PROPOSED

SENATE AMENDMENTS TO S.B. 1634 (Reference to printed bill)

1	Strike everything after the enacting clause and insert:
2	"Section 1. Section 9–462.01, Arizona Revised Statutes, is amended
3	to read:
4	9-462.01. Zoning regulations; public hearing; definitions
5	A. Pursuant to this article, the legislative body of any
6	municipality by ordinance, in order to conserve and promote the public
7	health, safety and general welfare, may:
8	1. Regulate the use of buildings, structures and land as between
9	agriculture, residence, industry, business and other purposes.
10	2. Regulate signs and billboards.
11	3. Regulate the location, height, bulk, number of stories and size
12	of buildings and structures, the size and use of lots, yards, courts and
13	other open spaces, the percentage of a lot that may be occupied by a
14	building or structure, access to incident solar energy and the intensity of
15	land use.
16	4. Establish requirements for off-street parking and loading.
17	5. Establish and maintain building setback lines.
18	6. Create civic districts around civic centers, public parks, public
19	buildings or public grounds and establish regulations for the civic
20	districts.
21	7. Require as a condition of rezoning public dedication of
22	rights-of-way as streets, alleys, public ways, drainage and public

1 utilities as are reasonably required by or related to the effect of the 2 rezoning.

8. Establish floodplain zoning districts and regulations to protect life and property from the hazards of periodic inundation. Regulations may include variable lot sizes, special grading or drainage requirements, or other requirements deemed necessary for the public health, safety or general welfare.

9. Establish special zoning districts or regulations for certain
lands characterized by adverse topography, adverse soils, subsidence of the
earth, high water table, lack of water or other natural or man-made hazards
to life or property. Regulations may include variable lot sizes, special
grading or drainage requirements, or other requirements deemed necessary
for the public health, safety or general welfare.

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10. Establish districts of historical significance provided that:

15 (a) The ordinances may require that special permission be obtained 16 for any development within the district if the legislative body has adopted 17 a plan for the preservation of districts of historical significance that 18 meets the requirements of subdivision (b) of this paragraph, and the 19 criteria contained in the ordinance are consistent with the objectives set 20 forth in the plan.

(b) A plan for the preservation of districts of historical significance shall identify districts of special historical significance, state the objectives to be sought concerning the development or preservation of sites, area and structures within the district, and formulate a program for public action, including providing public facilities and regulating private development and demolition necessary to realize these objectives.

(c) The ordinance establishing districts of historical significance
 shall set forth standards necessary to preserve the historical character of
 the area so designated.

31 (d) The ordinances may designate or authorize any committee,
 32 commission, department or person to designate structures or sites of

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special historical significance in accordance with criteria contained in the ordinance, and no designation shall be made except after a public hearing on notice of the owners of record of the property designated of special historical significance. The ordinances may require that special permission be obtained for any development respecting the structures or sites.

7 11. Establish age-specific community zoning districts in which 8 residency is restricted to a head of a household or spouse who must be of a 9 specific age or older and in which minors are prohibited from living in the 10 home. Age-specific community zoning districts shall not be overlaid over property without the permission of all owners of property included as part 11 12 of the district unless all of the property in the district has been developed, advertised and sold or rented under specific age restrictions. 13 14 The establishment of age-specific community zoning districts is subject to all of the public notice requirements and other procedures prescribed by 15 16 this article.

17 12. Establish procedures, methods and standards for the transfer of 18 development rights within its jurisdiction. Any proposed transfer of 19 development rights from the sending property or to the receiving property 20 shall be subject to the notice and hearing requirements of section 9-462.04 21 and shall be subject to the approval and consent of the property owners of 22 both the sending and receiving property. Before any transfer of 23 development rights, a municipality shall adopt an ordinance providing for:

(a) The issuance and recordation of the instruments necessary to
sever development rights from the sending property and to affix development
rights to the receiving property. These instruments shall be executed by
the affected property owners and lienholders.

(b) The preservation of the character of the sending property and
 assurance that the prohibitions against the use and development of the
 sending property shall bind the landowner and every successor in interest
 to the landowner.

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1 (c) The severance of transferable development rights from the 2 sending property and the delayed transfer of development rights to a 3 receiving property.

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(d) The purchase, sale, exchange or other conveyance of transferable development rights before the rights being affixed to a receiving property.

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(e) A system for monitoring the severance, ownership, assignment and transfer of transferable development rights.

8 (f) The right of a municipality to purchase development rights and 9 to hold them for resale.

10 (g) The right of a municipality at its discretion to enter into an 11 intergovernmental agreement with another municipality or a county for the 12 transfer of development rights between jurisdictions. The transfer shall 13 comply with this paragraph, except that if the sending property is located 14 in an unincorporated area of a county, the approval of the development 15 rights to be sent to a municipality shall comply with section 11-817.

B. For the purposes of subsection A of this section, the legislative body may divide a municipality, or portion of a municipality, into zones of the number, shape and area it deems best suited to carry out the purpose of this article and articles 6, 6.2 and 6.3 of this chapter.

20 C. All zoning regulations shall be uniform for each class or kind of 21 building or use of land throughout each zone, but the regulations in one 22 type of zone may differ from those in other types of zones as follows:

Within individual zones, there may be uses permitted on a
 conditional basis under which additional requirements must be met,
 including requiring site plan review and approval by the planning agency.
 The conditional uses are generally characterized by any of the following:

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(a) Infrequency of use.

(b) High degree of traffic generation.

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(c) Requirement of large land area.

Within residential zones, the regulations may permit ALLOW
 modifications to minimum yard lot area and height requirements.

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3. THE REGULATIONS MAY PROVIDE INCENTIVES TO PROMOTE THE CONSTRUCTION OF AFFORDABLE HOUSING AS PRESCRIBED IN SECTION 9-500.48.

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D. To carry out the purposes of this article and articles 6 and 6.2 3 4 of this chapter, the legislative body may adopt overlay zoning districts 5 and regulations applicable to particular buildings, structures and land 6 within individual zones. For the purposes of this subsection, "overlay 7 zoning district" means a special zoning district that includes regulations 8 that modify regulations in another zoning district with which the overlay 9 zoning district is combined. Overlay zoning districts and regulations shall be adopted pursuant to section 9-462.04. 10

E. The legislative body may approve a change of zone conditioned on 11 12 a schedule for development of the specific use or uses for which rezoning is requested. If, at the expiration of this period, the property has not 13 14 been improved for the use for which it was conditionally approved, the legislative body, after notification by certified mail to the owner and 15 16 applicant who requested the rezoning, shall schedule a public hearing to 17 take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the 18 property to revert to its former zoning classification. 19

F. All zoning and rezoning ordinances or regulations adopted under 20 21 this article shall be consistent with and conform to the adopted general 22 plan of the municipality, if any, as adopted under article 6 of this 23 chapter. In the case of uncertainty in construing or applying the conformity of any part of a proposed rezoning ordinance to the adopted 24 general plan of the municipality, the ordinance shall be construed in a 25 manner that will further the implementation of, and not be contrary to, the 26 27 goals, policies and applicable elements of the general plan. A rezoning ordinance conforms with the land use element of the general plan if it 28 29 proposes land uses, densities or intensities within the range of identified 30 uses, densities and intensities of the land use element of the general 31 plan.

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1 G. A regulation or ordinance under this section may not prevent or 2 restrict agricultural composting on farmland that is five or more 3 contiguous acres and that meets the requirements of this subsection. An agricultural composting operation shall notify in writing the legislative 4 5 body of the municipality and the nearest fire department of the location of 6 the composting operation. If the nearest fire department is located in a different municipality from the agricultural composting operation, the 7 8 agricultural composting operation shall also notify in writing the fire 9 department of the municipality in which the operation is located. 10 Agricultural composting is subject to sections 3-112 and 49-141. Agricultural composting may not be conducted within one thousand three 11 12 hundred twenty feet of an existing residential use, unless the operations are conducted on farmland or land leased in association with farmland. Any 13 14 disposal of manure shall comply with section 49-247. For the purposes of 15 this subsection:

16 1. "Agricultural composting" means the controlled biological 17 decomposition of organic solid waste under in-vessel anaerobic or aerobic 18 conditions where all or part of the materials are generated on the farmland 19 or will be used on the farmland associated with the agricultural composting 20 operation.

2. "Farmland" has the same meaning prescribed in section 3-111 and 22 is subject to regulation under section 49-247.

H. A municipality may not adopt a land use regulation or impose any
 condition for issuance of ISSUING a building or use permit or other
 approval that violates section 9-461.16.

I. In accordance with article II, sections 1 and 2, Constitution of Arizona, the legislative body of a municipality shall consider the individual property rights and personal liberties of the residents of the municipality before adopting any zoning ordinance.

30 J. Before adopting any zoning ordinance or zoning ordinance text 31 amendment of general applicability, the legislative body of a municipality

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shall consider the probable impact of the proposed zoning ordinance or text amendment on the cost to construct housing for sale or rent.

K. A municipality may not adopt or enforce a land use regulation
that requires the property on which a nongovernmental primary or secondary
school operates to be larger than one acre.

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L. For the purposes of this section:

1. "Development rights" means the maximum development that would be 7 allowed on the sending property under any general or specific plan and 8 9 local zoning ordinance of a municipality in effect on the date the municipality adopts an ordinance pursuant to subsection A, paragraph 12 of 10 11 this section respecting the permissible use, area, bulk or height of 12 improvements made to the lot or parcel. Development rights may be calculated and allocated in accordance with factors including dwelling 13 14 units, area, floor area, floor area ratio, height limitations, traffic generation or any other criteria that will quantify a value for the 15 16 development rights in a manner that will carry out the objectives of this 17 section.

2. "Receiving property" means a lot or parcel within which development rights are increased pursuant to a transfer of development rights. Receiving property shall be appropriate and suitable for development and shall be sufficient to accommodate the transferable development rights of the sending property without substantial adverse environmental, economic or social impact to the receiving property or to neighboring property.

3. "Sending property" means a lot or parcel with special
characteristics, including farmland, woodland, desert land, mountain land,
floodplain, natural habitats, recreation or parkland, including golf course
area, or land that has unique aesthetic, architectural or historic value
that a municipality desires to protect from future development.

30 4. "Transfer of development rights" means the process by which
 31 development rights from a sending property are affixed to one or more
 32 receiving properties.

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Sec. 2. Title 9. chapter 4. article 8. Arizona Revised Statutes, is 1 2 amended by adding section 9-500.48, to read: 9-500.48. Affordable housing; incentives; reporting 3 requirements; definitions 4 5 A. ON OR BEFORE JULY 1, 2023. A MUNICIPALITY WITH A POPULATION OF 6 MORE THAN ONE HUNDRED THOUSAND PERSONS SHALL DEVELOP AT LEAST FOUR OF THE 7 FOLLOWING STRATEGIES TO INCENTIVIZE AFFORDABLE HOUSING: 8 1. PROVIDE A DENSITY OR HEIGHT BONUS PROGRAM FOR AFFORDABLE HOUSING. 9 2. ALLOW FOR DENSITY TRANSFERS TO INCREASE RESIDENTIAL DENSITY. 10 3. ELIMINATE OR REDUCE PARKING REQUIREMENTS FOR RESIDENTIAL DEVELOPMENTS WHERE RESIDENTS ARE LESS LIKELY TO RELY ON THEIR OWN VEHICLES. 11 12 INCLUDING: 13 (a) RESIDENTIAL DEVELOPMENT NEAR MAJOR TRANSIT INVESTMENT CORRIDORS. 14 (b) SENIOR LIVING FACILITIES. 4. REDUCE MINIMUM SITE REQUIREMENTS FOR AFFORDABLE HOUSING. 15 16 5. PROVIDE AN EXPEDITED APPLICATION PROCESS FOR CONSTRUCTING NEW 17 AFFORDABLE HOUSING. 6. AMEND REGULATIONS TO ALLOW ACCESSORY DWELLING UNITS ON 18 19 RESIDENTIAL LOTS. 20 7. ALLOW HIGHER DENSITY RESIDENTIAL OR AFFORDABLE HOUSING IN OR NEAR 21 COMMERCIAL AND MIXED-USE ZONES, COMMERCIAL CENTERS, MAJOR INVESTMENT 22 CORRIDORS OR EMPLOYMENT CENTERS. 23 8. ALLOW SINGLE-ROOM OCCUPANCY OF RESIDENTIAL UNITS. 24 9. ALLOW PUBLICLY OWNED LAND TO BE DEVELOPED AND USED FOR AFFORDABLE HOUSING. 25 10. ALLOW PUBLICLY OWNED LAND TO BE DEVELOPED AND USED TO MEET THE 26 27 CRITICAL HOUSING NEEDS OF THE COMMUNITY. INCLUDING: 28 (a) HOMELESS SHELTERS. 29 (b) TRANSITIONAL HOUSING. 30 (c) SUPPORTIVE HOUSING. 31 (d) VETERAN HOUSING.

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1	11. ALLOW FOR THE USE OF MOBILE HOMES, MODULAR HOMES OR
2	PREFABRICATED HOMES IN SINGLE-FAMILY RESIDENTIAL ZONING DISTRICTS.
3	12. ALLOW DUPLEXES AND TRIPLEXES IN SINGLE-FAMILY RESIDENTIAL ZONING
4	DISTRICTS.
5	13. ALLOW PLANNED UNIT DEVELOPMENTS WITH INTEGRATED AFFORDABLE
6	HOUSING UNITS.
7	14. FACILITATE PRESERVING OR REHABILITATING EXISTING AFFORDABLE
8	HOUSING.
9	15. FACILITATE REHABILITATING EXISTING UNINHABITABLE HOUSING STOCK
10	INTO AFFORDABLE HOUSING.
11	16. IMPLEMENT A VOLUNTARY DEED RESTRICTION PROGRAM TO MAINTAIN AND
12	SUSTAIN AFFORDABLE HOUSING.
13	17. SUPPORT PROGRAMS TO ASSIST INDIVIDUALS EXPERIENCING
14	HOMELESSNESS.
15	18. APPLY FOR, OR PARTNER WITH AN ENTITY TO APPLY FOR, STATE OR
16	FEDERAL MONIES OR PROVIDE INCENTIVES THAT PROMOTE CONSTRUCTING AFFORDABLE
17	HOUSING.
18	19. PARTICIPATE IN LAND DONATION, LAND ACQUISITION OR LAND TRUST
19	PROGRAMS.
20	20. ESTABLISH AN AFFORDABLE HOUSING TASK FORCE TO EXPLORE AND
21	RECOMMEND AFFORDABLE HOUSING SOLUTIONS AND GRANT OR PARTNERSHIP
22	OPPORTUNITIES.
23	21. IMPLEMENT ADDITIONAL TOOLS THAT PROVIDE NOVEL, CREATIVE OR
24	INNOVATIVE INCENTIVES FOR DEVELOPING AFFORDABLE HOUSING.
25	22. WAIVE BUILDING PERMIT FEES ASSOCIATED WITH CONSTRUCTING,
26	RENOVATING OR REHABILITATING AFFORDABLE HOUSING FOR 501(c)(3) NONPROFIT
27	ORGANIZATIONS WITH A PRIMARY PURPOSE OF ASSISTING WITH PROVIDING AFFORDABLE
28	HOUSING.
29	B. A MUNICIPALITY WITH A POPULATION OF ONE HUNDRED THOUSAND PERSONS
30	OR LESS MAY IMPLEMENT THE INCENTIVES PRESCRIBED IN SUBSECTION A OF THIS
31	SECTION TO INCENTIVIZE AFFORDABLE HOUSING.

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C. THE GOVERNING BODY OF A MUNICIPALITY WITH A POPULATION OF MORE
 THAN ONE HUNDRED THOUSAND PERSONS SHALL ANNUALLY:

3 1. REVIEW THE EXECUTION OF AFFORDABLE HOUSING STRATEGIES BY THE
4 MUNICIPALITY.

5 6 2. PREPARE A REPORT ON THE FINDINGS OF THE REVIEW PRESCRIBED IN PARAGRAPH 1 OF THIS SUBSECTION. THE REPORT SHALL INCLUDE:

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(a) AN ESTIMATE OR REVISED ESTIMATE OF THE NEED FOR AFFORDABLE HOUSING IN THE MUNICIPALITY FOR THE NEXT FIVE YEARS.

9 (b) A DESCRIPTION OF PROGRESS MADE WITHIN THE MUNICIPALITY TO
 10 PROVIDE AFFORDABLE HOUSING, DEMONSTRATED BY ANALYZING AND PUBLISHING DATA
 11 ON THE NUMBER OF HOUSING UNITS IN THE MUNICIPALITY THAT ARE AT OR BELOW:

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(i) EIGHTY PERCENT OF THE ADJUSTED MEDIAN FAMILY INCOME.

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/ EIGHT FERGERT OF THE ADOUSTED HEDIAN FAMILET INCOME.

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(ii) FIFTY PERCENT OF THE ADJUSTED MEDIAN FAMILY INCOME.

(iii) THIRTY PERCENT OF THE ADJUSTED MEDIAN FAMILY INCOME.

15 (c) A DESCRIPTION OF HOW THE MUNICIPALITY HAS IMPLEMENTED THE
 16 STRATEGIES RELATED TO AFFORDABLE HOUSING PRESCRIBED IN SUBSECTION A OF THIS
 17 SECTION.

18 3. SUBMIT THE REPORT PREPARED PURSUANT TO PARAGRAPH 2 OF THIS
19 SUBSECTION TO THE ARIZONA DEPARTMENT OF HOUSING.

20 4. POST THE REPORT PREPARED PURSUANT TO PARAGRAPH 2 OF THIS
21 SUBSECTION ON THE MUNICIPALITY'S WEBSITE.

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D. FOR THE PURPOSES OF THIS SECTION:

1. "ACCESSORY DWELLING UNIT" MEANS A DISTINCT UNIT THAT IS CLEARLY
 INDEPENDENT OF A SINGLE-FAMILY RESIDENCE, THAT INCLUDES FACILITIES AND
 PROVISIONS FOR INDEPENDENT LIVING, SLEEPING, FOOD PREPARATION AND
 SANITATION AND THAT MEETS THE DIMENSIONAL, SAFETY AND INFRASTRUCTURE
 CAPACITY REQUIREMENTS OF THE MUNICIPALITY.

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2. "AFFORDABLE HOUSING" MEANS EITHER OF THE FOLLOWING:

(a) OWNER-OCCUPIED HOUSING FOR WHICH THE TOTAL ANNUAL COST OF
 OWNERSHIP, INCLUDING PRINCIPAL, INTEREST, TAXES, INSURANCE AND HOMEOWNER
 ASSOCIATION FEES, DOES NOT EXCEED THIRTY PERCENT OF THE GROSS ANNUAL INCOME
 OF A HOUSEHOLD THAT IS AT EIGHTY PERCENT OF THE AREA MEDIAN INCOME.

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(b) RENTAL HOUSING FOR WHICH THE TOTAL ANNUAL COST OF HOUSING,
 INCLUDING RENT, UTILITIES AND ASSOCIATION FEES, DOES NOT EXCEED THIRTY
 PERCENT OF THE GROSS ANNUAL INCOME OF A HOUSEHOLD THAT IS AT EIGHTY PERCENT
 OF THE AREA MEDIAN INCOME."

5 Amend title to conform

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1634LIVINGSTON 02/17/2022 05:40 PM C: LAT