be established upon demonstration of all of the following requirements:

1. *Location.*

a. An Accessory Dwelling Unit shall only be permitted on a single-family residential lot as permitted by the underlying zoning district. No Accessory Dwelling Unit shall be constructed upon a single-family residential lot unless the main single-family residential dwelling has been constructed and received a Certificate of Occupancy on the same lot. No Accessory Dwelling Unit shall be issued a Certificate of Occupancy unless a Certificate of Occupancy has been issued for the main single-family residential dwelling on the same lot.

b. An Accessory Dwelling Unit shall not be located in any of the following areas:

i. Land that is in the territory in the vicinity of a military airport or ancillary military facility as defined in A.R.S. § 28-8461, or

ii. Land that is in the territory in the vicinity of a federal aviation administration commercially licensed airport or a general aviation airport or land that is in the

territory in the vicinity of a public airport as defined in A.R.S. § 28-8486 and that has a noise level of greater than sixty-five decibels.

2. *Utility services.*

   a. The property owner shall provide separately metered utilities (electrical, gas, water, and sanitary sewer) connections to the Accessory Dwelling Unit, unless otherwise determined by the utility provider.

   b. The property owner shall be responsible to repair any public street or other public property that is disturbed as a result of the construction of an Accessory Dwelling Unit to the requirements and standards of the City.

3. *Ownership, renting, and subdivision.*

   a. Any Accessory Dwelling Unit on a single-family residential lot shall not be sold separately from the main single-family residential dwelling on the same lot.

   b. Any Accessory Dwelling Unit that is rented, leased, offered for rent or lease, or occupied as a Vacation Rental or Short-term Rental shall be subject to the requirements of Sec. 7.203.

   c. A Restricted-Affordable Detached Accessory Dwelling Unit shall only be rented to households earning up to eighty percent (80%) of area median income and shall not be offered as a Vacation Rental or Short-term Rental. Rent shall be established based on the household size and income in accordance with the rent and income limits published by the Arizona Department of Housing at the time of the lease agreement. Prior to issuance of any permit for a Restricted-Affordable Detached Accessory Dwelling Unit, the property owner shall enter into a private deed restriction to meet the requirements of this section, to the satisfaction of the City.

   d. A lot or parcel shall not be subdivided, including through a condominium plat, in a manner that would create a separate lot, parcel, or ownership boundaries exclusively for the main single-family residential dwelling or for an Accessory Dwelling Unit.

Sec. 7.903. Application requirements.

A. Prior to issuance of any permit for an Accessory Dwelling Unit, the property owner shall submit a development application for review, subject to the requirements of Sec. 1.300. The Zoning Administrator or designee shall review a development application for an Accessory Dwelling Unit. The Zoning Administrator or designee shall have the authority to approve, approve with stipulations, or deny a development application for an Accessory Dwelling Unit and that decision shall not be appealable. The property owner must receive approval of the development application before any permit for an Accessory Dwelling Unit will be issued.

B. In addition to the standard requirements of a development application, any development application for an Accessory Dwelling Unit 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 Accessory Dwelling Unit is located on a single-family residential lot with an existing main single-family residential dwelling on the same lot and demonstrate compliance with the requirements Sec. 7.904.

2. The gross floor area of the existing main single-family residential dwelling on the same lot, and plans of the proposed Accessory Dwelling Unit that are in compliance with the requirements of this section.

3. Separately metered utilities (electrical, gas, water, and sanitary sewer) and connections to the Accessory Dwelling Unit, unless otherwise determined by the utility provider.

4. Compliance with all applicable building code and fire code requirements, as adopted by the City of Scottsdale, unless otherwise exempted by state statutes.

5. That, prior to the issuance of any permit for the Restricted-Affordable Detached Accessory Dwelling Unit, the property owner has recorded a private deed restriction acknowledging that the Restricted-Affordable Detached Accessory Dwelling Unit will only be rented to households earning up to eighty percent (80%) of the area median income and will not be offered as a Vacation Rental or Short-term Rental, in a form satisfactory to the City.

C. Conversion of existing building to an Accessory Dwelling Unit.

1. In order to convert an existing building, or portion of an existing building, to an Accessory Dwelling Unit, the property owner shall comply with the requirements of Sec. 7.900., including but not limited to, provision of sleeping facilities, kitchen facilities, and sanitary facilities, and compliance with all applicable building code and fire code requirements.

Sec. 7.904. Property Development Standards.

A. An Accessory Dwelling Unit shall be subject to the property development standards of the zoning district for which the proposed Accessory Dwelling Unit 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. Attached Accessory Dwelling Unit.

i. There shall be no more than one (1) Attached Accessory Dwelling Unit on any one (1) single-family residential lot.

b. Detached Accessory Dwelling Unit.

i. There shall be no more than one (1) Detached Accessory Dwelling Unit on any one (1) single-family residential lot.

c. Restricted-Affordable Detached Accessory Dwelling Unit.

i. Single-family residential lots that are one (1) acre or larger in size are permitted one (1) Restricted-Affordable Detached Accessory Dwelling Unit on any one (1) single-family residential lot in addition to any existing Accessory Dwelling Unit(s) constructed on the lot.

d. For any single-family residential lot less than one (1) acre in size, there shall be no more than two (2) total Accessory Dwelling Units on any one (1) lot. For any single-family residential lot that is one (1) acre or larger in size, there shall be no more than three (3) total Accessory Dwelling Units on any one (1) lot, one of which must be a Restricted-Affordable Detached Accessory Dwelling Unit.

2. *Size.*

   a. Only one Accessory Dwelling Unit constructed on a single-family residential lot shall be allowed to have a gross floor area that is up seventy-five percent (75%) gross floor area of the main single-family residential dwelling on the same lot, or one thousand (1,000) gross square feet, whichever is less. All other Accessory Dwelling Units constructed on the same lot shall be five hundred (500) gross square feet or less in size.

3. *Occupancy.*

   a. The cumulative occupancy of the main single-family residential dwelling in combination with any Accessory Dwelling Units on the same single-family residential lot shall not exceed six (6) adults. A familial, marital, employment, or other preexisting relationship between the owner or occupant of the main single-family residential dwelling and the occupant of an Accessory Dwelling Unit located on the same lot is not required.

4. *Building height.*

   a. No Accessory Dwelling Unit shall exceed the building height permitted in the zoning district for which the Accessory Dwelling Unit is located.

5. *Building setbacks.*

   a. Attached Accessory Dwelling Unit.

      i. The building setbacks for an Attached Accessory Dwelling Unit shall be that which apply to a main single-family residential dwelling of the zoning district for which the Attached Accessory Dwelling Unit is located.

   b. Detached Accessory Dwelling Unit or Restricted-Affordable Detached Accessory Dwelling Unit.

      i. A Detached Accessory Dwelling Unit or Restricted-Affordable Detached Accessory Dwelling Unit shall not be permitted in a required front yard, including the front yard on the longer street frontage of a corner lot.

      ii. A Detached Accessory Dwelling Unit or Restricted-Affordable Detached Accessory Dwelling Unit shall not be permitted in a required side yard.

      iii. A Detached Accessory Dwelling Unit or Restricted-Affordable Detached Accessory Dwelling Unit that is located within a rear yard may be constructed five (5) feet from a side or rear property line.

6. *Distance between buildings.*

a. There shall not be less than ten (10) feet between an Accessory Dwelling Unit and the main single-family residential dwelling on the same lot, or between an Accessory Dwelling Unit and another Accessory Dwelling Unit on the same lot.

7. *Private outdoor living space.*

   a. Each Accessory Dwelling Unit shall provide private outdoor living space located adjacent to the Accessory Dwelling Unit.

   b. Each private outdoor living space shall be at least five (5) feet deep and fifty (50) square feet in area.

8. *Parking.*

   a. The addition of an Accessory Dwelling Unit to a single-family residential lot shall not reduce or eliminate any required parking for the main single-family residential dwelling on the lot. The minimum parking requirements for the main single-family residential dwelling on the lot shall be provided at all times. If an Accessory Dwelling Unit removes or modifies existing required vehicle parking spaces for the main single-family residential dwelling on the lot, the minimum required parking spaces for the main single-family residential dwelling on the lot shall be replaced on the same lot in a location approved by the Zoning Administrator or designee.

9. *Access.*

   a. Each Accessory Dwelling Unit shall provide a separate exterior entrance from that serving the main single-family residential dwelling on the same lot.

   b. The path of ingress and egress travel from an Accessory Dwelling Unit to the main street frontage of the lot, or to a yard that opens to the main street frontage of the lot, shall be independent of, and not pass through, the main single-family residential dwelling.

10. *Addressing.*

    a. Each Accessory Dwelling Unit shall provide a unique address that follows the City's addressing requirements, policies, and assignment process. The address of an Accessory Dwelling Unit shall be placed near the primary entrance of the Accessory Dwelling Unit, clearly visible from the main street frontage of the lot, and meet the requirements of Sec. 8.401.