



March 31, 2021

Sent via Email to citycouncil@scottsdaleaz.gov

Honorable David Ortega, Mayor
Honorable Betty Janik, Vice Mayor
Honorable Tammy Caputi, Councilmember
Honorable Tom Durham, Councilmember
Honorable Kathy Littlefield, Councilmember
Honorable Linda Milhaven, Councilmember
Honorable Solange Whitehead, Councilmember
City of Scottsdale
3939 N Drinkwater Blvd
Scottsdale AZ 85251

RE: Opposition to Scottsdale General Plan 2035 – “Desert Rural Neighborhoods” Land Use Category

Dear Mayor Ortega and City Council:

On behalf of the Home Builders Association of Central Arizona (“HBACA”), please accept the following comments in **opposition** to the City’s proposed General Plan 2035 update to include a “Desert Rural Neighborhoods” Land Use Category.

The HBACA is a trade association for the residential construction and development industry. Since 1951, the Association has been representing and serving the collective interests of residential builders and associates through education programs, business development, networking opportunities, and issue advocacy. Today, the HBACA represents more than 500 member companies with thousands of employees engaged in all aspects of the residential construction industry. Many of our members are current home builders and landowners in North Scottsdale and would be directly impacted by this new land use designation.

The General Plan 2035 update, as currently proposed, would split the existing “Rural Neighborhoods” land use category into two categories with different densities. One category, “Rural Neighborhoods,” which currently allows for one dwelling unit per acre, would be revised to one house per one and up to three acres. The second category, “Desert Rural Neighborhoods” would allow one house per three or more acres in size. Any land currently designated as “Rural Neighborhoods” and zoned R1-130 or R1-190 would now fall into the “Desert Rural Neighborhood” category. This new category raises significant concerns for existing property owners in this area, including residents, home builders, and the Arizona State Land Department.

First, our members are concerned that if this “Desert Rural Neighborhoods” Land Use Category is approved by the City Council and ratified by the residents of Scottsdale, the potential result is a diminution in property values for much of the undeveloped land in North Scottsdale. As State Land Commissioner Lisa Atkins wrote in her November 17, 2016 letter opposing this very change:

The proposed change of land use designations is an arbitrary change of rules and entitlements long-established by the General Plan. Any such change that has the practical effect of reducing allowable densities to one-third of what is currently permitted without a General Plan Amendment is both a regulatory taking and a diminution of value as defined by Arizona’s “Proposition 207” statute (A.R.S. § 12-1132 et. seq.).¹

Second, this proposed change would benefit a small group of individual landowners at the expense of the many other property owners that have not yet developed their land and the future residents that will be denied opportunities to enjoy a life in North Scottsdale. Additionally, the proposed change will serve to impede our builders’ ability to satisfy the demand for new housing. One of the principal drawbacks of the central planning process is the ability to allow some landowners to personally benefit themselves at the expense of others. This is why 67% of affected property owners responding to the City’s survey at the Self-Guided Virtual Open House oppose the proposed change.²

Third, this proposed change is contrary to the housing goals the City itself has identified in the proposed 2035 General Plan.³ These goals include:

- **H 1.5** Encourage a variety of housing densities in context-appropriate locations *throughout Scottsdale* to accommodate projected population growth.
- **H 1.6** Maintain, improve, and create high-quality safe housing for *all* citizens.
- **H 2.2** Support programs aimed at increasing homeownership among entry-level and moderate-income households.
- **H 2.3** Reduce government financial and regulatory constraints, and whenever possible, *offer expeditious processing of development proposals* and building permits to enhance housing affordability.

¹ See https://www.scottsdale.org/city_news/state-warns-scottsdale-to-drop-general-plan-proposal/article_167ad1d0-8e56-11eb-baf7-b753c70668a2.html#:~:text=Arizona%20State%20Land%20Commissioner%20Lisa,in%20parts%20of%20northern%20Scottsdale

² https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/General+Plan/3-2021_DesertRural_Summary.pdf

³ https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/General+Plan/2035/CityCouncilDraft/13_Housing+Element.pdf

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- **H 2.6** Encourage quality, *affordable housing for a wide-range of income groups* and Scottsdale's employment base.

It appears the HBACA is not alone in these concerns. Among the reasons affected landowners cited for opposing this change in the City's Survey at the Self-Guided Virtual Open House were "inequitable when reviewing all of the recent 1 dwelling per acre developments that have occurred in the area...will negatively affect property values; and, does not account for future housing needs."⁴

Therefore, we respectfully request that the City withdraw this proposal from consideration or the City Council vote NO on this requested revision.

Very truly yours,



Connie Wilhelm
Chief Executive Officer
Home Builders Association of Central Arizona

⁴ https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/General+Plan/3-2021_DesertRural_Summary.pdf