



## **CITY COUNCIL NEIGHBORHOODS SUBCOMMITTEE MEETING**

Tuesday, May 7, 2024  
3:00 p.m.

Chandler City Hall  
175 S. Arizona Ave., Chandler, AZ

Pursuant to Resolution No. 4464 of the City of Chandler and to A.R.S. 38-431.02, notice is hereby given to the members of the Chandler City Council Neighborhoods Subcommittee and to the general public that the Chandler City Council Neighborhoods Subcommittee will hold a meeting open to the public on Monday, May 7, 2024, at 3:00 p.m. at Chandler City Hall, Fifth Floor Large Conference Room, 175 S. Arizona Avenue, Chandler, Arizona.

Persons with disabilities may request a reasonable modification or communication aids and services by contacting the City Clerk's office at 480-782-2181. Please make requests in advance as it affords the City time to accommodate the request.

Agendas are available in the Office of the City Clerk, 175 S. Arizona Avenue.

### **Agenda**

1. Code Amendments Relating to Signs, Parking, and Property Maintenance
2. Comprehensive Housing Plan



## City Council Subcommittee Memorandum

**Date:** 05/07/2024  
**To:** Council Subcommittee  
**From:** Tera Scherer, Executive Management Assistant  
**Subject:** Code Amendments Relating to Signs, Parking, and Property Maintenance

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### Attachments

Code Amendments Presentation



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## Background

<b>January 2024</b>	<b>City Council Work Session; items removed for additional research</b>
<b>February 2024</b>	<b>City Council approves City Code Amendments related to Zoning, Property Maintenance, &amp; Refuse</b>
<b>March 23 2024</b>	<b>Amended codes effective</b>
<b>May 2024</b>	<b>City Council Neighborhoods Subcommittee meeting to discuss items removed for further research</b>

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## Potential Code Amendments

### Neighborhoods



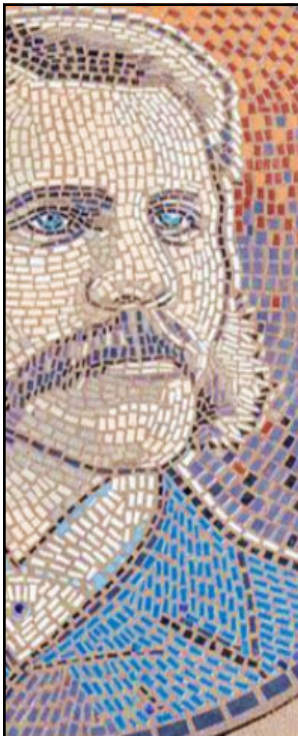
## Meeting Intent

- Identify Code/Policy Issue
- Introduce Amendment
- Seek Subcommittee Input






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## Strategic Policy & Focus Area



### Neighborhoods

-  Amenities, infrastructure and services that support community safety and align with the needs of people in the surrounding neighborhood.
-  Innovative programs that preserve neighborhood quality and streamline processes to approve housing options that meet residents' diverse needs.
-  Preservation and recognition of our historic cultural assets, buildings, and neighborhoods.

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## Affordable Housing Parking Requirements



VALLEY

### Chandler plans to develop 157-unit affordable housing project

Affordable housing has been a pressing issue in the East Valley for years as rents and housing costs continue to rise.

#### \*Feedback from Arizona Multi-housing Association (AMA)

#### Research Sources:

- US Department of Transportation; Bureau of Transportation Statistics, Transportation Cost Burden
- Gorman & Company, Dominion
- City of Phoenix

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## Affordable Housing Parking Requirements



VALLEY

### Chandler plans to develop 157-unit affordable housing project

Affordable housing has been a pressing issue in the East Valley for years as rents and housing costs continue to rise.

#### What did we find?


#### USDOT:

- Number of vehicles per household is directly related to household income

#### Gorman & Company, Dominion:

- East Valley affordable housing tenants have different vehicular characteristics than Urban Core tenants (no access to light rail)
- Chandler Seniors maintain vehicle ownership longer
- Advised 'Don't use Phoenix as a comparable'

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VALLEY

### Chandler plans to develop 157-unit affordable housing project

Affordable housing has been a pressing issue in the East Valley for years as rents and housing costs continue to rise.

## Affordable Housing Parking Requirements

**What did we find?**

**June 2023- City of Phoenix approved:**

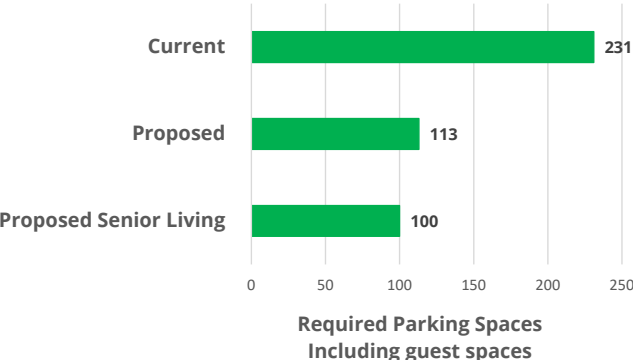
- Reduced parking requirements to 1.25 spaces per unit with 30% spaces unreserved
- Reduced parking for affordable housing to 50% or .625 spaces per unit
- Reduced to 0.5 spaces per unit located within half mile of rail transit

**No other valley cities have approved parking reductions for affordable housing**

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## Affordable Housing Parking Requirements

**Total Parking Required for 100 Units**



Category	Required Parking Spaces (Including guest spaces)
Current	231
Proposed	113
Proposed Senior Living	100

**Proposed:** Reduce required parking for units reserved for residents with household income of 31%-80% Area Median Income (AMI);

Studio- Two-bedroom: 1 space/unit



Three-bedroom or more: 1.5 spaces/unit

Senior Housing (55+): 0.75 spaces/unit

\*\*Required covered & guest spaces

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## Affordable Housing Parking Requirements

**Potential Benefits**

- Encourages developers to provide more affordable housing by;
  - reducing cost to develop
  - replaces required parking with more units, open space, and amenities


**Potential Drawbacks**

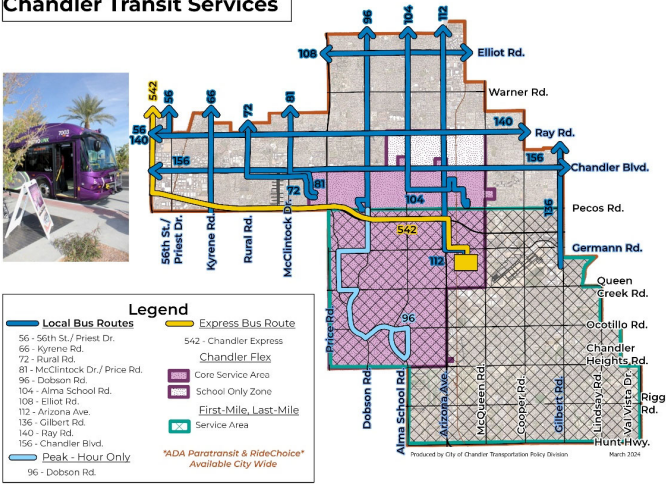
- Under parked developments
  - impact adjacent neighborhoods

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## Affordable Housing Parking Requirements

**Chandler Transit Services**





**Options:**

- City wide
- Consideration for projects located near public transit
- Developer option to request if parking study provided; case-by-case basis

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## Property Maintenance - Vehicles



**Proposed Amendments:**

Vehicles: Limit number of inoperable or project vehicles permitted to be stored in the rear yard; two (2) permitted.

Amend previously proposed language to:

Not more than two (2) ongoing restoration projects or inoperable or unregistered vehicles in backyard area, screened by a substantially opaque fence at a minimum of five (5) feet or the height of the vehicles, whichever is more, provided that any fence constructed or modified pursuant to this subsection must meet any requirements of the City Code.

Cities with similar code language:  
Tempe, Mesa, Scottsdale, Phoenix & Glendale

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## Extended Use of Temporary Signage

**March 26, 2020 - Resolution No. 5361**

- Envisioned as immediate response to COVID-induced business challenges
- Suspends all time limits on the use of temporary signs
- Waives the requirement to obtain a permit before displaying a temporary sign
- Authorizes the Zoning Administrator to temporarily waive further provisions of this section as reasonably necessary to promote increased economic activity
- Thirty days after the Chandler City Council terminates the authority of this resolution, businesses will need to apply for the use of temporary signs pursuant to the normal City process

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## Temporary Sign Code Violations



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## Bandit Signs



The moratorium does not include bandit signs. Bandit Sign removals are proactively initiated by Code Enforcement Inspectors or in response to complaints from residents or staff.

### Statistics:

- FY 2021-2022: 3,467
- FY 2022-2023: 1,339
- July 1, 2023 - April 4, 2024: 2,632

**July 1, 2019 - March 31, 2024  
11 Sign Complaints Received**

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## Sign Enforcement Process

1. Educational correspondence sent to businesses and other stakeholders within 30 days of Council action.
2. Planning and Code staff conduct informational briefings to educate the public on Sign Code (Ch 39) requirements and procedures.
3. Commercial Code Enforcement team begins to proactively identify sign code violations and respond to complaints by taking the following actions:
  - Contact businesses to educate and ensure existing temporary signage is in compliance with city code.
  - Issue Courtesy Notice focused on Education for code violations and provide 30 days to contact inspector and/or correct violation.
  - Reinspection conducted after 30 days to ensure that the property is in compliance with city code.
4. Notice of Violation and/or additional enforcement actions may be taken for properties that continue to remain in violation of city code.

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## Campaign Signs

**Without a moratorium, prior to and after campaign season**

**Chandler City Code Chapter 39**

regulations will be enforced for all types of temporary signs posted on any dates that fall outside of May through November which is the enforcement exempt election season.

Code Enforcement will contact candidates with signs that are in violation of the Chandler City Sign Code and provide the candidate 24 hours to remove the sign. Subsequent violations will result in the removal of signs by Code Enforcement.

**May 27, 2024 through November 20, 2024**

Beginning 71 days prior to the Primary Election date and until 15 days following the General Election date, as long as state law requirements are met (ARS §16-1019):

- no enforcement action will be taken on signs in the rights-of-way, or
- signs on commercial properties placed with the permission of the property owner.

**May 27, 2024** - 71 days before the 2024 Primary Election  
**November 20, 2024** - 15 days after the 2024 General Election

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## City Council Subcommittee Memorandum

**Date:** 05/07/2024  
**To:** Council Subcommittee  
**From:** Tera Scherer, Executive Management Assistant  
**Subject:** Comprehensive Housing Plan

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### Attachments

Housing Presentation



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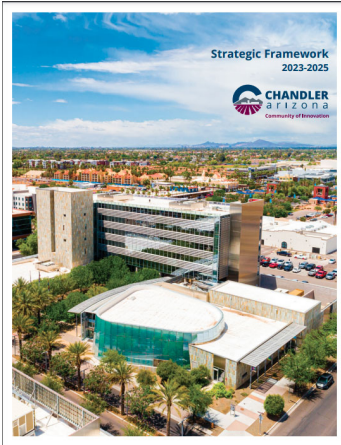


# Meeting Intent

- Strategic Framework Direction
- How is Housing Defined?
- Why is Housing Affordability a Growing Issue?
  - Data / Market Conditions
- What is the City Already Doing?
- Comprehensive Housing Plan

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## Council Direction



### Strategic Framework

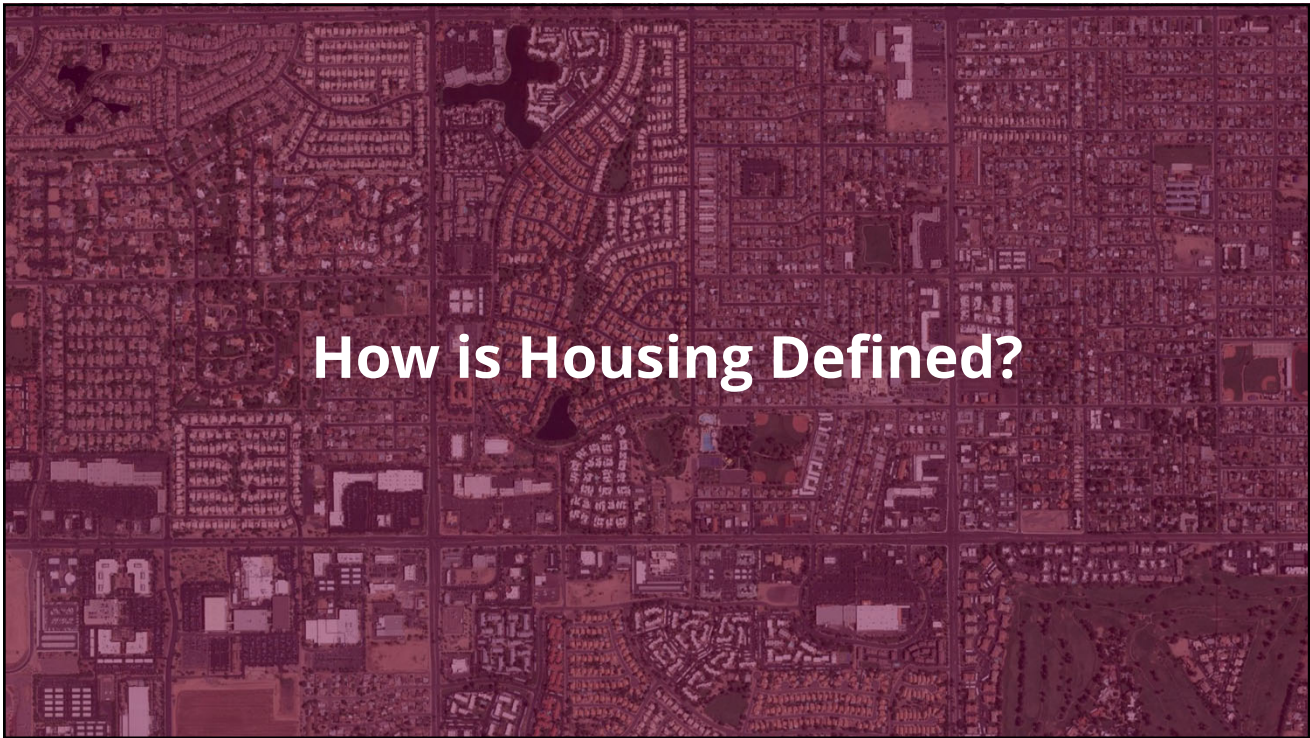
- Continue executing the City’s affordable housing strategy, including commencing construction of Chandler’s first Rental Assistance Demonstration (RAD) project and planning for subsequent repositioning of public housing assets.
- Identify innovative programs that preserve neighborhood quality and streamline processes to approve housing options that meet residents’ diverse needs.

## What Do The Guiding Documents Say?









### General Plan and Other Guiding Documents

- Provide for a variety of housing choices for all income levels
- Continue to encourage private investment in affordable housing
- Increase capacity for and coordination of affordable housing programs and projects
- Concentrate of improving housing affordability citywide
- Encourage compatible infill projects
- Housing Element included the General Plan
- Downtown Area update

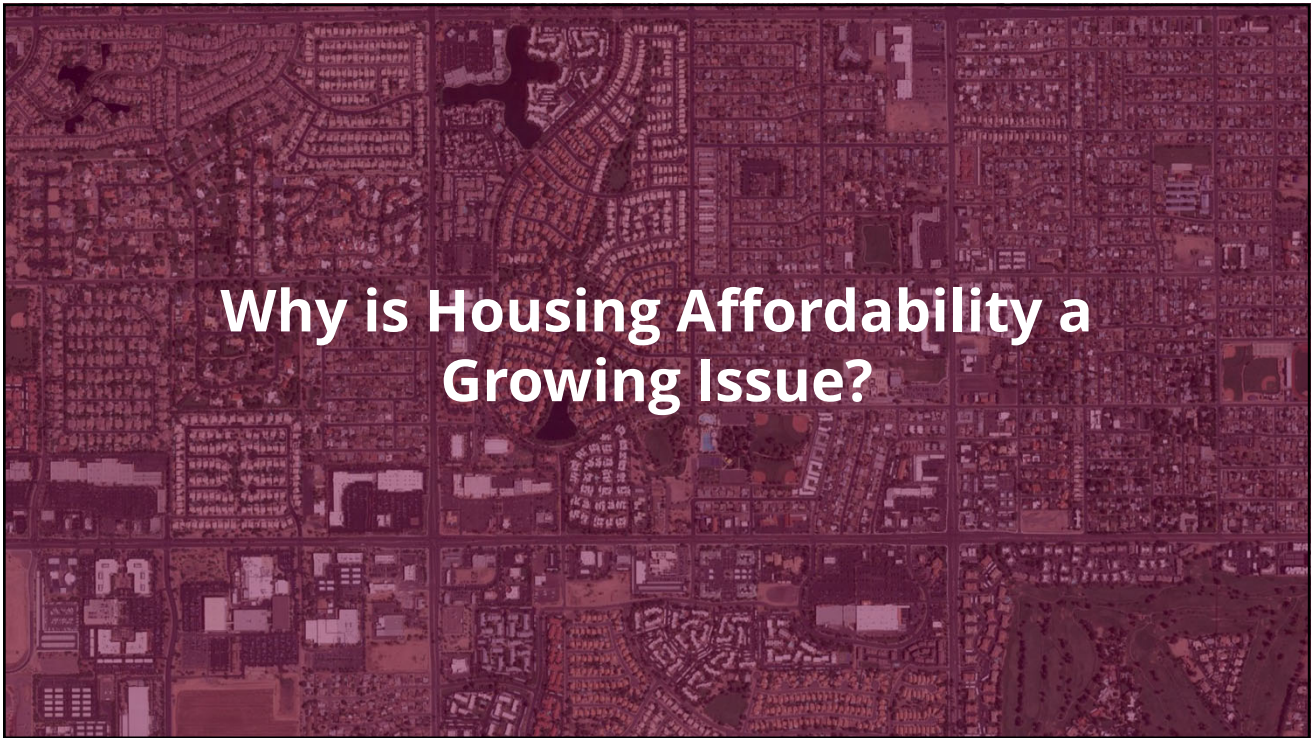


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<h2>Housing Continuum</h2> <p>Housing affordability is generally defined as occupants paying no more than 30% of gross income for housing costs, including utilities.</p>					
					
	<30% AMI \$31,200 – Below	31% - 50% AMI \$31,201 - \$51,400	51% - 80% AMI \$51,401 - \$82,250	81% - 120% AMI \$82,251 - \$123,350	Over 120% AMI \$123,351 - Higher
Percent HH by Income	7.1%	6.6%	13.7%	9.9%	62.5%
HH Paying No More Than 30% of Gross Income	\$780 Max Monthly Payment	\$780 – \$1,285 Max Monthly Payment	\$1,286 – \$2,056 Max Monthly Payment	\$2,056 - \$3,083 Max Monthly Payment	\$3,083 + Monthly Payment
General Description	Extremely Low Income   Homeless   People with Service Needs   People Exiting Out of Incarceration	Very Low Income   People with Episodic Housing Crisis and Service Needs	Low Income   Working Poor   Fixed Income	Moderate Income   Workforce Housing	Average Median Income   Market Rate Housing
Housing Type	 Emergency Shelter   Transitional   SROs   Supportive Housing	 Subsidized   Affordable   Public Housing   Project Based   LIHTC   Housing Choice Voucher	 Subsidized   Affordable   Public Housing   Project Based, Housing Choice Voucher   LIHTC	 First Time Home Buyer   Rent/Income Restricted   Partnership Initiatives	 Non-Subsidized Housing   Private Market   High Market Rental   Homeownership
*2022 AMI was \$79,000 (4 ppl HH)					

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**Factors and Impacts**

**Factors**

- High employment and population growth
- Low housing inventory for some income households
- Unstable supply chains, labor/material costs
- Interest rates – lending challenges
- High inflation

**Impact**

- Increased housing costs and incomes not keeping pace
- Diminishing housing affordability
- Increased housing cost burden
- Inventory is low due to interest rate increase –lower buyer pool

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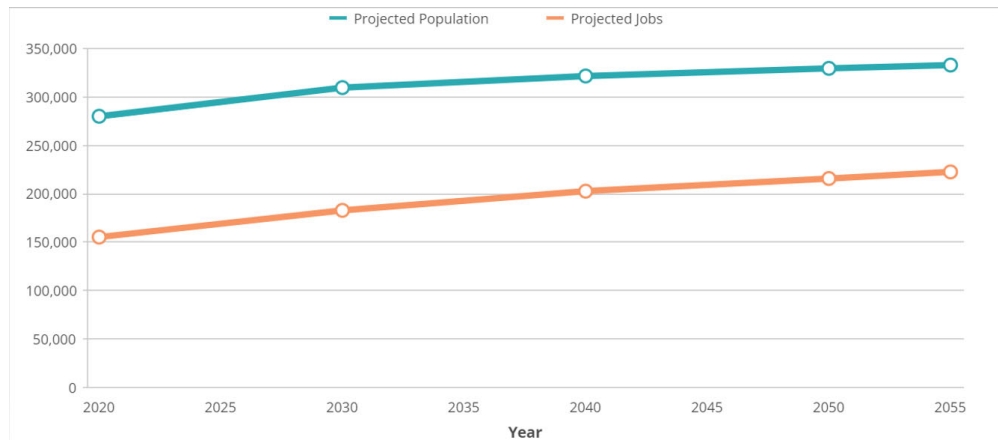


## Constraints and Limitations

- Chandler nearing buildout, limited land available for housing options and most is intended for employment
- State law prohibits municipalities from implementing certain controls on rent increases
- State law prohibits municipalities from requiring affordable housing as a condition of zoning
- Housing projects often take several years before units become available

## Population Growth & Employment

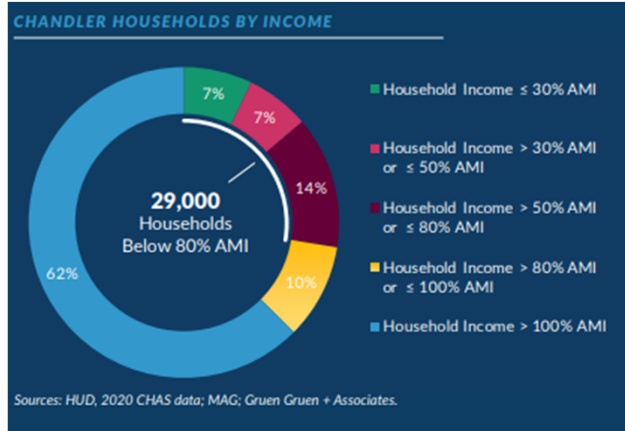
**Population growth 2007-2020 with largest increase age group: 55+**  
**Job growth projection: Increase of 67,300 new jobs over 2020-2055 period**



Sources: MAG Socioeconomic Projections; Gruen Gruen + Associates

# Chandler Household By Income

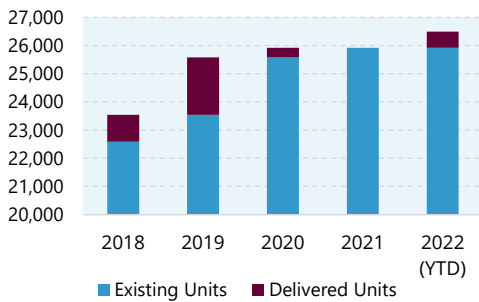
About 28% of all Chandler households are Extremely Low, Very Low, or Low Income households, earning less than 80% AMI



Sources: MAG Socioeconomic Projections; Gruen Gruen + Associates 2023

# Limited Housing Supply

## Multi-Family Apartment Inventory in Chandler



Source: City of Chandler- 2021

## Homes for Sale\*

Homes currently on the market per MLS: Approximately 17,360 (vs 5,000 April 2022)

Homes typically on the market per MLS historically: 22-24,000

Currently 72% of normal

\*Maricopa and Pinal County 2023

## Housing Cost Increases (Owners)

Average effective monthly rent in Chandler \$1,744 per unit

**TABLE 5: Market Rents for New Multi-Family Rental Product<sup>1</sup> in Chandler**

	Average Unit Size in Square Feet	Average Effective Monthly Rent Per Unit	Average Monthly Rent Per-Square-Foot	Percent of AMI Required to Afford Unit <sup>2</sup>
One-Bedroom	724	\$1,647	\$2.27	102%
Two-Bedroom	1,121	\$2,163	\$1.93	93%
Three-Bedroom	1,493	\$2,429	\$1.63	95%

<sup>1</sup> Includes a sample of 1,507 units recently built in 2021, 2022, and 2023.  
<sup>2</sup> Based on 2023-24 income limits for Phoenix-Mesa-Scottsdale MSA, adjusted for household size. Assumes 1.5 persons per bedroom per Arizona Department of Housing and IRS standards in determining rent limits for Low Income Housing Tax Credit (LIHTC) properties. Utility allowances of \$81 to \$122 per unit (monthly) deducted from gross affordable rents.

Sources: City of Chandler; CoStar; Arizona Department of Housing; Gruen Gruen + Associates.

## Housing Cost Increases (Renters)

Average cost for a three-bedroom home is \$519,529

**TABLE 6: Current Sales Pricing for Ownership Housing Product in Chandler**

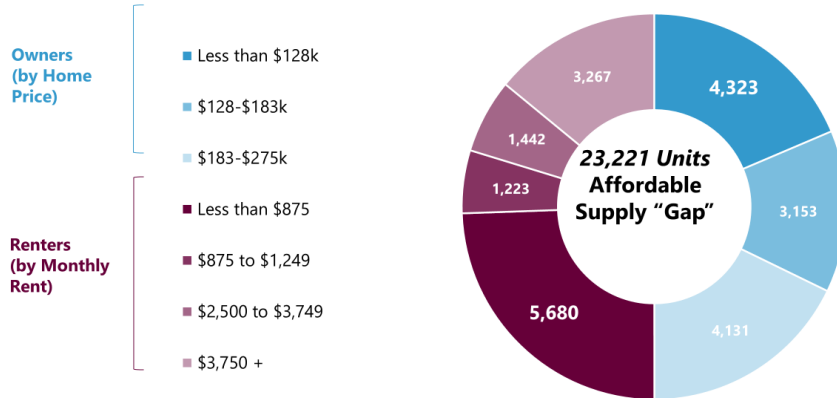
	Number of Sales in Past 3 Months <sup>1</sup>	Average Unit Size in Square Feet	Average Sales Price Per Unit	Average Sales Price Per-Square-Foot	Percent of AMI Required to Afford Unit <sup>2</sup>
Studio/1-Bedroom	11	901	\$254,272	\$274	113%
2-Bedroom	143	1,373	\$398,282	\$292	148%
3-Bedroom	255	1,798	\$519,529	\$292	167%
4-Bedroom	137	2,577	\$734,823	\$285	212%
5+ Bedrooms	53	3,536	\$932,785	\$265	260%

<sup>1</sup> Includes a sample of 608 sales occurring in the prior three months (September-November 2023).  
<sup>2</sup> Based on 2023-24 income limits for Phoenix-Mesa-Scottsdale MSA, adjusted for household size. Assumes 1.5 persons per bedroom.

Sources: Arizona Regional Multiple Listing Service (ARMLS); Redfin; Gruen Gruen + Associates.

# Diminishing Housing Affordability

## Past Affordability "Gap Analysis" for Chandler

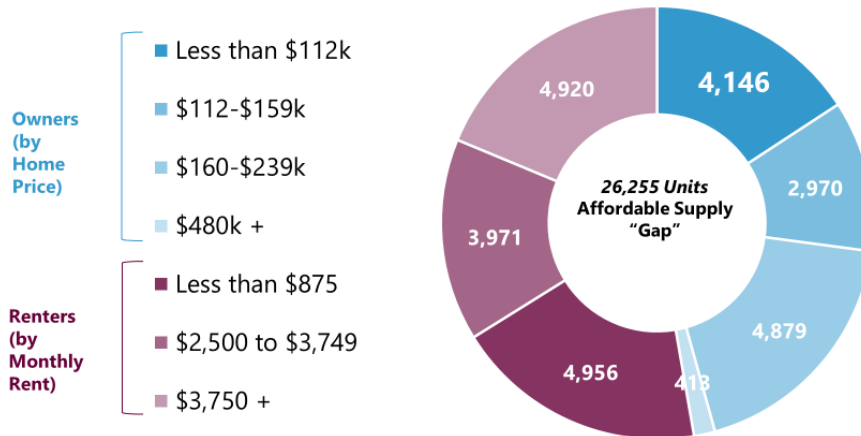


Note: Renters in higher price brackets can also afford units affordable to lower incomes (e.g., a household that can afford \$2,500 in monthly housing cost can also afford units in the \$1,250 to \$1,874 price bracket).

Source: Gruen Gruen + Associates 2022

# Diminishing Housing Affordability

## Current Affordability "Gap Analysis" for Chandler



Note: Renters in higher price brackets can also afford units affordable to lower incomes.

Source: Gruen Gruen + Associates 2023

## Need for Lower Priced Housing Units

### Lower Priced Housing Units

**17,000**

to Meet Existing Affordable Housing Needs


- Ownership (for-sale) units priced below \$240,000
- Rental units priced below \$875 monthly gross rent

Household Income	Maximum For-Sale Housing Price	Maximum Monthly Gross Rent
Less than \$35,000	Below \$112,000	Below \$875
\$35,000 to \$49,999	\$112,000 to \$159,999	\$875 to \$1,249
\$50,000 to \$74,999	\$160,000 to \$239,999	\$1,250 to \$1,874

*For detailed calculations, see Table 2 and Table 3 of the "Update to Affordable Housing Needs Assessment and Data" report.*

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**Council Direction:** Continue executing the City's affordable housing strategy, including commencing construction of Chandler's first Rental Assistance Demonstration (RAD) project and planning for subsequent repositioning of public housing assets.

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## Actions and Strategies

- **Create More Homes for More People**
- **Keep Housing Affordable and in Good Repair**
- **Help People Stay in Their Homes and Communities**
- **Utilize Land for Housing**
  - Increase inventory of all types and for all incomes



## Actions and Strategies

### Create More Homes for More People

- **Units Added from January 2018 - April 2024**
  - 3,183 Single Family Units
  - 5,154 Multi-Family Units
- **Additional Affordable Units**
  - Newtown Community Land
    - 71 Homes
  - ARM
    - 16 Affordable Rental Units
  - Habitat For Humanity
    - 15 Homes
  - Low Income Housing Tax Credit (LIHTC) Units
    - 447 Units
  - Affordable/Workforce Housing concepts introduced during preliminary discussions with developers

### Housing For All



## Actions and Strategies Keep Housing Affordable and in Good Repair

- **City Public Housing Authority providing 303 units**
  - 163 Family Units
  - 37 Senior Units
  - 103 Single-family homes
- **Repositioning Public Housing through Rental Assistance Demonstration (RAD)**
- **Housing Rehabilitation Program**
  - Average of 25 homes per year received assistance with repairs related to health and safety
- **Let's Pull Together**
  - FY 2023/2024, volunteers worked on over 250 homes



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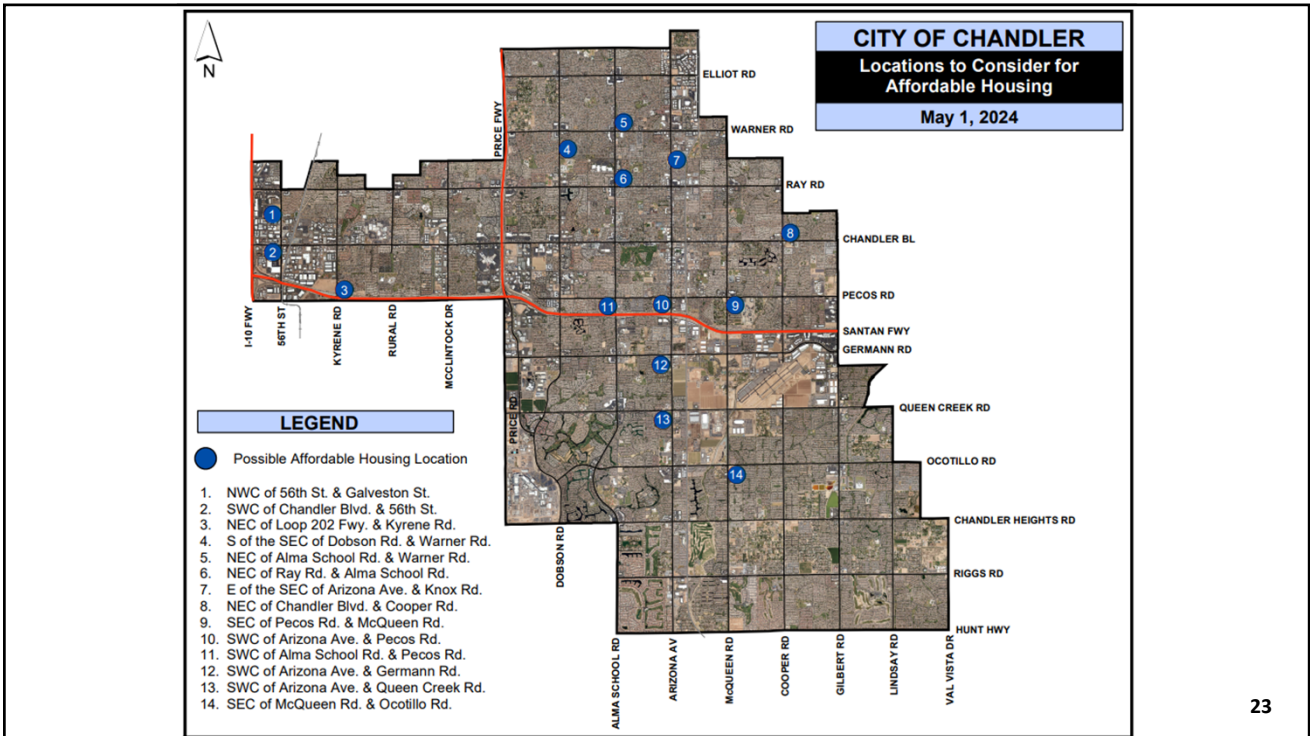
## Actions and Strategies Permitting Process and Timelines

- **The review time for both civil and building submittals is 20 working days per cycle**
- **On average civil approval takes three cycles and building approval two**
- **These timeframes are affected by the time that it takes the applicant to re-submit a complete/revised package**
- **Pre-Technical Review**
- **Electronic Plan Review**



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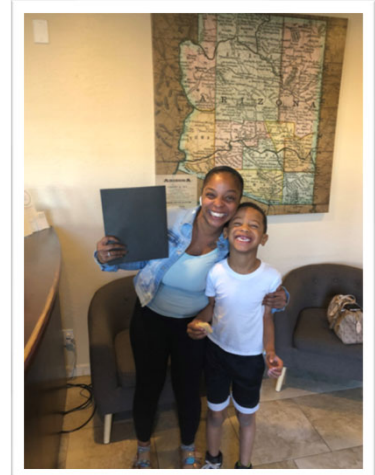
## Actions and Strategies Utilize Land for Housing

1. SWC Arizona Avenue and German Road
2. SWC Arizona Avenue and Queen Creek Road (Recently re-zoned to PAD Multi-Family w/support retail)
3. NEC Alma School and Warner roads
4. NEC Loop 202 and Kyrene Road
5. E of SEC Arizona Avenue and Knox Road
6. NEC Chandler Blvd. and Cooper Road
7. SEC McQueen and Ocotillo roads (application filed to rezone to PAD Residential)
8. NEC Ray and Alma School roads
9. S of SEC Dobson and Warner roads (Recently re-zoned PAD Multi-Family)
10. NWC 56th and Galveston streets
11. SWC Chandler Blvd. and 56th streets
12. SWC Arizona Avenue and Pecos Road
13. SWC Alma School and Pecos roads
14. SEC Pecos and McQueen roads



## Actions and Strategies Help People Stay in Their Homes and Communities

- **Tenant Based Rental Assistance (TBRA)**
  - 25 vouchers providing for 24 months of assistance
  - HOME funded
  - Follow HUD payment standards
  - Tenant pays 30% of their income
- **Emergency Housing Vouchers (EHV)**
  - 28 vouchers provide assistance through 2030
  - ARPA funded
  - Follow HUD payment standards
  - Tenant pays 30% of their income
- **Veteran Affairs Supportive Housing (VASH)**
  - 10 Veterans with wrap around services from VA



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## Current Happenings

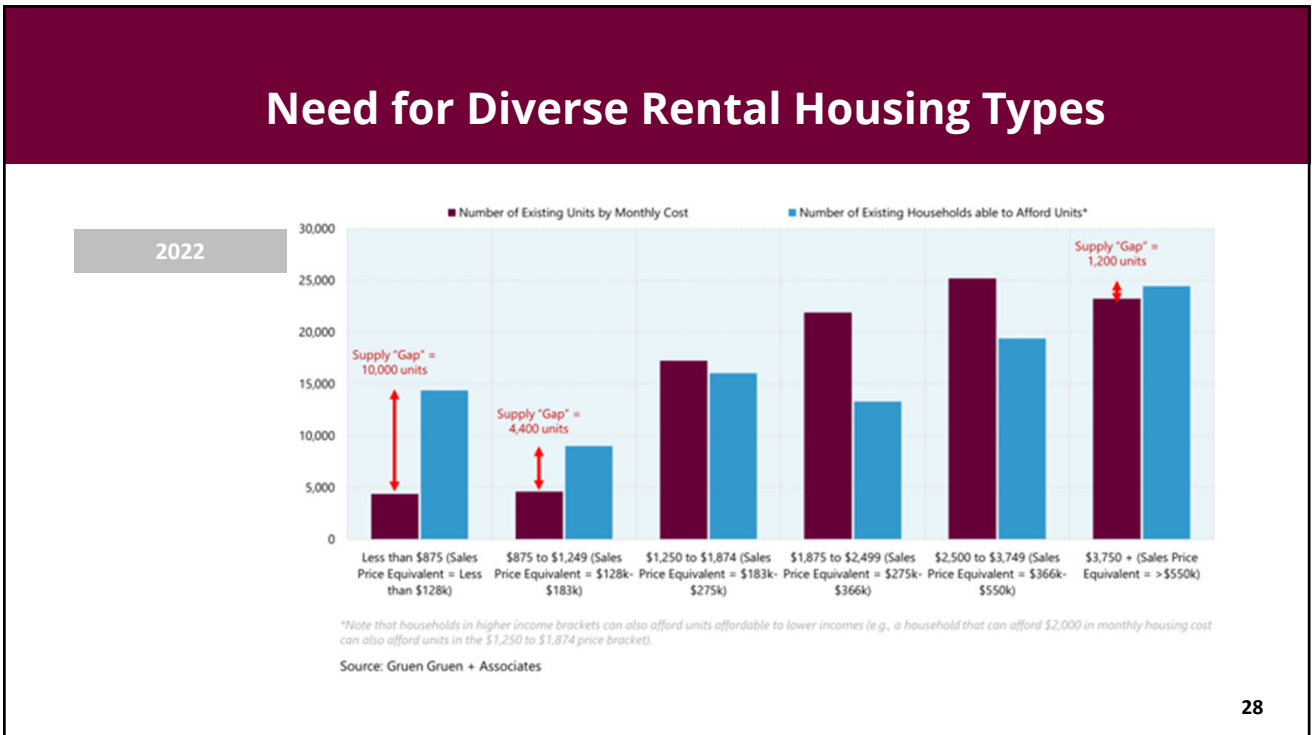
- **Continue Repositioning of Public Housing to Increase Availability of Units**
  - Villas on McQueen Construction start Summer 2024
- **RFQ and RFP to redevelop public housing site 73 S. Hamilton**
- **Use planning tools and incentives to stimulate private sector housing affordability solutions**
  - Low Income Housing Tax Credits
  - Bonds through IDA
- **Updates codes and area plans to reflect need for more housing options**
  - Allow Accessory Dwelling Unites (ADU)
  - Setback reduction within infill areas
- **State and Federal efforts to address housing strategies and affordability**
  - 10% of commercial space to residential HB2297
  - Housing Assessment SB1162
- **General Plan Update**

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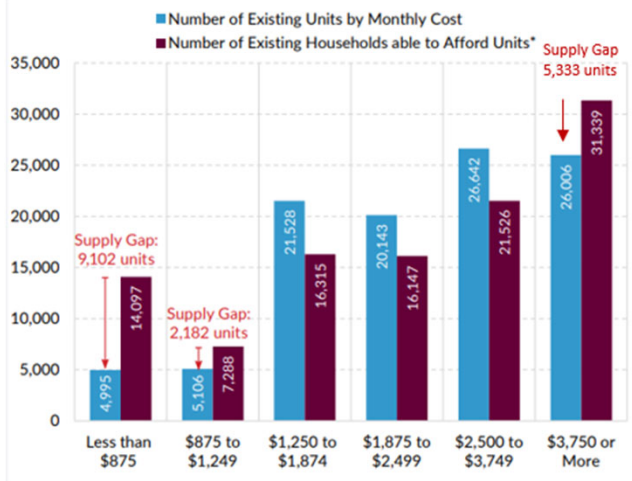


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# Continued Need for Rental Diverse Housing Types

2023



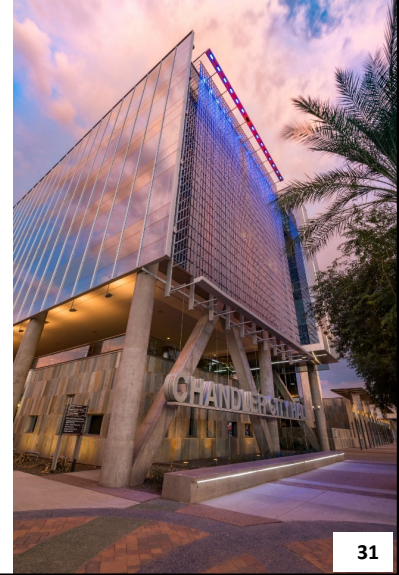
\* Note that households in higher income brackets can also afford units affordable to lower incomes (e.g., a household that can afford \$2,000 in monthly housing cost can also afford units in the \$1,250 to \$1,874 price bracket).

# Elements of a Comprehensive Housing Plan

- Analyze market demand/housing needs, including submarkets and specific geographic areas
- Identify medium and long-term goals
- Consider best practices of how cities successfully create housing options
- Find highest and best use of city owned sites
- Identify housing product types and locations
- Recommend competitive funding/grants/leverage private sector funding
- Identify ways to acquire and develop resources (staff, funding, management systems, partnerships)
- Recommend certain number of affordable/workforce housing units through development agreements
- Evaluate future impact of housing projects and what influences specific project characteristics
- Address HB 2297 and SB1162 requirements and General Plan Housing Element requirement

## Next Steps

Council Subcommittee	May 7, 2024
Funding Carryforward Request	May 20, 2024
Create Steering Committee	June 2024
Define Scope of Work	July 2024
Issue Request for Proposals	Aug. 2024
Select Vendor/Consultant/Kickoff	Sept. - Oct. 2024
Community and stakeholder meetings	Jan. - March 2025
Final Plan Submitted to City	June 2025
Integration into Housing Element for the General Plan	2025



## Steering Committee and Stakeholders

### Potential Partners and Stakeholders

- Social Services Agency
- Affordable Housing Developers
- Mission Based For Profit Housing Developers
- School Districts
- Chamber of Commerce
- Non-Profits
- Churches





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