

RESOLUTION NO. 5848

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, ADOPTING A POLICY FOR ADAPTIVE REUSE AND MULTI-FAMILY DEVELOPMENT OF CERTAIN COMMERCIAL BUILDINGS IN THE CITY OF CHANDLER PURSUANT TO ARIZ. REV. STAT. § 9-462.10.

WHEREAS Arizona Laws 2024 Chapter 141 (H.B. 2297), codified as Ariz. Rev. Stat. § 9-462.10, requires the governing body of a city or town with a population of 150,000 or more to establish objective standards to allow multifamily residential development or adaptive reuse development on not more than ten percent of the total existing commercial, office, or mixed-use buildings within its jurisdictional boundaries without requiring a public hearing; and

WHEREAS Ariz. Rev. Stat. § 9-462.10 identifies objective standards that the city is required to follow when reviewing applications for redevelopment pursuant to the statute; and

WHEREAS, Ariz. Rev. Stat. § 9-462.10 authorizes the city to identify those buildings that are not eligible to be redeveloped without a public hearing pursuant to the statute; and

WHEREAS, the City Council of the City of Chandler intends to comply with H.B. 2297 by adoption of this policy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chandler, Arizona, as follows:

Section 1. Pursuant to the requirements of Ariz. Rev. Stat. §9-462.10, the policy document titled “Adaptive Reuse and Multi-family Development of Commercial Buildings Pursuant to Ariz. Rev. Stat. § 9-462.10,” attached as Exhibit A, is adopted as the policy of the City of Chandler.

Section 2. Those buildings that are contained within the exclusion zones depicted in the map titled “HB 2297 Building Analysis,” attached as Exhibit B, are not eligible for redevelopment without a public hearing pursuant to Ariz. Rev. Stat. §9-462.10. The Planning Division will maintain a digital geographic information system (“GIS”) map that is consistent with Exhibit B for staff verification of which buildings are eligible under this resolution.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this ____ day of _____, 2024.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 5848 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the _____ day of _____, 2024, and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY TA



Adaptive Reuse and Multi-Family Development of Commercial Buildings

Pursuant to Ariz. Rev. Stat. § 9-462.10

The City of Chandler is committed to fostering a safe, vibrant, and sustainable community for all residents through the adoption of programs and policies that promote smart growth and redevelopment. In 2024, the Arizona Legislature adopted HB 2297, codified as Ariz. Rev. Stat. § 9-462.10, which mandates that cities allow adaptive reuse and multi-family development of up to ten percent of the existing commercial buildings within the city without requiring a public hearing. This policy is adopted to establish the objective standards required by that statute.

Objective Standards:

1. Up to ten percent of the existing commercial, office, employment, or mixed-use buildings within the City of Chandler are eligible to be developed pursuant to Ariz. Rev. Stat. § 9- 462.10, with the exception of those buildings in areas designated by the City Council to be excluded under § 9-462.10(B).¹ Eligibility under this program is determined on a first-come, first-served basis. Upon redevelopment of ten percent of the existing commercial, office, employment, or mixed-use buildings in the city pursuant to Ariz. Rev. Stat. § 9-462.10, this program will cease, and future buildings will not be approved for redevelopment.
2. All proposed developments must undergo a comprehensive site plan review and approval process by Development Services staff. The site plan review may include evaluation by any utility provider impacted by the proposed development.
3. The site must have adequate sewer and water service for the entire proposed development.
4. The development must comply with all building and fire codes adopted by the City of Chandler.
5. The developer applying for eligibility under this program must show that the existing building proposed to be redeveloped is economically or functionally obsolete as defined in Ariz. Rev. Stat. § 9-462.10.

¹ Concurrent with the adoption of this policy, the City Council has adopted by resolution a map titled “HB 2297 Building Analysis” that shows those portions of the city that are not eligible for redevelopment under this policy and Ariz. Rev. Stat. § 9-462.10.

6. The existing building proposed to be redeveloped must be located on a parcel that is at least one acre in size but not more than 20 acres in size.
7. The developer must set aside at least ten percent of the total dwelling units for either low-income² or moderate-income housing,³ or a combination of the two, for at least twenty years after issuance of a certificate of occupancy for the building.
8. *Density*: The maximum density shall be equal to the highest constructed multi-family density within one mile of the building to be redeveloped.

If no multi-family development exists within one mile, then the maximum density shall be limited to the density of the next closest multifamily zoning district.

9. *Height*: Height shall be limited to five-stories. Any part of a proposed development within one hundred feet of a single-family residential is limited to two stories.

Height exemption: If the maximum allowable height applicable to the existing commercial, office, or mixed-use building exceeds the maximum allowable height for the proposed use, the existing height may remain and shall be considered nonconforming for height purposes and the existing building may be expanded to the maximum allowable density for the proposed use. Any rooftop appurtenances shall be included within the height exemption.⁴

10. *Setbacks*: The proposed development shall comply with building setbacks required under Chandler Zoning Code for the multi-family residential zoning district if the building is redeveloped into multi-family residential.

If the building is redeveloped into an adaptive reuse building as defined in Ariz. Rev. Stat. § 9-462.10, the minimum building setback requirement that applies to existing commercial, office or mixed-use building shall be required. If the building setback for the existing building is less than the required setback, the existing building shall be considered legal non-conforming for setbacks purposes.

11. *Parking*: The proposed development must provide minimum parking spaces required under the Chandler Zoning Code for multi-family residential if the building is

² Low-income housing means housing for a person or persons whose household income does not exceed eighty percent of the Area Median Income; the occupant pays not more than thirty percent of the occupant's gross income for the occupant's rent or mortgage, as determined by the Arizona Department of Housing and adjusted for household size based on the United States Department of Housing and Urban Development. Ariz. Rev. Stat. § 9-462.10(H)(4).

³ Moderate-income housing means housing for a person or persons whose household income does not exceed one hundred twenty percent of the Area Median Income; the occupant pays not more than thirty percent of the occupant's gross income for the occupant's rent or mortgage, as determined by the Arizona Department of Housing and adjusted for household size based on the United States Department of Housing and Urban Development. Ariz. Rev. Stat. § 9-462.10(H)(4).

⁴ For purposes of this policy, "rooftop appurtenances" has the meaning contained in Ariz. Rev. Stat. § 9-462.10(H)(8).

redeveloped into multi-family housing.

If the building redevelops as adaptive reuse building as defined in Ariz. Rev. Stat. § 9-462.10, the parking requirement must meet the minimum standards contained in the Chandler Zoning Code for similar adaptive reuse buildings.

12. Not more than 10% of the total 2,721 existing commercial, office, or mixed-use buildings in existence when this policy is first adopted may be redeveloped for multifamily residential development or adaptive reuse under Ariz. Rev. Stat. § 9-462.10. The Chandler Planning Department shall keep track of the number of buildings redeveloped under this policy and shall stop accepting applications when the total maximum number has been constructed.
13. This policy does not apply to:
 - A. Land in an area that is designated as a district of historical significance pursuant to Ariz. Rev. Stat. § 9-462.01, subsection A, paragraph 10.
 - B. Land in an area that has been designated historic by the City Council.
 - C. Land in an area that is designated as historic on the national register of historic places.
 - D. Land in the territory in the vicinity of a military airport or ancillary military facility as defined in Ariz. Rev. Stat. § 28-8461.
 - E. Land in the territory in the vicinity of a federal aviation administration commercially licensed airport or a general aviation or public airport as defined in Ariz. Rev. Stat. § 28-8486.
14. The eligible properties considered under this policy may be modified by the City Council every ten years until a total of ten percent of the buildings have been redeveloped under this policy, or until the Arizona legislature revokes the authority granted in Ariz. Rev. Stat. § 9-462.10, whichever is sooner.
15. This policy is intended to comply with the requirements of Ariz. Rev. Stat. § 9-462.10. Any conflict found between this policy and Ariz. Rev. Stat. § 9-462.10 will be construed in favor of compliance with Ariz. Rev. Stat. § 9-462.10.



CITY OF CHANDLER

HB 2297 Building Analysis

November 7, 2024

