

ATTACHMENT C

Z-TA-3-24-Y: Adaptive Reuse and Multifamily (ARM) Overlay District Village Planning Committee Summary Results

Village	Information Only Date	Recommendation Date	Recommendations	Vote
Alhambra	8/27/24	10/22/24	Approval, per the staff recommendation	11-2
Camelback East	9/10/24	10/1/24	Approval, per the staff recommendation	16-0
Central City	9/9/24	10/21/24	Approval, per the staff recommendation	10-0
Encanto	9/9/24	10/7/24	Denial	8-4-1
Estrella	9/17/24	10/15/24	No quorum	n/a
Maryvale	9/11/24	10/9/24	No quorum	n/a
North Mountain	9/18/24	10/16/24	Approval, per the staff recommendation	13-0
South Mountain	9/10/24	10/8/24	Approval, per the staff recommendation, with direction	12-0



Village Planning Committee Meeting Summary Z-TA-3-24-Y INFORMATION ONLY

Date of VPC Meeting	August 27, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.

VPC DISCUSSION:

No members of the public registered to speak on this item.

STAFF PRESENTATION

Samuel Rogers, staff, provided a presentation on the text amendment Z-TA-3-24 regarding the new Adaptive Reuse and Multifamily (ARM) Overlay District. Mr. Rogers explained that the text amendment is in response to HB 2297 which requires that municipalities provide administrative permissions for adaptive reuse of existing commercial structures and the conversion of commercial properties to multifamily uses on up to 10 percent of commercial properties. Mr. Rogers explained that the City of Phoenix is creating the ARM Overlay District which will facilitate adaptive reuse and multifamily development, explained that the allowed height and intensity for multifamily developments within the overlay would be equivalent to the Walkable Urban Code T5:5 district, and explained that the overlay will be located within the designated Transit Oriented Communities (TOC).

QUESTIONS FROM COMMITTEE

Committee Member Keith Ender asked who bears the financial responsibility for the affordable housing. **Mr. Rogers** explained that developers are required to provide 10% of the total number of units built as affordable housing. Mr. Rogers explained that developers bear the costs, but these costs could potentially be passed on to renters.

Committee Member Martin Shultz asked about the purpose of the proposed amendments from Mr. Rogers' perspective. **Mr. Rogers** explained that the text amendment addresses two key components: adaptive reuse and multifamily housing. Mr. Rogers emphasized that these changes are in response to state law, which allows for higher density and height by right, while also requiring affordable housing provisions. Mr. Rogers expressed confidence in how the City responded to the state bill and acknowledged that the proposed amendments might be more contentious in some Transit-Oriented Communities than in others.

Committee Member Shultz expressed interest in receiving more information over time regarding the need for affordable housing. Committee Member Shultz explained that significant investments have been made in Transit-Oriented Communities and related infrastructure improvements, and explained that it makes sense for the City to capitalize on these investments. Committee Member Shultz requested additional information on transit-oriented development (TOD), infill, and the City's plans for developing specific areas.

Committee Member Pamela Fitzgerald expressed frustration, stating that she wishes the state would allow cities more autonomy to manage their own affairs.

Committee Member Shultz explained that the City does not operate in isolation and emphasized that as the City continues to grow, there are defined roles for various levels of government.



Village Planning Committee Meeting Summary Z-TA-3-24-Y

Date of VPC Meeting	October 22, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.
VPC Recommendation	Approval, per the staff recommendation
VPC Vote	11-2

VPC DISCUSSION

STAFF PRESENTATION

Samuel Rogers, staff, provided a presentation regarding the proposed text amendment Z-TA-3-24-Y and Z-136-24-Y, highlighting the background of the legislation approved by the Arizona Legislature, the proposed Adaptive Reuse and Multi-Family (ARM) Overlay District, the areas of applicability, the proposed allowances for multifamily development and adaptive reuse, and the timeline for the proposal.

QUESTIONS FROM THE COMMITTEE

Committee Member Charles Jones asked about the mile distance requirement. **Mr. Rogers** explained that state law requires cities to allow 10% of their commercial areas to develop up to five stories with densities equivalent to the highest zoning district within one mile of the subject property. Mr. Rogers stated that the City of Phoenix applied this by allowing sites within existing Transit-Oriented Communities (TOC) to develop according to Walkable Urban (WU) Code T5:5 standards, permitting unlimited density and five-story buildings.

Committee Member Martin Shultz stated that this policy originated from state law and questioned whether cities should control zoning or if state involvement is appropriate. Committee Member Shultz stated that the motivation behind some legislation is to create challenges for transit-oriented development. **Mr. Rogers** discussed the balance of benefits and risks in the relationship between city zoning authority and state regulations. Committee Member Shultz explained that determining zoning jurisdiction is complex and raised the importance of regional planning and described the politics that opposed the Capitol Mall light rail expansion.

Committee Member Quanta Crews expressed support for how Phoenix applied the state law through an overlay, explained she supported the law as a state legislator due to its potential to create affordable housing, and asked about the public engagement process. **Mr. Rogers** clarified that the application of the ARM Overlay will be an administrative process that does not require public hearings, stated that the overlay will not alter existing rezoning procedures, and reiterated that the ARM Overlay applies within established high-intensity policy areas.

Committee Member Marshall Pimentel highlighted the benefit of affordable housing through this process, stated that the overlay is a small but positive step, and explained that Arizona's prohibition on mandatory inclusionary housing presents barriers.

Committee Member David Krietor raised concerns about the proposed five-story allowance, stated that some commercial properties in the ARM Overlay are adjacent to single-family homes, and described previously conflicts over height within the Alhambra Village. **Mr. Rogers** explained that developments within 100 feet of single-family zoning are limited to two stories.

Committee Member Jones requested clarification on the ARM Overlay boundaries. **Mr. Rogers** presented the ARM Overlay boundaries.

Committee Member Jones asked if affordable housing was mandatory for projects utilizing the ARM Overlay and asked about funding. **Mr. Rogers** confirmed that affordable housing is required for multifamily developed under the ARM Overlay, stated that the affordable housing is funded by developers, and explained that developers could choose to rezone if they wish to avoid providing affordable housing.

Committee Member Crews questioned the appropriate distance requirement for the two-story height limitation near single-family zones and whether 300 feet would be more appropriate. **Committee Member Krietor** described Alhambra's support for affordable housing, explained conflicts over height near single-family areas, and stated that overlay may lead to potential disputes regarding height. **Committee Member Jones** explained that step-downs are sometimes required and stated that determining an optimal distance from single family to limit the height is challenging.

Committee Member John Owens asked whether the presentation's reference to 20% of commercial areas being within ARM Overlay included the downtown and airport areas. **Mr. Rogers** explained that he is unsure.

Committee Member Jones inquired about potential consequences if the City did not adopt the ARM Overlay by the deadline and asked about other cities' approaches. **Mr. Rogers** stated that failing to adopt the overlay could expose the City to lawsuits, explained that other cities generally applied the state law city-wide, and stated that Phoenix's approach applied the overlay to existing high-intensity policy areas.

Committee Member Jones asked about potential changes to the state law. **Mr. Rogers** stated he was unaware of any planned changes. **Committee Member Crews** stated that she may try to potentially modify the state law to increase the distance a property must be from single-family homes in order to allow five-story developments.

Committee Member Pimentel stated that the bill was the result of compromise between major cities, developers, and the League of Cities and Towns. **Committee Member Crews** echoed Committee Member Pimentel's comments and added that significant compromise was involved in the bill's development.

Committee Member Keyser asked about the most challenging parts of process up to this point. **Mr. Rogers** noted difficulties in interpreting legislative intent and emphasized the importance of applying the overlay selectively to protect low-intensity areas.

Committee Member Keyser stated that affordable housing materials might be less expensive because affordable units do not require luxury amenities and may be smaller in size.

Committee Member Dina Smith asked for clarification on the state law's requirements. **Mr. Rogers** explained that cities must allow 10% of commercial properties to build up to five stories, with density equivalent to the highest density allowed within one mile of the property.

Committee Member Smith asked about the rationale behind the state law and raised concerns about the cumulative density impact, especially on schools and property values. **Mr. Rogers** explained that the state aims to increase housing availability and address the affordable housing shortage, and stated that limiting the overlay to TOC areas is an effort to manage density impacts. **Committee Member Keyser** discussed the negative consequences of sprawl, including increased infrastructure costs, pollution, and urban heat effects, and highlighted the role of impact fees for new development. Committee Member Smith reiterated concerns about potential over-development impacting property values and local schools.

Committee Member Jak Keyser asked if there is a possibility that the overlay may be amended in the future. **Mr. Rogers** explained that it is possible that the City may revisit

the ARM Overlay and explained that Proposition 207 makes it easier to grant changes than to take them away.

Committee Member Keyser asked about the possibility of tabling the discussion. **Mr. Rogers** explained that the text amendment will be heard by the City Council before the next Alhambra VPC meeting.

Committee Member David Krietor expressed his support and stated that he would second a motion.

Committee Member Crews thanked Committee Member Smith for her comments and emphasized that the goal of the state law is to encourage greater density and provide more housing options for everyone. Committee Member Crews described the urgency of the situation, explained that the City is experiencing a significant population increase and a housing shortage, and expressed appreciation for how the City is implementing the state law through the overlay. Committee Member Crews explained that state laws can change, stated that the current measures are a temporary solution, and emphasizing the need to explore more comprehensive solutions. **Committee Member Smith** cautioned that sometimes temporary solutions can become problematic. Committee Member Crews explained that failing to act will result in more families facing homelessness. Committee Member Smith expressed concern that new housing is too expensive, and that young people are struggling to afford housing. Committee Member Crews explained that unless the government steps in to subsidize housing and increase taxes, negotiations with developers will be necessary to find workable solutions.

PUBLIC COMMENTS

None.

FLOOR/PUBLIC DISCUSSION CLOSED: MOTION, DISCUSSION, AND VOTE

MOTION

Committee Member Jak Keyser made a motion to recommend approval of Z-TA-3-24-Y per the staff recommendation. **Committee Member David Krietor** seconded the motion.

VOTE

11-2, motion to recommend approval of Z-TA-3-24-Y per the staff recommendation passed with Committee Members Crews, Farina, Harris, Keyser, Krietor, Owens, Pimentel, Sanchez, Shultz, Camp, and DeGraffenreid in favor and Committee Members Jones and Smith opposed.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

Staff has no comment.

Village Planning Committee Meeting Summary
Z-TA-3-24-Y
INFORMATION ONLY

Date of VPC Meeting	September 10, 2024
Proposal	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.

VPC DISCUSSION:

No members of the public registered to speak on this item.

STAFF PRESENTATION:

John Roanhorse, staff, provided a summary overview of the proposed text amendment, which is a response to State Bill 2297, which mandates the development of multifamily use in areas previously lacking such opportunities. Mr. Roanhorse stated updating the Zoning Ordinance provides an opportunity to evaluate and enhance the zoning framework, focusing on areas already suited for multifamily development. Mr. Roanhorse expressed that the amendment encourages the redevelopment of existing commercial properties for multifamily purposes where appropriate and not all commercial properties are suitable for multifamily use, so a detailed analysis has been conducted to determine suitability. Mr. Roanhorse summarized the proposed changes in the text amendment which include definitions of affordable housing, replacing the H-R1 Zoning District with a new Adaptive Reuse and Multifamily (ARM) Overlay District, and revisions the TOD-1 and TOD-2 overlay districts. Mr. Roanhorse stated the process will evolve gradually and will primarily impact a specific subset of areas within the city and the focus of the amendment is on adaptive reuse for multifamily development within designated transit-oriented communities. Mr. Roanhorse said the proposed changes are designed to support areas with existing infrastructure for transportation, such as transit systems and established commercial districts. Mr. Roanhorse said the new overlay

areas will affect locations within transit-oriented communities, particularly around Central Avenue and other key transit routes. Mr. Roanhorse stated the Adaptive Reuse Multifamily (ARM) overlay district will be applied to designated commercial districts (R-5, C-1, C-2, and C-3) that already have adaptive reuse programs and will enable the conversion of any nonresidential building within the designated areas into multifamily housing. Mr. Roanhorse displayed a map of the transit-oriented area and noted the intent of these amendments is to enhance the flexibility and effectiveness of zoning regulations in supporting adaptive reuse and multifamily development in transit-oriented areas that will increase in residential density while leveraging existing infrastructure and transit options. Mr. Roanhorse stated the presentation provided is for information only and it will come before the committee next month for action.

QUESTIONS FROM THE COMMITTEE:

Committee Member Williams asked if the areas impacted by the text amendment in Camelback East are just around the airport. **Mr. Roanhorse** responded noting the areas along 50th Street and Van Buren area are exempt due to their proximity to the airport.

Vice Chair Fischbach asked what is the definition of low-income housing and moderate income when it comes to housing. **Committee Member Eichelkraut** responded for low income it is based on federal standards, 80 percent of the area median income (AMI) and for moderate income is approximately from 80 to 120 percent of AMI.

Committee Member Eichelkraut asked how would mixed-use development, such as combining retail on the lower floors with residential units above be addressed with the proposed changes. **Mr. Roanhorse** responded the feasibility of mixed-use development depends on the location and the overlays will allow some flexibility and the Planning and Development Department is open to various approaches, but the success of mixed-use projects will vary. Committee Member Eichelkraut stated it was disappointing the Gateway area and 50th Street areas were excluded because these areas need more housing. Mr. Roanhorse responded that one of the main issues was the proximity to Phoenix Sky Harbor Airport.

Committee Member Pacey asked since the proposed text amendment was driven by changes from the State Legislature does this impact Plan Phoenix which will be on the November ballot. **Mr. Roanhorse** responded that there would be no impacts because the proposed amendments took into consideration the city's current activities. Committee Member Pacey stated the text amendment should be good with the city's residents.

Committee Member Abbott asked about the housing inventory and the deadline to obtain this information and does the county assessor have this information. **Mr. Roanhorse** responded this information is being collected and will be an ongoing process.

Camelback East Village Planning Committee

Meeting Summary

Z-TA-3-24-Y - Info Only

Page 3

PUBLIC COMMENTS:

None.

STAFF RESONSE:

NONE.

FLOOR/PUBLIC DISCUSION CLOSED: COMMITTEE DISCUSSION:

None.

Village Planning Committee Meeting Summary

Z-TA-3-24-Y

***REVISED November 1, 2024**

Date of VPC Meeting	October 1, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.
VPC Recommendation	Approval, per the staff recommendation
VPC Vote	16-0

VPC DISCUSSION:

No members of the public registered to speak on this item.

John Roanhorse, staff, provided a summary on the text amendments and noted there were two distinct items for review and voting, following a previous discussion. Mr. Roanhorse stated that TA-3-24-Y focuses on adaptive reuse, a critical issue for promoting growth in underdeveloped areas and aligns with the state legislative actions encouraging adaptive reuse, creating a streamlined process within the zoning ordinance to facilitate such projects. Mr. Roanhorse discussed TA-136-24-Y noting the focus on the maps to accommodate development, particularly addressing how zoning maps will support adaptive reuse and multifamily developments. Mr. Roanhorse noted previous presentations to the committee that detailed changes to the zoning ordinance aimed at making multifamily and adaptive reuse developments more cohesive. Mr. Roanhorse said one key area of concern involved allowing administrative approvals of certain developments without public input, particularly for commercial and office mixed-use buildings. Mr. Roanhorse stated additionally, the potential for increased height and density in transit-oriented communities was noted as a recurring concern, but the amendments seek to balance these factors with the existing zoning framework.

QUESTIONS FROM THE COMMITTEE:

Committee Member Pacey asked about the 10 percent allocation for affordable and workforce housing and how would requirements for development be implemented. **Mr. Roanhorse** responded that during the review process applicants and developer may access how to include various housing types. Committee Member Pacey asked if the Village Planning Committee will see plans and be able to add stipulations for housing and development. Mr. Roanhorse responded that for rezoning cases that come to the Committee they may review and provide feedback and if practical include stipulations.

Committee Member Augusta asked if parking would change as a result of this proposed text amendment considering the implications of previous parking amendments. **Mr. Roanhorse** responded that proposals would still meet the required parking based on the zoning. **Mr. Cam McCutchen**, staff, responded that with parking requirements, instead of maximums the City utilized minimums to provide allowance for a specific number of parking spaces. Mr. McCutchen stated that in some cases options like the Walkable Urban Code allow flexibility in different transects to incentivize measures to reduce automobile parking.

PUBLIC COMMENTS:

None.

STAFF RESPONSE:

None.

COMMITTEE DISCUSSION:

Committee Member Pacey commented the proposed text amendments are a good idea to include access to light rail and improve multifamily development and it makes good sense.

MOTION

Committee Member Pacey motioned to recommend approval of Z-TA-3-24-Y per the staff recommendation. **Committee Member Sharaby** seconded the motion.

VOTE

16-0; motion to recommend approval of Z-TA-3-24-Y per the staff recommendation passes with Committee members Abbott, Augusta, Baumer, Bayless, Beckerleg Thraen, Garcia, Guevar, Jurayeva, Langmade, Pacey, Schmieder, Sharaby, Whitesell, Williams, Fischbach and Swart in favor.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

None.

Village Planning Committee Meeting Summary
Z-TA-3-24-Y
INFORMATION ONLY

Date of VPC Meeting	September 9, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.

VPC DISCUSSION:

No members of the public registered to speak on this item.

STAFF PRESENTATION

Christopher DePerro, staff, provided a presentation regarding the proposed text amendment, highlighting the background of the legislation approved by the Arizona Legislature, the areas of applicability, the proposed allowances for multifamily development and adaptive reuse, and the timeline for the proposal.

QUESTIONS FROM COMMITTEE

Committee Member Olivas asked about the requirement for administrative approval with no public hearings. **Mr. DePerro** clarified that it is based on the requirement from state law. **Ms. Olivas** stated a concern about removing public hearings and the opportunity for people to give input. **Mr. DePerro** stated that the allowance is targeted to Transit Oriented Communities.

Committee Member Starks clarified that this is already state law, and the City must designate the areas of applicability.

PUBLIC COMMENTS

None.

Village Planning Committee Meeting Summary
Z-TA-3-24-Y

Date of VPC Meeting	October 21, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.
VPC Recommendation	Approval, per the staff recommendation
VPC Vote	10-0

VPC DISCUSSION:

No members of the public registered to speak on this item.

Committee Member Nervis joined the meeting during this item, bringing quorum to 10 members.

STAFF PRESENTATION

Anthony Grande, staff, provided a presentation about the proposed text amendment and companion rezoning case, providing background about HB 2297, a summary of the provisions of the proposed text, and a description of the area included in the initial overlay boundaries.

QUESTIONS FROM COMMITTEE

None.

PUBLIC COMMENTS

None.

MOTION

Vice Chair Gaughan made a motion to recommend approval of Z-TA-3-24-Y, per the staff recommendation. **Darlene Martinez** seconded the motion.

VOTE

10-0; Motion to recommend approval of Z-TA-3-24-Y, per the staff recommendation, passed; Committee Members Ban, Burns, Greenman, Martinez, Nervis, Olivas, Starks, Vargas, Gaughan, and O'Grady in favor.



Village Planning Committee Meeting Summary Z-TA-3-24-Y INFORMATION ONLY

Date of VPC Meeting	September 9, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.

VPC DISCUSSION:

No members of the public registered to speak on this item.

STAFF PRESENTATION

John Roanhorse, staff, provided a summary overview of the proposed text amendment, which is a response to State Bill 2297, which mandates the development of multifamily use in areas previously lacking such opportunities. Mr. Roanhorse stated updating the Zoning Ordinance provides an opportunity to evaluate and enhance the zoning framework, focusing on areas already suited for multifamily development. Mr. Roanhorse expressed that the amendment encourages the redevelopment of existing commercial properties for multifamily purposes where appropriate and not all commercial properties are suitable for multifamily use, so a detailed analysis has been conducted to determine suitability. Mr. Roanhorse summarized the proposed changes in the text amendment which include definitions of affordable housing, replacing the H-R1 Zoning District with a new ARM Overlay District, and revisions the TOD-1 and TOD-2 overlay districts. Mr. Roanhorse stated the process will evolve gradually and will primarily impact a specific subset of areas within the city and the focus of the amendment is on adaptive reuse for multifamily development within designated transit-oriented communities. Mr. Roanhorse said the proposed changes are designed to

support areas with existing infrastructure for transportation, such as transit systems and established commercial districts. Mr. Roanhorse said the new overlay areas will affect locations within transit-oriented communities, particularly around Central Avenue and other key transit routes. Mr. Roanhorse stated the ARM overlay district will be applied to designated commercial districts (R-5, C-1, C-2, and C-3) that already have adaptive reuse programs and will enable the conversion of any nonresidential building within the designated areas into multifamily housing. Mr. Roanhorse displayed a map of the transit-oriented area and noted the intent of these amendments is to enhance the flexibility and effectiveness of zoning regulations in supporting adaptive reuse and multifamily development in transit-oriented areas that will increase in residential density while leveraging existing infrastructure and transit options. Mr. Roanhorse said the amendment does not supersede requirements of other overlays or planning districts and it does not eliminate historic preservation approvals, ensuring that historic properties and characteristics remain protected. Mr. Roanhorse stated the Encanto Village Planning Committee will vote on this item and then it will proceed to the Planning Commission in October then to City Council in November.

QUESTIONS FROM THE COMMITTEE

Committee Matthew Jewett asked about the intended height and density and asked if the proposed height may not exceed and may not be less than five stories and does this mean there is a fixed height of exactly five stories. **Mr. Roanhorse** responded that the intent of the height is to maintain a minimum of five stories but allow flexibility depending on the zoning.

Committee Member Warnicke commented that many of the proposed changes are influenced by the WU Code and there is a standard for three-inch caliper trees, but it appears that the amendment will allow two-inch caliper trees. **Mr. Roanhorse** responded that underlying zoning would remain applicable however, if necessary, the committee may recommend stipulations for tree sizes if necessary. Committee Member Warnicke suggested the text amendment should include a requirement for three-inch caliper trees and this would incorporate the intent of the WU Code and create more shade. **Ms. Tricia Gomes**, Planning and Development Department Deputy Director, responded that the proposed change does not impact the WU Code but with the created overlay height and density will be deferred to the allowances of the WU Code. Committee Member Warnicke stated that the text amendment does refer specifically to a caliper size, and this should be uniformly applied to the new overlay district.

Chair Wagner asked if there have been any inventory or analysis done on applicable buildings in the R-5, C-2, and C-3 where the overlay district will be to see how many possible units would be gained. **Ms. Gomes** responded there was not sufficient time to conduct a full assessment within each mapped area and the targeted area would be about 20 percent and the proposal is an opt-in overlay and if there is residential development 10 percent has to be multifamily which allows development standard

flexibility. Chair Wagner asked with this text amendment and future ones planned will they address the missing middle housing, and this may impose a greater impact on density in some limited areas and by estimate approximately 4,000 units have been entitled in the Encanto Village and with this expected growth has there been an environmental impact study conducted and can the infrastructure respond to the growth. Chair Wagner asked about the five-story requirement but if it is within 100 feet of a single-family development it can only be two stories and there are approved multifamily developments in the same area does this still apply. Ms. Gomes responded that there are several bills that will be forthcoming, and some will impact others and from the City the approach has been holistic in responding to each one and for this amendment middle housing is reviewed so it will fit with the current standards and what additional requirements may come up.

PUBLIC COMMENTS

None.

FLOOR/PUBLIC DISCUSSION CLOSED: COMMITTEE DISCUSSION

None.



Village Planning Committee Meeting Summary Z-TA-3-24-Y

Date of VPC Meeting	October 7, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.
VPC Recommendation	Denial
VPC Vote	8-4-1

VPC DISCUSSION:

No member of the public registered to speak in this item.

STAFF PRESENTATION

John Roanhorse, staff provided a summary on the text amendments and noted there were two distinct items for review and voting. Mr. Roanhorse stated that TA-3-24-Y focuses on adaptive reuse, a critical issue for promoting growth in underdeveloped areas and aligns with the state legislative actions encouraging adaptive reuse, creating a streamlined process within the zoning ordinance to facilitate such projects. Mr. Roanhorse discussed TA-136-24-Y noting the focus on the maps to accommodate development, particularly addressing how zoning maps will support adaptive reuse and multifamily developments. Mr. Roanhorse noted previous presentations to the committee that detailed changes to the zoning ordinance aimed at making multifamily and adaptive reuse developments more cohesive. Mr. Roanhorse said one key area of concern involved allowing administrative approvals of certain developments without public input, particularly for commercial and office mixed-use buildings. Mr. Roanhorse stated additionally, the potential for increased height and density in transit-oriented communities was noted as a recurring concern, but the amendments seek to balance these factors with the existing zoning framework.

QUESTIONS FROM THE COMMITTEE

Chair Wagner commented that House Bill 2297, stipulates that no more than 10 percent of eligible properties within the city can be developed for adaptive reuse. Chair Wagner stated that the current TOC overlay seems to include over 20 percent of commercially zoned properties, exceeding the 10 percent cap. **Mr. Roanhorse** responded that the 10 percent cap does not necessarily apply to every property in the TOC, as the city has mapped areas where adaptive reuse is appropriate. Mr. Roanhorse stated the focus is on working within the existing zoning framework, ensuring consistency with what is already allowed by zoning ordinance. Mr. Roanhorse stated the amendments will streamline adaptive reuse in areas that can accommodate it without increasing zoning entitlements, maintaining balance between development and current zoning laws.

Chair Wagner asked how the City will track commercial properties within the overlay to ensure compliance with the amendments. **Mr. Roanhorse** responded that the City is currently gathering data on the percentage of commercial properties and their square footage and are aware of the need to monitor this information for future development. Mr. Roanhorse stated that in a previous presentation staff explained that exact numbers are still being collected.

Committee Member George asked whether the committee would be notified about specific properties or buildings eligible for development. **Mr. Roanhorse** responded that the committee would be notified of any rezoning cases or changes, and that notices would still be provided for developments that were by-right. Mr. Roanhorse stated that notifications would go to neighborhoods and associations when significant changes or developments were made.

Committee Member Jewett stated there was not clarity regarding height restriction and reiterated that what he understood in the presentation, and it did not align with what he was reading in the legislation. Committee Member Jewett stated concern about buildings being classified as functionally obsolete and noted the potential for manipulation by neglecting repairs or setting rent prices high enough to keep properties vacant. Committee Member Jewett stated that properties may be left to deteriorate intentionally and asked if there were any measures in place to prevent such manipulation and noted the issue of neglected properties in his neighborhood. **Mr. Roanhorse** responded that is a concern and will be a challenging issue and stated the PDD (Planning and Development Department) is focused on fostering development potential rather than driving economic disinvestment. Mr. Roanhorse said that the City can collaborate with departments like Neighborhood Services to address repairs or underused properties and noted that the City's Economic Development Department has measures in place to intervene when necessary and some initiative falls on the private development community. Mr. Roanhorse explained that the text amendment aims to prevent intentional disinvestment and supports development in appropriate areas, particularly near transit corridors.

Chair Wagner expressed frustration that neither the City nor the State have provided clear answers to important questions that were brought up during the review. Chair Wagner said that there is a growing need for accessible workforce housing and noted the limitation of the adaptive reuse program is just 6 percent of the City's land, primarily around 50 TOD areas. Chair Wagner stated that only 18 percent of service workers live in the TOD areas, leaving 88 percent of service workers without affordable housing options near transit locations. Chair Wagner said the City should expand opportunities for adaptive reuse beyond the current limitations, noting that more affordable housing options should be available in other areas like Desert Ridge and Camelback East, rather than restricting it to a small percentage of land near transit areas. Chair Wagner stated disappointment in the current approach and hoped that the City will make adjustments by January to better address the housing needs of Phoenix's workforce.

Mr. Roanhorse responded that the overlay does promote the creation of affordable housing by requiring that 10 percent of units be dedicated to affordable or workforce housing. Mr. Roanhorse stated the importance of defining affordable and workforce housing, which has been clarified in the amendment. Mr. Roanhorse stated that the multifamily overlay and adaptive reuse provisions encourage development in areas near transit, especially around light rail, while allowing flexibility for developers to adapt projects to the unique characteristics of those zones. Mr. Roanhorse stated that historic preservation remains unaffected by these changes.

Vice Chair Rodriguez said there is concern about the complexity of the proposed changes, particularly in relation to HB 2297, noting that these types of amendments can be difficult to understand. Vice Chair Rodriguez stated that there needs for more accessible and visual presentations, as well as clearer communication from the City to help the public understand the details of proposed changes. Vice Chair Rodriguez stated that staff working on proposals should make them more digestible, particularly for community members unfamiliar with zoning language. Vice Chair Rodriguez stated that while developers are not mandated to use the adaptive reuse and multifamily overlay, they must meet the affordability requirements if they choose to participate. **Mr.**

Roanhorse responded that there are challenges in responding to legislative requirements while maintaining practical zoning interaction with the public and despite these challenges public involvement remains crucial, as various committees and organizations are regularly engaged in the planning and review processes.

Vice Chair Rodriguez expressed frustration with the lack of feedback opportunities regarding the TOC presentation. Vice Chair Rodriguez stated she walks, bikes, and uses public transit, and it feel like a dead zone with lack vibrancy around Central Avenue. Vice Chair Rodriguez said there is a need for improvements and the importance of providing workforce housing close to transit corridors. Vice Chair Rodriguez said there are challenges faced by service workers and teachers who deserve to live near where they work but currently do not have sufficient options. **Mr. Roanhorse** responded the challenges in providing affordable housing and workforce opportunities are significant and the City is in the process of expanding opportunities.

Committee Member Doescher stated concern with the current state legislation affecting affordable housing and the pressing need for housing options near

employment centers, particularly for healthcare workers who often face challenges due to irregular hours. Committee Member Doescher stated that while some developments may be located near light rail, this approach does not address the diverse needs of all residents, especially those with limited housing options. Committee Member Doescher said it is frustrating that state laws that do not consider local realities, stating that these mandates could hinder cities' ability to address their unique housing challenges and the concern that developers might prioritize profit over affordable housing.

Committee Member Warnicke expressed concerns about certain properties within the TOD area, stating that some should not be designated for five-story buildings. Committee Member Warnicke said that instead of focusing solely on the light rail corridor for affordable housing, the city should also consider properties along bus routes and mass transit lines and this approach would help protect neighborhoods from changes like large out-of-place buildings and create affordable housing along existing transit routes.

Chair Wagner stated that the state legislation originally intended to apply the TOD statewide, but the City of Phoenix chose to focus on 60 percent of its land area. Chair Wagner said it was disappointing that the City's current approach focuses on expensive properties along the light rail corridor may not become affordable housing. Chair Wagner said there might be an opportunity for small developers to convert underutilized buildings across the entire City, rather than concentrating on a limited area and there is a need for more meaningful progress and that they have until January to reconsider their approach.

Vice Chair Rodriguez stated that when the City initiated the Walkable Urban (WU) Code, it was a citywide proposal. Vice Chair Rodriguez said there were concerns at the time, including the potential for overdevelopment in areas not ready for it, which led to opposition against it. Vice Chair Rodriguez stated there is some confusion about the current situation, where there is now interest in focusing citywide development around transportation, such as the light rail and asked for clarification on the approach now, comparing it to previous concerns about the broader application of the WU Code. **Mr. Klimek** responded that the WU Code was proposed citywide and that it was reviewed by all 15 Village Planning Committees and stated that many projects have successfully utilized the code in various areas of the city. **Mr. Roanhorse** responded that while the WU Code had been applied successfully in some areas, it was not practical everywhere and noted it has been adapted in a few projects, driving innovation in development, particularly in mixed-use areas.

Vice Chair Rodriguez stated there is difficulty in balancing the need for flexibility in development with protecting neighborhoods from rapid development. Vice Chair Rodriguez said there were past concerns about certain developments, such as the Phoenix Country Club, which raised worries about similar projects taking an easier route for approval and there needs to be better understand with the current perspective on expanding development citywide, especially focusing on transit corridors. **Mr. Roanhorse** responded that some areas are better suited for mixed-use or dense

development, while others may need a more specialized approach and there are many challenges for future development.

Committee Member Procaccini asked about the potential for expanding development beyond the current overlay boundaries and whether there are plans or metrics guiding future development areas. **Mr. Roanhorse** responded that the City is planning future text amendments and noted that the City is trying to be more responsive in addressing development needs, particularly around transportation hubs and with a focus on increasing housing options, including single-family and multifamily developments. Mr. Roanhorse referenced the Housing Phoenix Plan as a guide for future residential growth.

PUBLIC COMMENT

None.

STAFF RESPONSE

None.

FLOOR/PUBLIC DISCUSSION CLOSED: MOTION, DISCUSSION, AND VOTE.

MOTION 1 FOR Z-TA-3-24-Y:

Vice Chair Rodriguez motioned to recommend approval of Z-TA-3-24-Y per the staff recommendation.

Committee Member Procaccini seconded the motion.

VOTE 1 FOR Z-TA-3-24-Y:

3-8-2; motion to approve Z-TA-3-24-Y per the staff recommendation fails with Committee Members Procaccini, Tedhams and Rodriguez in favor; and Committee Members Doescher, George, Jewett, Mahrle, Perez, Montañó Searles, Warnicke and Wagner opposed; and Cardenas and Kleinman abstaining.

Chair Wagner stated the motion to recommend approval fails with three votes in favor, eight in opposition and two abstentions.

Chair Wagner asked if there were any further motions.

Committee Member Mahrle stated he would prefer to provide a statement on his vote so the Planning Commission would be aware of the Village Committee's intentions. Mr. Roanhorse responded that Committee Members may comment on their vote if that is their preference, and it will be noted in the meeting minutes.

MOTION 2 FOR Z-TA-3-24-Y:

Committee Member Mahrle motioned to recommend denial of Z-TA-3-24-Y.

Committee Member Kleinman seconded the motion.

Committee Member George stated that Committee has discussed the text amendments for an hour and that their vote should count toward an action on the motion. Chair Wagner responded that the Committee's vote does have meaning and a motion to deny the request is before the Committee for action.

Committee Member Doescher stated that access to TOD areas limits access to workforce residential opportunities.

Committee Member Jewett stated there are inconsistencies in the language and there remains to be questions about the text amendment.

Committee Member Tedhams stated that development should not be limited to the area around the light rail and there should be broader opportunities.

Committee Member Warnicke stated that the map may place five story buildings where they do not belong and limits access for workforce housing.

Chair Wagner stated that the action should apply to the entire City not six percent and there are discrepancies between HB 2297 and the text amendment.

VOTE 2 FOR Z-TA-3-24-Y:

8-4-1; motioned recommend denial of Z-TA-3-24-Y passes the with Committee Members Doescher, George, Kleinman, Mahrle, Perez, Montañó Searles, Warnicke and Wagner in favor; and Jewett, Procaccini, Tedhams and Rodriguez in opposition; and Cardenas abstaining.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

None.



Village Planning Committee Meeting Summary

Z-TA-3-24-Y

INFORMATION ONLY

Date of VPC Meeting

September 17, 2024

Request

Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 663 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.

VPC DISCUSSION:

No members of the public registered to speak on this item.

Staff Presentation:

Nayeli Sanchez Luna, staff, summarized HB2297 which was approved by the Arizona Legislature. Mrs. Sanchez Luna added that that this would require adaptive reuse of existing commercial structures and would be implemented for 10 percent of the City's existing commercial, office, or mixed-use buildings. Mrs. Sanchez Luna emphasized that the text amendment was in response to the Housing Bill 2297. Mrs. Sanchez Luna noted several issues with the bill included having an inventory of all commercial buildings, difficulty imposing caps and added that all commercial sites are not appropriate for this implementation. Mrs. Sanchez Luna stated that the text amendment would apply to Transit Oriented Community (TOC) areas which had numerous stakeholder input for higher density and height and contained 20 percent of all commercial properties. Mrs. Sanchez Luna noted that Downtown, Gateway, and 50th Street Station TOC areas would not be applicable due to the proximity to the commercial airport. Mrs. Sanchez Luna added that the overlay would apply to districts which already permit multifamily. Mrs. Sanchez Luna noted that these developments would be required to provide 10 percent affordable and workforce housing. Mrs. Sanchez Luna stated that this does not supersede other requirements, doesn't change the zoning classification, does not change permitted uses, and does not eliminate historic preservation sites. Mrs. Sanchez Luna concluded the presentation by displaying the timeline for the text amendment and contact information.

Questions from the Committee:

Chair Perez asked if the Laveen Village would be hearing an information only presentation on the text amendment. **Mrs. Sanchez Luna** noted that the text amendment would not be presented in Laveen because there are no TOC areas in the Village. Mrs. Sanchez Luna displayed the TOC map.

Romona Brown asked if the case is expected to go before City Council in November. **Mrs. Sanchez Luna** confirmed. Mrs. Sanchez Luna noted that the TOC area for Estrella was located south of the freeway and north of Van Buren Street. **Mrs. Brown** noted that she lived within the TOC area. **Mrs. Sanchez Luna** added that it would not be applicable to single-family zoned properties. **Mrs. Brown** noted the large property adjacent to Living Spaces along the freeway. **Mrs. Sanchez Luna** stated that that site is zoned PUD and that includes a narrative with separate development standards. Mrs. Sanchez Luna added that this text amendment would not apply to the PUD.

Chair Perez asked for confirmation that Chris DePerro would be giving the next presentation. **Mrs. Sanchez Luna** noted that she will have to verify. **Chair Perez** asked for the timeline. **Mrs. Sanchez Luna** displayed the timeline. **Chair Perez** request that if the committee had any questions before the hearing to reach out to Nayeli Sanchez Luna and Chris DePerro.

Public Comments:

None.

Staff Response:

None.

Committee Discussion:

None.



Village Planning Committee Meeting Summary Z-TA-3-24-Y

Date of VPC Meeting	October 15, 2024
Request:	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.
VPC Recommendation	No quorum
VPC Vote	No quorum

VPC DISCUSSION:

No quorum.

Staff comments regarding VPC Recommendation:

None.



Village Planning Committee Meeting Summary Z-TA-3-24-Y INFORMATION ONLY

Date of VPC Meeting	September 11, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.

VPC DISCUSSION:

No members of the public registered to speak on this request.

Staff Presentation:

Matteo Moric, staff, said the State Law, House Bill 2297, came into place because of the need for more housing due to the housing crisis. Mr. Moric stated the House Bill requires certain actions taken prior to January 1, 2025. These include: administrative permissions for adaptive reuse of existing commercial structures and for conversion of commercial properties to multi-family use, implementation on up to 10% of the City's existing commercial, office, or mixed-use buildings. Mr. Moric explained the concerns of the House Bill and Phoenix's response to mitigate effects of it and try to mesh it with the City's efforts to manage development within City limits. Mr. Moric displayed the City's Transit Oriented Communities map and noted it does not include the Downtown area and two areas adjacent to the commercial airport. Mr. Moric explained the City has an existing Adaptive Reuse program and is mostly compliant with HB 2297. Mr. Moric stated for the multi-family portion of the House Bill must provide a minimum of 10% of the dwelling units as low-income ("Affordable") and/or moderate-income ("Workforce") housing. Mr. Moric indicated we selected WU Code T5:5 development standards, which

has unlimited density (so complies with “highest density within one mile” requirement and 56-foot height provision (so complies with 5-story height provision of the State Law) with the exception not to exceed two stories when within 100 feet of single-family residence district. Mr. Moric added that some properties may not be able to apply some ARM Overlay District provisions if in conflict with HP or other overlay/regulatory plan requirements. Mr. Moric identified the Village Planning Committees for villages included in the ARM Overlay district and noted it would be coming back to the Village in October for a recommendation.

Questions from Committee:

Joe Barba asked if it would apply to all vacant commercial buildings. **Mr. Moric** said the overlay would apply in the Transit Oriented Community (TOC) areas, but not in the airport area or within the Downtown.

Sandra Cole wanted to know the definition of an overlay. Mr. Moric said property would still have its underlying zoning but an overlay in this instance would allow additional height and density by right.

Ms. Cole questioned what is considered affordable. **Mr. Moric** said there are two definitions as part of this overlay text amendment. Mr. Moric stated Affordable housing would include not more than 80% of median income and work force housing would be between 80 to 120% of the median income. **Ms. Cole** wanted to know if it was 80% of the entire State or within Maryvale.

Chris DeMarest said lots of the lower income property include utility fees.

Chair Derie asked if the City would own the land. **Mr. Moric** said this would be mainly for private property.

Ken DuBose had concerns that developers were coming in with the overlay to get more incentives. Mr. DuBose asked about if a 55-year-old community were to come in how the overlay would impact them. **Mr. Moric** responded that zoning does not cover the age groups. **Mr. DeMarest** said probably if have 10% affordable housing you could do it.

Mr. Moric said you can still apply for different standards if the overlay standards would not work for a developer.

Chair Derie asked if a furniture warehouse in a TOD area can turn it into a multifamily project. **Mr. Moric** said you would have to still meet building codes.

Mr. DePascal said south of the river wants to develop multi-level apartment complexes. **Jennifer Fostino** asked if the House Bill allows industrial uses.

Mr. Moric clarified that they wanted to tailor the ARM Overlay towards the light rail areas. **Mr. Barba** said if someone wanted to convert commercial into residential they

would need to meet all the codes and they don't have to, it just gives them the option to do so.

Warren Norgaard said rather than the law apply to the whole city it would only apply to the TOC areas.

Mr. Moric said if they had more questions to forward them to him prior to the next meeting and he provided Chris DePerro's contact information who he said is the staff member who is most familiar with this text amendment.

Mr. Barba asked who the main House Bill writers were as he believed they were Maryvale State Legislators.

Mr. Norgaard asked what the difference is adding the overlay than leaving the law as existing. **Mr. Moric** stated State Law was not so straight forward and there potentially could be 5-story buildings with higher density scattered throughout the city even in areas which they may not be suited. Mr. Moric noted this overlay would direct this type of development in an area which may be more suitable for it.

Public Comments:

None.

Staff Response

None.

Floor/Public Discussion Closed: Committee Discussion

None.



Village Planning Committee Meeting Summary
Z-TA-3-24-Y

Date of VPC Meeting	October 9, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.
VPC Recommendation	No quorum
VPC Vote	No quorum

VPC DISCUSSION:

No quorum

Staff comments regarding VPC Recommendation:

None

Village Planning Committee Meeting Summary
Z-TA-3-24-Y
INFORMATION ONLY

Date of VPC Meeting	September 18, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.

VPC DISCUSSION:

No members of the public registered to speak on this item.

Staff Presentation:

Chase Hales, staff, presented an overview of the proposed text amendment. Mr. Hales explained that the main proposal was to create an overlay that would satisfy the requirements of the recent legislation from the state requiring cities to allow for adaptive reuse of commercial structures. Mr. Hales stated that the text amendment would create the Adaptive Reuse Multifamily (ARM) Overlay District, that would apply to the majority of the pre-existing transit-oriented community districts. Mr. Hales presented a map that showed all the applicable areas and stated that the reasoning behind this choice was to concentrate the majority of adaptive reuse projects in not only places that the City was actively working to increase density, but also because the existing built infrastructure would support the increase in density. Mr. Hales finished by sharing the details of the criteria that projects would need to meet in order to take advantage of the adaptive reuse provisions.

Questions from the Committee:

Committee Member Jaramillo asked that given that the legislation’s intent was to create opportunities for more affordable housing, why the City was only applying the overlay to the TOC districts. Committee Member Jaramillo continued stating that he was afraid that if the City did not effectively implement the requested provisions, the State would make even stronger pre-emptive laws. **Chase Hales**, staff, shared that the timeline for implementation was short, so there was limited time to fully research and craft a brand new strategy for implementation. Mr. Hales continued stating that the proposed provisions were also in line with the plans and policies guiding density and intensity to the light rail corridors.

Committee Member Jaramillo stated that there were already incentives such as opportunity zones and low-income tax credits in the TOC districts and felt that the proposal would just put more low-income housing in the same areas that were already building low-income housing. Committee Member Jaramillo stated that the proposal would miss the opportunity to allow other parts of the city to have the transformational change that could bring density to where it is also needed.

Public Comments:

None.

Committee Discussion:

Committee Member Krentz stated that the state of Arizona was behind many other states that required affordable housing to be created with new development. Committee Member Krentz shared frustration that the overlay would only apply in the TOC areas, as he felt that the TOC areas were becoming a catch-all for any new concepts. Committee Member Krentz stated that he still supported the effort and said it was a “good first step.” Committee Member Krentz shared that he understood that wide-spread implementation might not be currently palatable but said that in the future he hoped the overlay would be applied in other areas of the city.

Committee Member Jaramillo stated that he agreed with Mike Krentz and shared that the State’s legislation was an opportunity for the City to incentivize affordable housing throughout the city, not just in the TOC districts. Committee Member Jaramillo referenced the General Plan, which includes cores throughout the city, and stated that a direction should be made to have staff look into implementing the ARM overlay in areas such as the cores when the Committee made its recommendation. **Chase Hales** stated that there was already work being done by staff to research new potential cores and that it would certainly be feasible to have such a work program implemented.

Committee Member O’Hara stated that there were certainly folks who would fight against the implementation in other parts of the city as a way to fight against diversity in their area, which he disagreed with entirely, but that there were other perspectives to look at housing from, one of them being services. Committee Member O’Hara referred to the State’s action to remove rental tax, which effectively reduced budget

funds for services. Committee Member O'Hara added that working as a fire fighter, he was familiar with the strain already placed on Phoenix's fire protection system. Committee Member O'Hara shared that he appreciated the slow conservative implementation of the overlay and stated that the broad implementation of the overlay would permit the potential to have concentrations of demand for services pop up, straining the City further.

Committee Member Jaramillo stated that he saw the State legislation as a way for the City to argue against the potential NIMBY (not in my backyard) criticisms, as it will be required of the City to implement the requirements somewhere.

Committee Member Matthews asked if the City Council could publicly identify next steps when they make their action at their Formal Meeting. Mr. Hales stated he was not sure what that would look like but said that the Committee could certainly give direction in their recommendation.

Committee Member Barraza asked how the proposal compared to the actions other cities were taking. Mr. Hales stated that he was not aware of actions being taken by neighboring cities, but that Chris DePerro, the staff member who wrote the staff report, would likely know more.

Committee Member Adams asked if there were any repercussions if the City did not comply with the State's mandate. Vice Chair Matthews stated that the City would likely be open to civil lawsuits for negligence from property owners wanting to take advantage of the State's mandated provisions.

Village Planning Committee Meeting Summary
Z-TA-3-24-Y

Date of VPC Meeting	October 16, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.
VPC Recommendation	Approval, per the staff recommendation
VPC Vote	13-0

VPC DISCUSSION:

No members of the public registered to speak on this item.

STAFF PRESENTATION

Ms. Stockham, staff, provided a brief presentation regarding the proposed text amendment Z-TA-3-24 and companion case Z-136-24-Y, sharing elements of the legislation (HB 2297) and the proposed Adaptive Reuse and Multi-Family (ARM) Overlay District, the areas of applicability, the proposed Zoning Ordinance revisions, and the hearing schedule for the cases.

QUESTIONS FROM COMMITTEE

None.

PUBLIC COMMENTS

None.

COMMITTEE DISCUSSION

Vice Chair Joshua Matthews shared his understanding of the proposal and the timeline for compliance with state law and shared a desire to recommend approval of the proposal and to expand the applicability to other areas, such as Village Cores, in the future.

Committee Member Gabriel Jaramillo added that this is an opportunity to expand it to other areas now.

Committee Member Arick O'Hara stated that he agreed with Committee Member Jaramillo but not on the deadline to push this through by January. Committee Member O'Hara stated that with a deadline to comply by January, the committee could vote no without direction, and shared that when the committee makes a recommendation with direction, there is a concern that the committee's direction could not be listened to by other hearing bodies. Committee Member O'Hara shared that he does not disagree with the proposal but disagrees with the way it is being done and that he did not want to limit it to an area now and expand it later.

Committee Member Mike Krentz shared that state law will be effective in January, this proposal will serve as a template to expand it to other areas, and reminded the committee of a previous proposal to expand the Walkable Urban Code applicability area citywide which was met with opposition.

Vice Chair Joshua Matthews stated that City Council will take action before January, and that he would also like to add direction regarding tracking and reporting the use of the overlay provisions back to the Village Planning Committees.

Committee Member Joshua Carmona asked if other hearing bodies take into consideration the direction provided by Village Planning Committees.

Vice Chair Joshua Matthews replied that from a Planning Commissioner perspective, he reads the Village Planning Committee recommendations and if, for example, a Village Planning Committee recommended denial of a case unanimously, he will take a close look at the discussion, and that Village Planning Committee recommendations could impact the Planning Commission recommendation.

Committee Member Gabriel Jaramillo stated he would also like to add direction to include Village Cores, along the Bus Rapid Transit (BRT) line, and other major transportation corridors.

MOTION – Z-TA-3-24-Y

Committee Member Mike Krentz motioned to recommend approval of Z-TA-3-24-7 with direction that the applicability area be expanded in the future to include the Bus Rapid Transit line, Village Cores, and other transportation corridors.

Vice Chair Joshua Matthews requested a friendly amendment to include direction that

the Planning and Development Department track how often the overlay provisions are being used and report back to the Village Planning Committees. Vice Chair Matthews also suggested that the direction go on the companion case, Z-136-24-Y, which maps the boundaries of the overlay. Committee Member Krentz accepted the friendly amendment and the suggestion that direction be provided on Z-136-24-Y and restated the motion.

MOTION – Z-TA-3-24-Y

Committee Member Mike Krentz motioned to recommend approval of Z-TA-3-24-Y per the staff recommendation. **Vice Chair Joshua Matthews** seconded the motion.

VOTE – Z-TA-3-24-Y

13-0; Motion to recommend approval of Z-TA-3-24-Y per the staff recommendation passed; with Committee Members Alauria, Carmona, Garbarino, Jaramillo, Krentz, Larson, McBride, Molfetta, O'Hara, Pamperin, Sommacampagna, Matthews and Fogelson in favor.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

None.

Village Planning Committee Meeting Summary
Z-TA-3-24-Y
INFORMATION ONLY

Date of VPC Meeting September 10, 2024

Request Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.

VPC DISCUSSION:

No members of the public registered to speak on this item.

STAFF PRESENTATION

Samuel Rogers, staff, provided a presentation regarding the proposed text amendment Z-TA-3-24, highlighting the background of the legislation approved by the Arizona Legislature, the areas of applicability, the proposed allowances for multifamily development and adaptive reuse, and the timeline for the proposal.

QUESTIONS FROM THE COMMITTEE

Committee Member Greg Brownell asked about where the provisions of the bill would apply. **Mr. Rogers** stated that the bill is creating an overlay zone over the existing Transit Oriented Communities (TOC) areas and explained how the overlay makes site review more feasible.

Chair Trent Marchuk asked for clarification on whether the text amendment would permit T5:5 transect development standards only within the Affordable Residential Overlay (ARM). **Mr. Rogers** confirmed Chair Marchuk's question.

Vice Chair Arthur Greathouse III inquired about what percentage of the Area Median Income (AMI) qualifies as affordable and workforce housing. **Committee Member**

Marcia Busching stated that affordable housing is considered to be 80% of AMI, while workforce housing is at 120% of AMI.

Chair Marchuk asked whether the text amendment would apply to new builds or only to adaptive reuse. **Mr. Rogers** explained that the bill has two parts regarding adaptive reuse and multifamily developments, stated adaptive reuse must occur within an existing building, and explained multifamily developments can be new builds.

Committee Member Greg Brownell raised concerns about practical applications and asked if adding a second story to R1-6 property or adding an Accessory Dwelling Unit (ADU) would change the process under the new provisions. **Mr. Rogers** stated that if the property is not in the overlay, the provisions do not apply and explained that ADUs are legal throughout the City of Phoenix.

Committee Member Gene Holmerud asked if the utilities in these areas could support the additional development. **Mr. Rogers** explained that TOC areas are designed to support more intense development.

Chair Marchuk asked about the differences between the ARM overlay and the TOC map. **Mr. Rogers** explained that the ARM overlay excludes downtown and the areas near the airport.

Chair Marchuk inquired if all of this would be handled administratively, and whether there would be a reduction in rezoning cases in these areas. **Mr. Rogers** stated that it is a possibility, but some developers may opt not to provide affordable housing. **Committee Member Busching** added that the overlay only allows multifamily development under the T5:5 standards, while other uses would still require going through the rezoning process.

Committee Member Brownell asked if there is a way to track how many multifamily permits are being pulled. **Mr. Rogers** stated that he does not have metrics but explained that the "My Community Map" is available online and displays where permits are being pulled.

Village Planning Committee Meeting Summary
Z-TA-3-24-Y

Date of VPC Meeting	October 8, 2024
Request	Amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to revise and clarify definitions regarding affordable housing and related items; replace Chapter 6, Section 632 (High-Rise H-R1 District – High-Rise and High Density District) and establish a new Adaptive Reuse and Multifamily (ARM) Overlay District; and amend Section 662 (Interim Transit-Oriented Zoning Overlay District One (TOD-1)) and Section 663 (Transit-Oriented Zoning Overlay District Two (TOD-2)) and to clarify how the new Section 632 interacts with the provision of the TOD-1 and TOD-2 overlay districts.
VPC Recommendation	Approval, per the staff recommendation, with direction
VPC Vote	12-0

STAFF PRESENTATION

No members of the public registered to speak on this item.

Samuel Rogers, staff, provided a presentation regarding the proposed text amendment Z-TA-3-24 and Z-136-24-Y, highlighting the background of the legislation approved by the Arizona Legislature, the proposed Adaptive Reuse and Multi-Family (ARM) Overlay District, the areas of applicability, the overlay’s interaction with other policy plans, the proposed allowances for multifamily development and adaptive reuse, and the timeline for the proposal.

QUESTIONS FROM THE COMMITTEE

Committee Member Tamala Daniels inquired about the locations of the properties presented as examples of sites that could be developed under the ARM Overlay. **Mr. Rogers** stated that the presented example properties are not in South Mountain and explained he does not know the exact locations.

Chair Trent Marchuk asked for clarification on conflicts with the ARM Overlay and the Baseline Area Overlay District (BAOD). **Mr. Rogers** explained that the ARM Overlay allows commercial properties to develop under the Walkable Urban (WU) Code Transect T5:5 standards and explained the T5:5 maximum setback is less than the BAOD minimum setback. Mr. Rogers explained that work had been done on an amendment to the BAOD in the past but had never gone to City Council for approval. **Committee**

Member T. Daniels asked for clarification on why the amendment to the BAOD was not completed in the past and stated that there had been a Text Amendment (TA) to expand the WU Code's applicability area. Mr. Rogers explained that he was not aware of the specific reasons why the BAOD amendment was not completed and explained that the TA to expand the WU Code's applicability area ended up failing.

Committee Member Marcia Busching clarified the boundaries of the BAOD, stated that she initiated the original effort to amend the BAOD, and explained that staff had informed her that other TAs would need to occur before the BAOD text amendment, resulting in the effort being paused. Committee Member Busching stated it is a good idea to include initialization of the BAOD amendment in the motion.

Committee Member T. Daniels expressed confusion and frustration that the Transit-Oriented Development (TOD) plan had been worked on for two years, but the BAOD conflicts had not been addressed, and explained that the City had tried to put forth a separate TA to reduce parking requirements for multifamily developments, but WU Code already addresses reduced parking requirements. **Mr. Rogers** explained that for staff to continue working on the BAOD amendment, the committee would need to include a recommendation to amend the BAOD. Mr. Rogers stated that he does not have information regarding the order in which TAs are brought to the VPC, explained that House Bill 2297 requires municipalities to implement new rules by the beginning of next year, and stated the ARM Overlay brought renewed attention to the conflicts with the BAOD.

Committee Member Greg Brownell asked for clarification on whether resolving the conflicts between the BAOD and the WU Code would require the WU Code to supersede the BAOD. **Committee Member Busching** stated that the BAOD boundaries could be amended to end at 7th Street.

Chair Marchuk asked for clarification on what process would be triggered if the committee recommended amending the BAOD. **Mr. Rogers** explained that such a recommendation would trigger an additional Text Amendment.

Committee Member T. Daniels discussed the area within the South Central TOD Community Plan and the BAOD and asked about the boundaries of the BAOD.

Committee Member Busching clarified the boundaries of the BAOD. **Mr. Rogers** explained that the City generally supports rezonings to the WU Code only if the site is within a TOD plan area, and clarified that sites governed by the WU Code within the BAOD cannot functionally develop due to conflicting regulations.

Chair Marchuk inquired whether the committee would discuss the matter next month. **Mr. Rogers** stated that he would need to consult with his team to determine a timeline moving forward.

Committee Member Brownell suggested that the committee could also make a motion to modify the ARM Overlay to address the conflicts. **Mr. Rogers** explained that the ARM Overlay is not likely to change much and a modification of the BAOD would likely need to be an amendment to the BAOD. Committee Member Brownell asked for confirmation that, if there was an R1-6 property where a second story was being added, this process would not be impacted. Mr. Rogers confirmed that the ARM Overlay will not change the process of permitting on an R1-6 property.

FLOOR/PUBLIC DISCUSSION CLOSED: MOTION, DISCUSSION, AND VOTE

MOTION

Committee Member Marcia Busching made a motion to recommend approval of Z-TA-3-24-Y per the staff recommendation with direction for staff to review the conflicts between the Baseline Area Overlay District, the WU Code, and the ARM Overlay district and that the Baseline Overlay District be modified to eliminate any conflicts. **Committee Member Emma Viera** seconded the motion.

VOTE

12-0, motion to recommend approval of motion to approve Z-TA-3-24-Y per the staff recommendation with direction for staff to review the conflicts between the Baseline Area Overlay District, the WU Code, and the ARM Overlay district and that the Baseline Overlay District be modified to eliminate any conflicts passed with Committee Members Alvarez, Beehler, Brooks, Brownell, Busching, Coleman, F. Daniels, T. Daniels, Shepard, Viera, Greathouse, and Marchuk in favor.