



**ARIZONA STATE SENATE**  
*Fifty-Sixth Legislature, Second Regular Session*

FACT SHEET FOR S.B. 1506

municipalities; housing; commercial redevelopment; zoning

Purpose

Requires certain municipalities to allow, as a permitted use, residential or mixed use on at least 75 percent of its land zoned for commercial, office, retail or parking use. Outlines development standards for the residential or mixed use projects.

Background

Statute authorizes municipalities to adopt zoning ordinances and codes to conserve and promote the public health, safety, convenience and general welfare. A municipality may: 1) regulate the use of buildings, structures and land between agriculture residence, industry and business; 2) regulate the location, height, bulk, number of stories and size of buildings and structures, the size and use of lots, yards, courts and other open spaces, the percentage of a lot that may be occupied by a building or structure, access to incident solar energy and the intensity of land use; 3) establish requirements for off-street parking and loading; 4) establish and maintain building setback lines; and 5) establish floodplain and age-specific community zoning districts and districts of historical significance. ([A.R.S. § 9-462.01](#)).

The governing body of a municipality must adopt by ordinance a citizen review process that applies to all rezoning and specific plan applications that require a public hearing. The citizen review process must include at least: 1) notifying adjacent landowners and other potentially affected citizens of the application; 2) informing adjacent landowners and other potentially affected citizens on the substance of the proposed rezoning; and 3) providing adjacent landowners and other potentially affected citizen an opportunity to express any issues or concerns regarding the rezoning. Any zoning ordinances that propose to change property from one zone to another, that imposes any regulation not previously imposed or that removes any such regulation previously imposed must be adopted following procedures in accordance with the citizen review process and in the manner set for public hearings ([A.R.S. § 9-462.03](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Requires a municipality with a population of more than 150,000 persons that is designated, in whole or in part, as an urban area by the U.S. Census Bureau to adopt regulations that allow, as a permitted use, residential or mixed use on at least 75 percent of land located in the municipality that is zoned for commercial, office, retail or parking use.

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2. Allows a municipality to impose the following restrictions on a new structure being developed into a residential or mixed use project:
  - a) a maximum height equal to or greater than two stories;
  - b) a maximum length of 90 feet;
  - c) a maximum width of 40 feet or more;
  - d) a minimum building separation of up to 10 feet; and
  - e) for any portion of a structure that adjoins a single-family lot, setbacks of up to 5 feet for the first floor and up to 10 feet for any floor above the first.
3. Allows a municipality to impose the following restrictions on a structure being converted to residential or mixed use through an adaptive reuse project:
  - a) a maximum height, length or width beyond that of the original building or the maximum for a new building, whichever is greater; and
  - b) for any newly added portion of a building that adjoins a single-family lot, setbacks up to 5 feet for the first floor and up to 10 feet for any floor above the first.
4. Allows a municipality, for a commercial redevelopment area, to impose a maximum lot size as long as any building may be accommodated in any location where it would otherwise be allowed.
5. Allows a municipality, for a commercial redevelopment area and for a site greater than one-half acre, to require up to one parking space per dwelling, provided the following are allowed:
  - a) the property owner can determine the location and form of off-street parking spaces;
  - b) required parking can be located on a different lot or parcel than the building it serves; and
  - c) all on-street parking spaces within the commercial redevelopment area can be counted toward required parking.
6. Allows a municipality, for a commercial redevelopment area, to impose requirements related to the location of and access to:
  - a) public rights-of-ways;
  - b) public sidewalks; and
  - c) public parks.
7. Prohibits a municipality, for a commercial redevelopment area, from adopting or enforcing any code, ordinance, regulation, standard, stipulation or other requirements that directly or indirectly require:
  - a) zoning restrictions related to density beyond those allowed by statute;
  - b) screening, walls or fences; or
  - c) a shared feature or amenity that would require a homeowners' association, a condominium association or any other association to maintain the shared feature or amenity, unless necessary for stormwater management.
8. Stipulates that the development regulations do not supersede applicable building codes, fire codes or public health and safety regulations.
9. Requires, if a municipality fails to adopt the development regulations by January 1, 2025, residential housing to be allowed on all land zoned for office, retail, parking or other commercial use without limitations beginning January 2, 2025. 10.

10. Defines *adaptive reuse* as a development that retains at least two exterior walls of an existing building.
11. Defines *commercial redevelopment area* as both of the following:
  - a) all parcels or lots that are redeveloped as residential or mixed use and that are touching each other or separated only by a right-of-way; and
  - b) any portion of a right-of-way that adjoins a redeveloped parcel or lot except if only one side of a street is adjoining, the commercial redevelopment area extends only to the midpoint of the street's width.
12. Defines *permitted use* as the ability for a development to be approved without requiring a public hearing, variance, conditional use permit, special permit or a special exception, other than a discretionary zoning action to determination that a site plan conforms with applicable zoning regulations.
13. Defines *zoning restriction related to density* as any zoning requirement that restricts the number, size or location of buildings, lots or dwelling units, including:
  - a) setbacks;
  - b) floor area ratio;
  - c) lot coverage;
  - d) yard size;
  - e) dimensions; and
  - f) dwelling unit density.
14. Excludes from the definition of *zoning restriction related to density* a standard utility easement.
15. Becomes effective on the general effective date.

Prepared by Senate Research

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JT/cs