

DRAFT Minutes
Neighborhood Advisory Commission
October 2, 2024



Minutes of the Neighborhood Advisory Commission (NAC) Meeting held on Wednesday, October 2, 2024, hybrid meeting with in-person attendance option along with virtual component option via Microsoft Teams platform

(MEMBERS) Present: Lane Carraway, Ray Devine, Jan Doughty, Jana Lynn Granillo, Gabe Hagen, John Kozel, Nancy Puffer, Stacy Novis, Joel Stern, Suri Wall, Duane Washkowiak, Brittney Wong

(MEMBERS) Absent: Brandon Abrahams, Kriste Melcher

City Staff: Elizabeth Thomas, Neighborhood Services Specialist; Keith Burke, Deputy City Manager; Ryan Levesque

Guests: David Sokolowski

Agenda Item 1 – Call to Order

The meeting was called to order at 5: p.m. by Chair Stern

Agenda Item 2 – Public Comment

None.

Agenda Item 3 – Review and approval of meeting minutes: September 4, 2024 NAC Meeting

Motion: Commissioner Carraway made a motion to approve the September 4, 2024 minutes as presented.

Second: Commissioner Washkowiak

Result: The motion passed unanimously with a vote of 12 to 0

Commission Member Ayes: Lane Carraway, Ray Devine, Jan Doughty, Jana Lynn Granillo, Gabe Hagen, John Kozel, Nancy Puffer, Stacy Novis, Joel Stern, Suri Wall, Duane Washkowiak, Brittney Wong

Absent: Brandon Abrahams, Kriste Melcher

Chair Stern welcomed new NAC member Ray Devine from the 85288 zip code. Member introductions will be agendized for the November 6 meeting.

Agenda Item 4 – Introduction to AZ HB 2297 Requirements. Adaptive Reuse of Commercial, Office and Mixed-Use Buildings to Multi-Family Development. Ryan Levesque. Deputy Community Development Director - Planning

Signed into law by Governor Hobbs on April 10, 2024, Arizona's HB 2297 mandates that all Arizona cities with a population of 150,000 or more allow multi-family adaptive reuse on no more than 10 percent of existing commercial, office or mixed-use buildings without requiring any application that requires public hearing. Further, municipalities may designate up to 10 percent of such buildings in the geographical areas they choose to be excluded from the requirements of this Both these percentages are meant to have some flexibility and may be modified by municipalities every ten years based on factors and conditions and other policy needs.

Principal Planner, Ambika Adhikari and Senior Planner, Jacob Payne, noted that HB 2297 is intended to help increase the supply of housing units by providing developers opportunities to convert or adapt eligible obsolete commercial, office and mixed-use buildings to multi-family development.

Staff is developing draft code text amendment to comply with the state mandate. Public input and commission feedback is being sought, with NAC being the first commission visited.

Key points regarding HB2297 were outlined in the Commission's meeting packet memo and further described during the meeting presentation. Development standards for adaptive multi-family construction shall meet the following criteria:

- Site plan review and approval (inclusive of utility provider)
- Adequate sewer and water service
- Compliance with building and fire codes
- Existing buildings must be economically or functionally obsolete
- Site is minimum of 1 acres and maximum of 20 acres
- At least 10% of dwelling units are to be set aside for households with low (not exceeding 80% of AMI) or moderate income (not exceeding 120% of AMI).

NAC members questions and comments included:

What is defined as affordable housing?

The affordable units should cater to the households that have an income of up to 120% of the Area Median Income (AMI). The AMI for Tempe for 2024 is approximately \$96,000 for a family of four.

Please clarify the maximum height information – Standards slide reads – If the height of the existing building exceeds the maximum allowable height for the proposed use, the existing height may remain as non-conforming

Re: Bullet below it – The existing building may be expanded to the maximum allowable density for the new use – emphasis on **may**. The developer may build new floor area on the site to go up to the maximum allowable density or select the types of units (e.g. studios) to fill the existing building.

What are the examples of the exemptions in this bill?

Most recent example offered by staff of exempted building was Hayden Flour Mill site due to its historical designation under national register.

For mapping, how will you access accurate data?

It can be challenging. We use several different sources to gather the data - such as property use codes from Maricopa County which are also used for tax code purposes, and the City's own addressing data. State Bill HB 2297 relates to buildings and not sites, which makes for much more difficult inventory.

Comment: On average, be aware that tax records are 70% accurate. Is city choosing 10%? Who will decide percentage and exemptions?

How many of these properties total and of that, how many may be eligible?

Primarily, there are the eligible office, commercial and mixed-use buildings - typically along arterials and in downtown Tempe. The total number is estimated to number about 2,500 give or take. Thus, the cap will be 250 buildings (10% of the total) that can be approved for adaptive reuse.

How are you determining exemptions?

Exemptions include sites of historical significance or sites designated historic by a local government and land in the vicinity of a FAA commercial or a general aviation or public airport

(inside 60 DNL noise contours). We are working closely with staff in Economic Development to determine exemptions and also consulting with peer cities too. Discussions are underway now.

Is adaptive use for mixed-use allowed?

The bill as presented only speaks about allowing multi-family use. Nationwide lack of affordable housing is an issue. Need to secure legal opinion.

Airport zone area do not count towards 10% but are included in the total figures of office mixed use?

The second map in the presentation depicts the number of buildings after criteria has been applied between 1 to 20 acres. Yes, there is possibility of someone buying more than one adjacent lot and making a bigger parcel or splitting larger parcels.

What does not viable or obsolete mean? How defined?

Applicant must provide information in their application. The bill defines economic obsolescence when there is 50% or more vacancy, and functional obsolescence when the building is in disrepair.

Comment: Reuse can be more costly than starting from scratch. Very expensive to dismantle/demolition costs. Why not find a model city? Talk with Chamber, there could be Federal Funding available.

Case by case basis. Different solutions being explored. Lots of these conversions exist in Toronto, Canada.

There is no particular focus on owner versus rental – correct? Yes.

Comment: Some commercial buildings back up against homes. That there could be a 15-story building across any alley is very concerning.

City has separation requirements and step up and step-down requirements in Zoning and Development Code. All buildings would have to meet those. Existing buildings can stay as they are as legal/non-conforming. However, if you demolish building, the setbacks for multi-family would then apply. For five stories, you would be looking at 55-65 feet. No notification process required now per State Bill HB 2297 if development is applied through this adaptive reuse process.

Neighborhood Advisory Commission is being offered an opportunity to provide input before changes are implemented. DRAFT code text is anticipated in mid to late October. Staff shared schedule of the other public meetings leading up to the second hearing before Council set for Thursday, December 19 of this year.

Agenda Item 5 - Engineered Shade Proposed Code Text Amendment Follow Up

Staff is proceeding forward with DRAFT ordinance language going before the Development Review Commission on October 8, including a request made by NAC members at their September meeting for a requirement for a Use Permit to be added.

Community Development Deputy Director, Ryan Levesque, pulled up the webpage and offered that the meeting agenda and links to background materials for the October 8, 2024 Development Review Commission meeting can be found using this link –

<https://tempe.hylandcloud.com/AgendaOnline/Meetings/ViewMeeting?id=1600&doctype=3>

Agenda Item 6 – Continued discussion and identification of 2025 Commission Goals and Priorities

There was continued discussion of possible 2025 Commission Goals and Priorities. Members were in general agreement about continuing to build upon and grow:

- ❖ Enhanced Council Engagement - with Chair Stern remarking that Assistant City Manager Keith Burke who attends all NAC regular meetings is an additional connection with City Manager's Office as are Elizabeth and Shauna, our Neighborhood Services staff liaisons
- ❖ Neighborhood Engagement through Neighborhood Awards, Neighborhood Celebration, Neighborhood Workshops and Commission group volunteer opportunities like Keep Tempe Beautiful and Habitat for Humanity
- ❖ Communication and information sharing

Members engaged in lengthy discussion about topics, tools, measurements and methods which most likely will include maximizing available and existing city and Commission resources (i.e. Tempe Today/water bill newsletter (printed and online editions), Neighborhoods email list serve, Tempe this week news bulletin, topic ideas and pitches from the hub site/NAC member calendar to City Communications Office and more.

Member ideas included possibly sharing the agenda every month with a message encouraging the public to come and engage about what's important to them and fostering bi-directional communication with neighborhood leaders to help translate input into action.

Chair Stern inquired what value are we bringing? Maybe the ask should be to share what is your neighborhood doing to help creatively build communication and community? Perhaps there is an opportunity to mentor new start or restart associations? Vice Chair Hagen offered that some meeting time may need to be set aside during meetings to discuss strategies for reaching goals. Some members expressed their desire to develop a cohesive vision, to establish SMART goals and to create a communication and outreach plan to help guide the process, timing of elements and identification of member responsibilities.

Agenda Item 7 – Fall 2024 Neighborhood Workshop Wrap Up

Vice Chair Hagen noted that he has been particularly busy and requested this Idea Exchange wrap up be moved to the December meeting agenda. Elizabeth agreed to email NAC member participants and collect and categorize their tabling feedback for member and staff follow up tasks.

Agenda Item 8 – Neighborhood Awards Application and Neighborhood Celebration Event Planning Updates

Due to meeting time constraints, the update was brief with Elizabeth noting she will seek t-shirt quotes in advance of the November meeting so that members interested in exploring event t-shirts will know what the sponsorship ask would need to be to facilitate this event addition. She also confirmed she will check with City Clerk to confirm that 1-3 NAC members could again participate in event planning meetings (outside of NAC regular meetings) with staff for the April 5, 2025 Neighborhood Celebration event.

Agenda Item 9 – Proposed Future Agenda Items

- Shalimar follow up
- City's intentions for Food City Shopping Center sites and Watson Flowers property

Agenda Item 10 – Adjournment

Meeting was adjourned at 7:05 p.m.

Prepared by: Elizabeth Thomas