

ATTACHMENT B



City of Phoenix

PLANNING AND DEVELOPMENT DEPARTMENT

Staff Report Zoning Ordinance Text Amendment Z-TA-3-25-Y May 28, 2025

Application No. Z-TA-3-25-Y: Amend the Phoenix Zoning Ordinance Chapter 7, Section 711 (Multi-Family Conversion) to update regulations for multi-family conversion.

Staff recommendation: Staff recommends approval of Z-TA-3-25-Y per the language proposed in Exhibit A.

BACKGROUND

This text amendment is a response to House Bill 2110 (2025), signed by the Governor on April 7, 2025 which modified certain provisions of Section 9-462.10, Arizona Revised Statutes regarding the conversion and/or adaptive reuse of economically or functionally obsolete commercial, office, or mixed use buildings to multi-family developments. The bill was approved with an emergency clause and a 90-day implementation time frame.

REQUIRED REVISIONS

HB 2110 changed the requirements of Section 9-462.10 to require evaluation of commercial, office, and mixed-use **parcels**, rather than **buildings**. This was a change supported by most municipalities, since it is easier to count and enforce. HB 2110 also changed the requirements of Section 9-462.10 to allow **any** site with one mile and zoned with multi-family development entitlements to be used for evaluation of the comparable density and height, rather than any site within one mile and having multi-family **zoning**. This means sites zoned commercial (C-1, C-2, C-3) and zoned for mixed uses (WU Code, DTC) may qualify.

DESCRIPTION OF THE PROPOSED TEXT AMENDMENT

This text amendment changes references from “building” to “parcel” when appropriate for compliance with the revised legislation; changes “multi-family zoning” to “properties with multi-family zoning entitlements”; and also clarifies the relationship to adaptive reuse of existing commercial buildings to multi-family use due to a minor definition

change in HB 2110.

CONCLUSION

HB 2110 requires only minor changes to the existing Section 711, Multi-Family Conversion, and does not significantly change how the City must implement the provisions. Staff recommends approval of Z-TA-3-25-Y per the language proposed in Exhibit A.

Writer

C. DePerro

May 28, 2025

Exhibits

A. Proposed Language

Exhibit A

Staff proposed language that may be modified during the public hearing process is as follows:

Amend Chapter 7, Section 711 (Multi-Family Conversion) to read as follows:

Section 711. Multi-Family Conversion

- E. **Development Review for Multi-Family Conversion.** A property that has been verified as eligible for multi-family conversion per the provisions of this section may proceed with development review as set forth in Section 507, with the following additional requirements:

5. Limits and Occupancy Requirements.

- a. **Limit on Number of Eligible ~~Buildings~~ PARCELS.** No more than ten percent of the PARCELS HAVING A commercial, office, or mixed-use buildings within the City of Phoenix as of March 21, 2025, may be redeveloped under the provisions of Section 711.

- F. **Development Standards and Requirements.** Multi-family conversion developments shall comply with the following standards and requirements:

4. Density. The maximum density permitted shall be as follows:

- a. For sites zoned Downtown Code (DTC), unlimited density is permitted.
- b. For sites located within a designated Transit-Oriented Community (TOC) but not zoned DTC, unlimited density is permitted.

- c. For sites not located within a designated TOC, the same as required for multi-family development zoned R-3 (Section 615), as may be modified by any existing special planning district, specific plan, neighborhood plan, or similar regulatory plan applicable to the site.
- d. ~~**Additional Density Provision.** Upon request by the applicant, a site shall be permitted a maximum density equivalent to an existing site having multi-family zoning located within the City of Phoenix and within one mile of the proposed multi-family conversion site. If there is no site having multi-family zoning in the City of Phoenix within one mile of the site to be redeveloped, the maximum density permitted shall be equivalent to what is allowed for the next closest site having multi-family zoning located in the City of Phoenix. The applicant shall identify the site to be used by staff for evaluation of this provision.~~
- d. **ADDITIONAL DENSITY PROVISION.** UPON REQUEST BY THE APPLICANT, A MULTI-FAMILY CONVERSION DEVELOPMENT SHALL BE PERMITTED A MAXIMUM DENSITY EQUIVALENT TO ANOTHER EXISTING SITE LOCATED WITHIN THE CITY OF PHOENIX WHEN IN COMPLIANCE WITH ALL OF THE FOLLOWING:
 - (1) THE OTHER SITE MUST HAVE EXISTING ENTITLEMENTS FOR MULTI-FAMILY DEVELOPMENT;
 - (2) THE OTHER SITE MUST NOT HAVE BEEN REDEVELOPED AS A MULTI-FAMILY CONVERSION UNDER THE PROVISIONS OF THIS SECTION;
 - (3) THE OTHER SITE MUST BE LOCATED WITHIN THE CITY OF PHOENIX; AND
 - (4) THE OTHER SITE MUST BE LOCATED WITHIN ONE MILE OF THE MULTI-FAMILY CONVERSION DEVELOPMENT, OR IF NO SUCH SITE EXISTS WITHIN ONE MILE, IS THE NEXT CLOSEST SITE HAVING MULTI-FAMILY ENTITLEMENTS.

THE APPLICANT SHALL IDENTIFY THE SITE TO BE USED BY
STAFF FOR EVALUATION OF THE ADDITIONAL DENSITY
PROVISION.

6. **RELATION TO ADAPTIVE REUSE.** THE PROVISIONS OF SECTION 712, ADAPTIVE REUSE, ALSO APPLY TO MULTI-FAMILY CONVERSIONS OF EXISTING ECONOMICALLY AND FUNCTIONALLY OBSOLETE BUILDINGS THAT ARE NOT DEMOLISHED. IF A CONFLICT OCCURS, THE PROVISIONS OF SECTION 712 SHALL APPLY TO THE EXISTING BUILDING(S).
