

Senate Engrossed

~~municipal platting; technical correction~~
(now: housing; infrastructure; regulation; administration)

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SENATE BILL 1117

AN ACT

AMENDING SECTIONS 9-462.01, 9-462.03 AND 9-462.04, ARIZONA REVISED STATUTES; AMENDING TITLE 9, CHAPTER 4, ARTICLE 6.1, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-462.10; AMENDING SECTION 9-463.01, ARIZONA REVISED STATUTES; AMENDING TITLE 9, CHAPTER 4, ARTICLE 6.4, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-469; AMENDING TITLE 9, CHAPTER 4, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-500.49; AMENDING SECTIONS 9-831, 9-832, 9-834, 9-835 AND 11-812, ARIZONA REVISED STATUTES; RELATING TO HOUSING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-462.01, Arizona Revised Statutes, is amended
3 to read:

4 9-462.01. Zoning regulations; public hearing; applicability;
5 definitions

6 A. Pursuant to this article, the legislative body of any
7 municipality by ordinance, in order to conserve and promote the public
8 health, safety and general welfare, may:

9 1. Regulate the use of buildings, structures and land as between
10 agriculture, residence, industry, business and other purposes.

11 2. Regulate signs and billboards.

12 3. Regulate the location, height, bulk, number of stories and size
13 of buildings and structures, the size and use of lots, yards, courts and
14 other open spaces, the percentage of a lot that may be occupied by a
15 building or structure, access to incident solar energy and the intensity
16 of land use.

17 4. Establish requirements for off-street parking and loading,
18 EXCEPT IN AREAS ZONED FOR RESIDENTIAL USE IF THE MUNICIPALITY HAS A
19 POPULATION OF MORE THAN THIRTY THOUSAND PERSONS.

20 5. Establish and maintain building setback lines.

21 6. Create civic districts around civic centers, public parks,
22 public buildings or public grounds and establish regulations for the civic
23 districts.

24 7. Require as a condition of rezoning public dedication of
25 rights-of-way as streets, alleys, public ways, drainage and public
26 utilities as are reasonably required by or related to the effect of the
27 rezoning.

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

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

39 10. Establish districts of historical significance provided that:

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

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

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

11 (d) The ordinances may designate or authorize any committee,
12 commission, department or person to designate structures or sites of
13 special historical significance in accordance with criteria contained in
14 the ordinance, and no designation shall be made except after a public
15 hearing on notice of the owners of record of the property designated of
16 special historical significance. The ordinances may require that special
17 permission be obtained for any development respecting the structures or
18 sites.

19 11. Establish age-specific community zoning districts in which
20 residency is restricted to a head of a household or spouse who must be of
21 a specific age or older and in which minors are prohibited from living in
22 the home. Age-specific community zoning districts shall not be overlaid
23 over property without the permission of all owners of property included as
24 part of the district unless all of the property in the district has been
25 developed, advertised and sold or rented under specific age restrictions.
26 The establishment of age-specific community zoning districts is subject to
27 all of the public notice requirements and other procedures prescribed by
28 this article.

29 12. Establish procedures, methods and standards for the transfer of
30 development rights within its jurisdiction. Any proposed transfer of
31 development rights from the sending property or to the receiving property
32 shall be subject to the notice and hearing requirements of section
33 9-462.04 and shall be subject to the approval and consent of the property
34 owners of both the sending and receiving property. Before any transfer of
35 development rights, a municipality shall adopt an ordinance providing for:

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

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

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.

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

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

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

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

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

21 C. EXCEPT AS PROVIDED IN SUBSECTIONS E AND F OF THIS SECTION, all
22 zoning regulations shall be uniform for each class or kind of building or
23 use of land throughout each zone. ~~but~~ ON VACANT LAND IN ANY ZONE THAT
24 ALLOWS SINGLE-FAMILY RESIDENTIAL USES, A MUNICIPALITY WITH A POPULATION OF
25 MORE THAN THIRTY THOUSAND PERSONS MAY NOT REQUIRE THE FOLLOWING:

26 1. LOT SIZE MINIMUMS THAT ARE GREATER THAN FOUR THOUSAND SQUARE
27 FEET IN AREA. THE MUNICIPALITY MAY LIMIT THE DENSITY TO SIX PRIMARY
28 DWELLING UNITS PER ACRE.

29 2. LOT WIDTH MINIMUMS THAT ARE GREATER THAN FORTY FEET.

30 3. FRONT SETBACKS THAT ARE GREATER THAN TEN FEET, EXCEPT FOR
31 PORTIONS OF A DWELLING THAT ARE OCCUPIED BY A GARAGE, IN WHICH THE FRONT
32 SETBACK MINIMUM MAY NOT BE GREATER THAN EIGHTEEN FEET FROM THE BACK OF THE
33 SIDEWALK OR LOT LINE IF THERE IS NO SIDEWALK.

34 4. SIDE YARD SETBACKS THAT ARE GREATER THAN FIVE FEET.

35 5. REAR SETBACKS THAT ARE GREATER THAN TEN FEET.

36 6. THE PERCENTAGE OF A LOT THAT MAY BE OCCUPIED BY A BUILDING OR
37 STRUCTURE TO BE GREATER THAN THE SETBACKS.

38 D. IN ANY ZONE THAT ALLOWS RESIDENTIAL USES, A MUNICIPALITY WITH A
39 POPULATION OF MORE THAN THIRTY THOUSAND PERSONS MAY NOT PROHIBIT THE
40 FOLLOWING:

41 1. ACCESSORY DWELLING UNITS.

42 2. ACCESSORY DWELLING UNITS THAT ARE OCCUPIED BY A PERSON OTHER
43 THAN THE OWNER OR THAT ARE ON A PROPERTY NOT OCCUPIED BY THE OWNER. A
44 MUNICIPALITY MAY REQUIRE A LEASE FOR AN ACCESSORY DWELLING UNIT TO HAVE A
45 DURATION OF AT LEAST THREE MONTHS.

1 3. THE PLACEMENT OF A NEW UNITED STATES DEPARTMENT OF HOUSING AND
2 URBAN DEVELOPMENT-CODE MANUFACTURED HOME THAT IS, OR WILL BE AFTER
3 PURCHASE, TITLED AS REAL PROPERTY. A MUNICIPALITY MAY REQUIRE
4 SINGLE-FAMILY OR DUPLEX NEW UNITED STATES DEPARTMENT OF HOUSING AND URBAN
5 DEVELOPMENT-CODE MANUFACTURED HOUSING TO BE SECURELY FIXED TO A PERMANENT
6 STANDARD OR ENGINEERED FOUNDATION AT AN EQUIVALENT LEVEL AS THE
7 REQUIREMENTS APPLICABLE TO SINGLE-FAMILY DWELLINGS WITHIN THE MUNICIPALITY
8 ON WHICH THE NEW UNITED STATES DEPARTMENT OF HOUSING AND URBAN
9 DEVELOPMENT-CODE MANUFACTURED HOUSING IS PROPOSED TO BE LOCATED.

10 E. A MUNICIPALITY WITH A POPULATION OF MORE THAN THIRTY THOUSAND
11 PERSONS SHALL PROVIDE ADDITIONAL RESIDENTIAL ZONES THAT ALLOW FOR
12 CONSTRUCTION OR USE OF DUPLEXES, TRIPLEXES, LOTS THAT ARE SMALLER THAN
13 FOUR THOUSAND SQUARE FEET, SINGLE-ROOM OCCUPANCIES AND OTHER HOUSING TYPES
14 PROPOSED BY APPLICANTS.

15 F. The regulations in one type of zone may differ from those in
16 other types of zones as follows:

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

21 (a) Infrequency of use.

22 (b) High degree of traffic generation.

23 (c) Requirement of large land area.

24 2. Within residential zones, the regulations may permit
25 modifications to minimum ~~yard lot area and~~ height requirements.

26 ~~D.~~ G. To carry out the purposes of this article and articles 6 and
27 6.2 of this chapter, the legislative body may adopt overlay zoning
28 districts and regulations applicable to particular buildings, structures
29 and land within individual zones. For the purposes of this subsection,
30 "overlay zoning district" means a special zoning district that includes
31 regulations that modify regulations in another zoning district with which
32 the overlay zoning district is combined. Overlay zoning districts and
33 regulations shall be adopted pursuant to section 9-462.04.

34 ~~E.~~ H. The legislative body may approve a change of zone
35 conditioned on a schedule for development of the specific use or uses for
36 which rezoning is requested. If, at the expiration of this period, the
37 property has not been improved for the use for which it was conditionally
38 approved, the legislative body, after notification by certified mail to
39 the owner and applicant who requested the rezoning, shall schedule a
40 public hearing to take administrative action to extend, remove or
41 determine compliance with the schedule for development or take legislative
42 action to cause the property to revert to its former zoning
43 classification.

44 ~~F.~~ I. All zoning and rezoning ordinances or regulations adopted
45 under this article shall be consistent with and conform to the adopted

1 general plan of the municipality, if any, as adopted under article 6 of
2 this chapter. In the case of uncertainty in construing or applying the
3 conformity of any part of a proposed rezoning ordinance to the adopted
4 general plan of the municipality, the ordinance shall be construed in a
5 manner that will further the implementation of, and not be contrary to,
6 the goals, policies and applicable elements of the general plan. A
7 rezoning ordinance conforms with the land use element of the general plan
8 if it proposes land uses, densities or intensities within the range of
9 identified uses, densities and intensities of the land use element of the
10 general plan.

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

26 1. "Agricultural composting" means the controlled biological
27 decomposition of organic solid waste under in-vessel anaerobic or aerobic
28 conditions where all or part of the materials are generated on the
29 farmland or will be used on the farmland associated with the agricultural
30 composting operation.

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

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

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

40 ~~J.~~ M. Before adopting any zoning ordinance or zoning ordinance
41 text amendment of general applicability, the legislative body of a
42 municipality shall consider the probable impact of the proposed zoning
43 ordinance or text amendment on the cost to construct housing for sale or
44 rent.

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

4 O. THIS SECTION DOES NOT AFFECT THE VALIDITY OR ENFORCEABILITY OF
5 PRIVATE COVENANTS OR OTHER CONTRACTUAL ELEMENTS AMONG PROPERTY OWNERS
6 RELATING TO DWELLING DESIGN ELEMENTS BY PARTIES OTHER THAN THE
7 MUNICIPALITY.

8 P. SUBSECTION A, PARAGRAPH 4 AND SUBSECTIONS C THROUGH E OF THIS
9 SECTION DO NOT APPLY TO A MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND, AN
10 AREA THAT IS DESIGNATED AS A DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT
11 TO SUBSECTION A, PARAGRAPH 10 OF THIS SECTION OR AN AREA THAT IS
12 DESIGNATED AS HISTORIC ON THE NATIONAL REGISTER OF HISTORIC PLACES.

13 ~~L.~~ Q. For the purposes of this section:

14 1. "ACCESSORY DWELLING UNIT":

15 (a) MEANS A RESIDENTIAL LIVING UNIT THAT PROVIDES COMPLETE
16 INDEPENDENT LIVING FACILITIES, WHICH MAY INCLUDE A KITCHEN WITH A RANGE,
17 FOR ONE OR MORE PERSONS ON THE SAME PARCEL AS A SINGLE-FAMILY OR
18 MULTIFAMILY DWELLING AND THAT IS SMALLER IN TOTAL SQUARE FOOTAGE THAN THE
19 PRIMARY DWELLING UNIT.

20 (b) INCLUDES BOTH OF THE FOLLOWING:

21 (i) A DETACHED UNIT.

22 (ii) A UNIT THAT IS ATTACHED TO A SINGLE-FAMILY UNIT OR A UNIT IN A
23 MULTIFAMILY DWELLING.

24 ~~I.~~ 2. "Development rights" means the maximum development that
25 would be allowed on the sending property under any general or specific
26 plan and local zoning ordinance of a municipality in effect on the date
27 the municipality adopts an ordinance pursuant to subsection A, paragraph
28 12 of this section respecting the permissible use, area, bulk or height of
29 improvements made to the lot or parcel. Development rights may be
30 calculated and allocated in accordance with factors including dwelling
31 units, area, floor area, floor area ratio, height limitations, traffic
32 generation or any other criteria that will quantify a value for the
33 development rights in a manner that will carry out the objectives of this
34 section.

35 ~~J.~~ 3. "Receiving property" means a lot or parcel within which
36 development rights are increased pursuant to a transfer of development
37 rights. Receiving property shall be appropriate and suitable for
38 development and shall be sufficient to accommodate the transferable
39 development rights of the sending property without substantial adverse
40 environmental, economic or social impact to the receiving property or to
41 neighboring property.

42 ~~M.~~ 4. "Sending property" means a lot or parcel with special
43 characteristics, including farmland, woodland, desert land, mountain land,
44 floodplain, natural habitats, recreation or parkland, including golf

1 course area, or land that has unique aesthetic, architectural or historic
2 value that a municipality desires to protect from future development.

3 5. "SINGLE-ROOM OCCUPANCIES":

4 (a) MEANS DWELLING UNITS IN WHICH RESIDENTS RENT A PRIVATE BEDROOM
5 WITH SHARED KITCHEN AND BATHROOM FACILITIES.

6 (b) DOES NOT INCLUDE SOBER LIVING HOMES AS DEFINED IN SECTION
7 36-2061 OR ASSISTED LIVING FACILITIES REGULATED BY THE DEPARTMENT OF
8 HEALTH SERVICES.

9 ~~4.~~ 6. "Transfer of development rights" means the process by which
10 development rights from a sending property are affixed to one or more
11 receiving properties.

12 Sec. 2. Section 9-462.03, Arizona Revised Statutes, is amended to
13 read:

14 9-462.03. Amendment procedure

15 A. The governing body of the municipality shall adopt by ordinance
16 a citizen review process that applies to all rezoning and specific plan
17 applications that require a public hearing. The citizen review process
18 shall include at least the following requirements:

19 1. Adjacent landowners and other potentially affected citizens will
20 be notified of the application.

21 2. The municipality will inform adjacent landowners and other
22 potentially affected citizens of the substance of the proposed rezoning.

23 3. Adjacent landowners and other potentially affected citizens will
24 be provided an opportunity to express any issues or concerns that they may
25 have with the proposed rezoning before the public hearing.

26 B. EXCEPT FOR MODIFICATIONS MADE PURSUANT TO SECTION 9-462.10, a
27 zoning ordinance that changes any property from one zone to another, that
28 imposes any regulation not previously imposed or that removes or modifies
29 any such regulation previously imposed must be adopted following the
30 procedure prescribed in the citizen review process and in the manner set
31 forth in section 9-462.04.

32 Sec. 3. Section 9-462.04, Arizona Revised Statutes, is amended to
33 read:

34 9-462.04. Public hearing required; applicability; definition

35 A. If the municipality has a planning commission or a hearing
36 officer, the planning commission or hearing officer shall hold a public
37 hearing on any zoning ordinance. Notice of the time and place of the
38 hearing, including a general explanation of the matter to be considered
39 and ~~including~~ a general description of the area affected, shall be given
40 at least fifteen days before the hearing in the following manner:

41 1. The notice shall be published at least once in a newspaper of
42 general circulation published or circulated in the municipality, or if
43 there is none, it shall be posted on the affected property in such a
44 manner as to be legible from the public right-of-way and in at least ten
45 public places in the municipality. A posted notice shall be printed so

1 that the following are visible from a distance of one hundred feet: the
2 word "zoning", the present zoning district classification, the proposed
3 zoning district classification and the date and time of the hearing.

4 2. In proceedings involving rezoning of land that abuts other
5 municipalities or unincorporated areas of the county or a combination of a
6 municipality and an unincorporated area, copies of the notice of public
7 hearing shall be transmitted to the planning agency of the governmental
8 unit abutting such land. In proceedings involving rezoning of land that
9 is located within the territory in the vicinity of a military airport or
10 ancillary military facility as defined in section 28-8461, the
11 municipality shall send copies of the notice of public hearing by first
12 class mail to the military airport. In addition to notice by publication,
13 a municipality may give notice of the hearing in any other manner that the
14 municipality deems necessary or desirable.

15 3. In proceedings that are not initiated by the property owner
16 involving rezoning of land that may change the zoning classification,
17 notice by first class mail shall be sent to each real property owner, as
18 shown on the last assessment of the property, of the area to be rezoned
19 and all property owners, as shown on the last assessment of the property,
20 within three hundred feet of the property to be rezoned.

21 4. In proceedings involving one or more of the following proposed
22 changes or related series of changes in the standards governing land uses,
23 notice shall be provided in the manner prescribed by paragraph 5 of this
24 subsection:

25 (a) A ten percent or more increase or decrease in the number of
26 square feet or units that may be developed.

27 (b) A ten percent or more increase or reduction in the allowable
28 height of buildings.

29 (c) An increase or reduction in the allowable number of stories of
30 buildings.

31 (d) A ten percent or more increase or decrease in setback or open
32 space requirements.

33 (e) An increase or reduction in permitted uses.

34 5. In proceedings governed by paragraph 4 of this subsection, the
35 municipality shall provide notice to real property owners pursuant to at
36 least one of the following notification procedures:

37 (a) Notice shall be sent by first class mail to each real property
38 owner, as shown on the last assessment, whose real property is directly
39 governed by the changes.

40 (b) If the municipality issues utility bills or other mass mailings
41 that periodically include notices or other informational or advertising
42 materials, the municipality shall include notice of the changes with such
43 utility bills or other mailings.

44 (c) The municipality shall publish the changes before the first
45 hearing on such changes in a newspaper of general circulation in the

1 municipality. The changes shall be published in a "display ad" covering
2 not less than one-eighth of a full page.

3 6. If notice is provided pursuant to paragraph 5, subdivision (b)
4 or (c) of this subsection, the municipality shall also send notice by
5 first class mail to persons who register their names and addresses with
6 the municipality as being interested in receiving such notice. The
7 municipality may charge a fee not to exceed \$5 per year for providing this
8 service and may adopt procedures to implement this paragraph.

9 7. Notwithstanding the notice requirements in paragraph 4 of this
10 subsection, the failure of any person or entity to receive notice does not
11 constitute grounds for any court to invalidate the actions of a
12 municipality for which the notice was given.

13 B. If the matter to be considered applies to territory in a high
14 noise or accident potential zone as defined in section 28-8461, the notice
15 prescribed in subsection A of this section shall include a general
16 statement that the matter applies to property located in the high noise or
17 accident potential zone.

18 C. After the hearing, the planning commission or hearing officer
19 shall render a decision in the form of a written recommendation to the
20 governing body. The recommendation shall include the reasons for the
21 recommendation and be transmitted to the governing body in the form and
22 manner prescribed by the governing body.

23 D. If the planning commission or hearing officer has held a public
24 hearing, the governing body may adopt the recommendations of the planning
25 commission or hearing officer without holding a second public hearing if
26 there is no objection, request for public hearing or other protest. The
27 governing body shall hold a public hearing if requested by the party
28 aggrieved or any member of the public or of the governing body, or, in any
29 case, if a public hearing has not been held by the planning commission or
30 hearing officer. The governing body may consider the testimony of any
31 party aggrieved when making its decision. In municipalities with
32 territory in the vicinity of a military airport or ancillary military
33 facility as defined in section 28-8461, the governing body shall hold a
34 public hearing if, after notice is transmitted to the military airport
35 pursuant to subsection A of this section and before the public hearing,
36 the military airport provides comments or analysis concerning the
37 compatibility of the proposed rezoning with the high noise or accident
38 potential generated by military airport or ancillary military facility
39 operations that may have an adverse impact on public health and safety,
40 and the governing body shall consider and analyze the comments or analysis
41 before making a final determination. Notice of the time and place of the
42 hearing shall be given in the time and manner provided for ~~the~~ giving of
43 notice of the hearing by the planning commission as specified in
44 subsection A of this section. A municipality may give additional notice
45 of the hearing in any other manner as the municipality deems necessary or

1 desirable. For the purposes of this subsection, "party aggrieved" means
2 any property owner within the notification area prescribed by subsection
3 A, paragraph 3 of this section.

4 E. A municipality may enact an ordinance authorizing county zoning
5 to continue in effect until municipal zoning is applied to land previously
6 zoned by the county and annexed by the municipality, but not longer than
7 six months after the annexation.

8 F. A municipality is not required to adopt a general plan before
9 ~~the adoption of~~ ADOPTING a zoning ordinance.

10 G. If there is no planning commission or hearing officer, the
11 governing body of the municipality shall perform the functions assigned to
12 the planning commission or hearing officer.

13 H. If the owners of twenty percent or more of the property by area
14 and number of lots, tracts and condominium units within the zoning area of
15 the affected property file a protest in writing against a proposed
16 amendment, the change shall not become effective except by the favorable
17 vote of three-fourths of all members of the governing body of the
18 municipality. If any members of the governing body are unable to vote on
19 such a question because of a conflict of interest, then the required
20 number of votes for passage of the question shall be three-fourths of the
21 remaining membership of the governing body, ~~provided that~~ IF such required
22 number of votes ~~shall~~ IS not ~~be~~ less than a majority of the full
23 membership of the legally established governing body. For the purposes of
24 this subsection, the vote shall be rounded to the nearest whole number. A
25 protest filed pursuant to this subsection shall be signed by the property
26 owners opposing the proposed amendment and filed in the office of the
27 clerk of the municipality not later than 12:00 noon one business day
28 before the date on which the governing body will vote on the proposed
29 amendment or on an earlier time and date established by the governing
30 body.

31 I. In applying an open space element or a growth element of a
32 general plan, a parcel of land shall not be rezoned for open space,
33 recreation, conservation or agriculture unless the owner of the land
34 consents to the rezoning in writing.

35 J. Notwithstanding section 19-142, subsection B, a decision by the
36 governing body involving rezoning ~~of~~ land that is not owned by the
37 municipality and that changes the zoning classification of such land may
38 not be enacted as an emergency measure and the change shall not be
39 effective for at least thirty days after final approval of the change in
40 classification by the governing body.

41 K. EXCEPT AS OTHERWISE PROVIDED, THIS SECTION DOES NOT APPLY TO ANY
42 ZONING ORDINANCE OR PART OF A ZONING ORDINANCE ADOPTED PURSUANT TO SECTION
43 9-462.10.

1 ~~K.~~ L. For the purposes of this section, "zoning area" means both
2 of the following:

3 1. The area within one hundred fifty feet, including all
4 rights-of-way, of the affected property subject to the proposed amendment
5 or change.

6 2. The area of the proposed amendment or change.

7 Sec. 4. Title 9, chapter 4, article 6.1, Arizona Revised Statutes,
8 is amended by adding section 9-462.10, to read:

9 9-462.10. Residential zoning districts; amendment;
10 preemption; applicability; definitions

11 A. HOUSING SUPPLY AND AFFORDABILITY IS A MATTER OF STATEWIDE
12 CONCERN. REGULATION OF HOUSING WITHIN RESIDENTIAL ZONING DISTRICTS AND
13 THROUGH AMENDMENTS TO OTHER ZONING DISTRICTS IS NOT SUBJECT TO FURTHER
14 REGULATION BY A CITY OR TOWN, INCLUDING A CHARTER CITY.

15 B. NOTWITHSTANDING ANY OTHER LAW, ON OR BEFORE JANUARY 1, 2024, A
16 MUNICIPALITY SHALL ADOPT AN AMENDMENT TO ITS ZONING ORDINANCE THAT
17 REQUIRES THE MUNICIPALITY TO DO ALL OF THE FOLLOWING ON ANY REZONING OF
18 LAND TO A RESIDENTIAL USE:

19 1. ADMINISTRATIVELY APPROVE THE APPLICATION WITHIN THIRTY DAYS IF
20 THE LAND BEING REZONED TO A RESIDENTIAL USE CONFORMS IN ALL MATERIAL
21 RESPECTS WITH THE LAND USE DESIGNATION CONTAINED IN THE MOST RECENT
22 VOTER-APPROVED GENERAL PLAN IN ACCORDANCE WITH SECTION 9-462.01,
23 SUBSECTION I.

24 2. DETERMINE WHETHER THE APPLICATION IS ADMINISTRATIVELY COMPLETE
25 WITHIN THIRTY DAYS AFTER RECEIVING THE APPLICATION. IF THE MUNICIPALITY
26 DETERMINES THAT THE APPLICATION IS NOT ADMINISTRATIVELY COMPLETE, THE
27 MUNICIPALITY SHALL FOLLOW THE PROCEDURES IN SECTION 9-835, SUBSECTION E
28 UNTIL THE APPLICATION IS ADMINISTRATIVELY COMPLETE. THE MUNICIPALITY
29 SHALL DETERMINE WHETHER A RESUBMITTED APPLICATION IS ADMINISTRATIVELY
30 COMPLETE WITHIN FIFTEEN DAYS AFTER RECEIPT. AFTER A DETERMINATION THAT
31 THE APPLICATION IS ADMINISTRATIVELY COMPLETE, THE MUNICIPALITY SHALL
32 APPROVE THE APPLICATION WITHIN ONE HUNDRED EIGHTY DAYS, UNLESS A PROPERTY
33 OWNER WITHIN THE ZONING AREA DEMONSTRATES BY CLEAR AND CONVINCING EVIDENCE
34 THAT THE PROPOSED HOUSING UNITS WILL CREATE AN OBJECTIVE EXTERNALITY TO
35 THE PROPERTY OWNER WHILE ON THE OWNER'S PROPERTY THAT HAS NOT BEEN
36 MITIGATED. AN APPLICANT SHALL BE DEEMED TO HAVE MITIGATED ANY OBJECTIVE
37 EXTERNALITIES RELATED TO WATER RUNOFF, TRAFFIC OR PARKING IF THE
38 MUNICIPALITY HAS AN ADOPTED CODE, ORDINANCE, STANDARD, REGULATION OR OTHER
39 LEGAL REQUIREMENT FOR GRADING AND DRAINAGE AND FOR REQUIRED STREET
40 IMPROVEMENTS, INCLUDING STORMWATER AND STREET IMPROVEMENT DEVELOPMENT FEES
41 ADOPTED IN ACCORDANCE WITH SECTION 9-463.05. THE MUNICIPALITY'S
42 IDENTIFIED OBJECTIVE EXTERNALITIES, INCLUDING ANY MITIGATION MEASURES
43 PRESCRIBED BY CODE, ORDINANCE, STANDARD, REGULATION OR OTHER LEGAL
44 REQUIREMENT MAY NOT CREATE AN UNDUE BURDEN ON THE DEVELOPMENT AND
45 CONSTRUCTION OF NEW HOUSING UNITS.

1 C. THE APPLICATION FOR CHANGES TO THE MUNICIPALITY'S ZONING
2 ORDINANCE SHALL BE ADOPTED FOLLOWING A PUBLIC HEARING BEFORE THE GOVERNING
3 BOARD OF THE MUNICIPALITY. NOTICE AND PLACE OF THE PUBLIC HEARING,
4 INCLUDING A GENERAL EXPLANATION OF THE MATTER TO BE CONSIDERED, SHALL BE
5 PROVIDED IN ACCORDANCE WITH SECTION 9-462.04, SUBSECTION A AND SHALL
6 COMPLY WITH ANY OTHER NOTICE REQUIREMENTS ADOPTED BY THE MUNICIPALITY IN
7 ACCORDANCE WITH STATE LAW. THE MUNICIPALITY, AT ITS DISCRETION, MAY
8 REQUIRE A PUBLIC HEARING BEFORE A PLANNING AND ZONING COMMISSION IF THE
9 REQUIRED HEARINGS TAKE PLACE WITHIN THE TIME FRAMES REQUIRED BY THIS
10 SECTION.

11 D. IF THE MUNICIPALITY FINDS THAT THE OWNER OF PROPERTY WITHIN THE
12 ZONING AREA PROVED BY CLEAR AND CONVINCING EVIDENCE AN OBJECTIVE
13 EXTERNALITY TO THE PROPERTY OWNER WHILE ON THE OWNER'S PROPERTY, THE
14 MUNICIPALITY SHALL SPECIFICALLY IDENTIFY THE LEAST RESTRICTIVE MEANS TO
15 SUFFICIENTLY MITIGATE THE IDENTIFIED OBJECTIVE EXTERNALITY AND
16 CONDITIONALLY APPROVE THE APPLICATION SUBJECT TO THE SPECIFICALLY
17 IDENTIFIED MITIGATION MEASURES.

18 E. FOLLOWING THE MUNICIPALITY'S FINDINGS, THE APPLICANT MAY BRING
19 AN ACTION IN SUPERIOR COURT TO CHALLENGE THE FINDINGS THAT THE OWNER OF
20 PROPERTY WITHIN THE ZONING AREA MET THE BURDEN OF SHOWING BY CLEAR AND
21 CONVINCING EVIDENCE THAT THE PROPOSED DEVELOPMENT WILL CREATE AN OBJECTIVE
22 EXTERNALITY TO THE PROPERTY OWNER WHILE ON THE OWNER'S PROPERTY AND THE
23 MUNICIPALITY'S SPECIFICALLY IDENTIFIED LEAST RESTRICTIVE MEANS OF
24 MITIGATING THE IDENTIFIED OBJECTIVE EXTERNALITY.

25 F. IN ANY JUDICIAL ACTION BROUGHT PURSUANT TO THIS SECTION, THE
26 TRIAL SHALL BE DE NOVO AND THE COURT MAY NOT USE ANY DEFERENTIAL STANDARD
27 TO THE FINDINGS OF THE MUNICIPALITY.

28 G. THIS SECTION DOES NOT APPLY TO ANY LAND WITHIN AN AREA THAT IS
29 DESIGNATED AS A DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT TO SECTION
30 9-462.01, AN AREA THAT IS DESIGNATED AS HISTORIC ON THE NATIONAL REGISTER
31 OF HISTORIC PLACES, THE IMMEDIATE VICINITY OF A MUNICIPAL, FEDERAL
32 AVIATION ADMINISTRATION COMMERCIALY LICENSED, GENERAL AVIATION OR
33 MILITARY AIRPORT OR ANCILLARY MILITARY FACILITY AS DEFINED IN SECTION
34 28-8461 OR TO A MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND OR A
35 MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY THOUSAND PERSONS.

36 H. FOR THE PURPOSES OF THIS SECTION:

37 1. "ADMINISTRATIVELY COMPLETE" MEANS THAT THE APPLICANT HAS
38 PROVIDED ALL NECESSARY INFORMATION AND COMPLETED ALL REQUIRED FORMS FOR
39 THE APPLICANT TO PROVIDE THE REQUIRED NOTICE TO PROPERTY OWNERS WITHIN THE
40 ZONING AREA AND THE MUNICIPALITY TO REVIEW AND APPROVE THE APPLICATION.

41 2. "EXTERNALITY":

42 (a) MEANS THE EFFECT BEYOND THE PROPERTY LINES OF THE PROPOSED
43 DEVELOPMENT ON PROPERTY OWNERS WITHIN THE ZONING AREA WHILE ON THE OWNER'S
44 PROPERTY RELATED TO LIGHT, NOISE, ODOR, WATER RUNOFF, TRAFFIC AND PARKING.

1 (b) DOES NOT INCLUDE ANY OF THE EFFECTS PURSUANT TO SUBDIVISION (a)
2 OF THIS PARAGRAPH THAT ARE WHOLLY CONTAINED WITHIN THE PROPERTY LINES OF
3 THE AREA OF THE PROPOSED DEVELOPMENT.

4 3. "LIGHT" MEANS THE PROPORTION OF NATURAL LIGHT THAT A BUILDING
5 SHOULD EXPECT TO RECEIVE.

6 4. "OBJECTIVE" MEANS INVOLVING NO PERSONAL OR SUBJECTIVE JUDGMENT
7 BY A MUNICIPAL EMPLOYEE OR OFFICIAL AND BEING UNIFORMLY VERIFIABLE BY
8 REFERENCE TO AN EXTERNAL AND UNIFORM BENCHMARK, STANDARD OR CRITERION THAT
9 IS AVAILABLE AND KNOWABLE BY BOTH AN APPLICANT OR PROPONENT AND A
10 MUNICIPAL EMPLOYEE OR OFFICIAL.

11 5. "ZONING AREA" HAS THE SAME MEANING PRESCRIBED IN SECTION
12 9-462.04.

13 Sec. 5. Section 9-463.01, Arizona Revised Statutes, is amended to
14 read:

15 9-463.01. Authority; applicability

16 A. Pursuant to this article, the legislative body of every
17 municipality shall regulate the subdivision of all lands within its
18 corporate limits.

19 B. The legislative body of a municipality shall exercise the
20 authority granted in subsection A of this section by ordinance
21 prescribing:

22 1. Procedures to be followed in the preparation, submission, review
23 and ADMINISTRATIVE approval or rejection of all final plats.

24 2. Standards governing the design of subdivision plats.

25 3. Minimum requirements and standards for the installation of
26 subdivision streets, sewer and water utilities and improvements as a
27 condition of final plat approval.

28 C. By ordinance, the legislative body of any municipality shall:

29 1. Require the preparation, submission and approval of a
30 preliminary plat as a condition precedent to submission of a final plat.

31 2. Establish the procedures to be followed in the preparation,
32 submission, review and approval of preliminary plats.

33 3. Make requirements as to the form and content of preliminary
34 plats.

35 4. Either determine that certain lands may not be subdivided, by
36 reason of adverse topography, periodic inundation, adverse soils,
37 subsidence of the earth's surface, high water table, lack of water or
38 other natural or man-made hazard to life or property, or control the lot
39 size, establish special grading and drainage requirements and impose other
40 regulations deemed reasonable and necessary for the public health, safety
41 or general welfare on any lands to be subdivided affected by such
42 characteristics.

43 5. Require payment of a proper and reasonable fee by the subdivider
44 based ~~upon~~ ON the number of lots or parcels on the surface of the land to
45 defray municipal costs of plat review and site inspection.

1 6. Require the dedication of public streets, sewer and water
2 utility easements or rights-of-way, within the proposed subdivision.

3 7. Require the preparation and submission of acceptable engineering
4 plans and specifications for the installation of required street, sewer,
5 electric and water utilities, drainage, flood control, adequacy of water
6 and improvements as a condition precedent to recordation of an approved
7 final plat.

8 8. Require the posting of performance bonds, assurances or such
9 other security as may be appropriate and necessary to assure the
10 installation of required street, sewer, electric and water utilities,
11 drainage, flood control and improvements meeting established minimum
12 standards of design and construction.

13 D. The legislative body of any municipality may require by
14 ordinance that land areas within a subdivision be reserved for parks,
15 recreational facilities, school sites and fire stations subject to the
16 following conditions:

17 1. The requirement may only be made ~~upon~~ ON preliminary plats filed
18 at least thirty days after the adoption of a general or specific plan
19 affecting the land area to be reserved.

20 2. The required reservations are in accordance with definite
21 principles and standards adopted by the legislative body.

22 3. The land area reserved shall be of such a size and shape as to
23 permit the remainder of the land area of the subdivision within which the
24 reservation is located to develop in an orderly and efficient manner.

25 4. The land area reserved shall be in such multiples of streets and
26 parcels as to permit an efficient division of the reserved area in the
27 event that it is not acquired within the prescribed period.

28 E. The public agency for whose benefit an area has been reserved
29 shall have a period of one year after recording the final subdivision plat
30 to enter into an agreement to acquire such reserved land area. The
31 purchase price shall be the fair market value of the reserved land area at
32 the time of the filing of the preliminary subdivision plat plus the taxes
33 against such reserved area from the date of the reservation and any other
34 costs incurred by the subdivider in the maintenance of such reserved area,
35 including the interest cost incurred on any loan covering such reserved
36 area.

37 F. If the public agency for whose benefit an area has been reserved
38 does not exercise the reservation agreement set forth in subsection E of
39 this section within such ~~one year~~ ONE-YEAR period or such extended period
40 as may be mutually agreed ~~upon~~ ON by such public agency and the
41 subdivider, the reservation of such area shall terminate.

42 G. The legislative body of every municipality shall comply with
43 this article and applicable state statutes pertaining to the hearing,
44 approval or rejection, and recordation of:

45 1. Final subdivision plats.

1 2. Plats filed for the purpose of reverting to acreage of land
2 previously subdivided.

3 3. Plats filed for the purpose of vacating streets or easements
4 previously dedicated to the public.

5 4. Plats filed for the purpose of vacating or redescribing lot or
6 parcel boundaries previously recorded.

7 H. Approval of every preliminary and final plat ~~by a legislative~~
8 ~~body~~ is conditioned ~~upon~~ ON compliance by the subdivider with:

9 1. Rules as may be established by the department of transportation
10 relating to provisions for the safety of entrance ~~upon~~ ON and departure
11 from abutting state primary highways.

12 2. Rules as may be established by a county flood control district
13 relating to the construction or prevention of construction of streets in
14 land established as being subject to periodic inundation.

15 3. Rules as may be established by the department of health services
16 or a county health department relating to the provision of domestic water
17 supply and sanitary sewage disposal.

18 I. If the subdivision is ~~comprised~~ COMPOSED of subdivided lands, as
19 defined in section 32-2101, and is within an active management area, as
20 defined in section 45-402, the final plat shall not be approved unless it
21 is accompanied by a certificate of assured water supply issued by the
22 director of water resources, or unless the subdivider has obtained a
23 written commitment of water service for the subdivision from a city, town
24 or private water company designated as having an assured water supply by
25 the director of water resources pursuant to section 45-576 or is exempt
26 from the requirement pursuant to section 45-576. The ~~legislative body of~~
27 ~~the~~ municipality shall note on the face of the final plat that a
28 certificate of assured water supply has been submitted with the plat or
29 that the subdivider has obtained a written commitment of water service for
30 the proposed subdivision from a city, town or private water company
31 designated as having an assured water supply, pursuant to section 45-576,
32 or is exempt from the requirement pursuant to section 45-576.

33 J. Except as provided in subsections K and P of this section, if
34 the subdivision is composed of subdivided lands as defined in section
35 32-2101 outside of an active management area and the director of water
36 resources has given written notice to the municipality pursuant to section
37 45-108, subsection H, the final plat shall not be approved unless one of
38 the following applies:

39 1. The director of water resources has determined that there is an
40 adequate water supply for the subdivision pursuant to section 45-108 and
41 the subdivider has included the report with the plat.

42 2. The subdivider has obtained a written commitment of water
43 service for the subdivision from a city, town or private water company
44 designated as having an adequate water supply by the director of water
45 resources pursuant to section 45-108.

1 K. ~~The legislative body of~~ A municipality that has received written
2 notice from the director of water resources pursuant to section 45-108,
3 subsection H or that has adopted an ordinance pursuant to subsection O of
4 this section may provide by ordinance an exemption from the requirement in
5 subsection J or O of this section for a subdivision that the director of
6 water resources has determined will have an inadequate water supply
7 because the water supply will be transported to the subdivision by motor
8 vehicle or train if all of the following apply:

9 1. The legislative body determines that there is no feasible
10 alternative water supply for the subdivision and that the transportation
11 of water to the subdivision will not constitute a significant risk to the
12 health and safety of the residents of the subdivision.

13 2. If the water to be transported to the subdivision will be
14 withdrawn or diverted in the service area of a municipal provider as
15 defined in section 45-561, the municipal provider has consented to the
16 withdrawal or diversion.

17 3. If the water to be transported is groundwater, the
18 transportation complies with the provisions governing the transportation
19 of groundwater in title 45, chapter 2, article 8.

20 4. The transportation of water to the subdivision meets any
21 additional conditions imposed by the legislative body.

22 L. A municipality that adopts the exemption authorized by
23 subsection K of this section shall give written notice of the adoption of
24 the exemption, including a certified copy of the ordinance containing the
25 exemption, to the director of water resources, the director of
26 environmental quality and the state real estate commissioner. If the
27 municipality later rescinds the exemption, the municipality shall give
28 written notice of the rescission to the director of water resources, the
29 director of environmental quality and the state real estate commissioner.
30 A municipality that rescinds an exemption adopted pursuant to subsection K
31 of this section shall not readopt the exemption for at least five years
32 after the rescission becomes effective.

33 M. If the legislative body of a municipality approves a subdivision
34 plat pursuant to subsection J, paragraph 1 or 2 or subsection O of this
35 section, the legislative body shall note on the face of the plat that the
36 director of water resources has reported that the subdivision has an
37 adequate water supply or that the subdivider has obtained a commitment of
38 water service for the proposed subdivision from a city, town or private
39 water company designated as having an adequate water supply pursuant to
40 section 45-108.

41 N. If the legislative body of a municipality approves a subdivision
42 plat pursuant to an exemption authorized by subsection K of this section
43 or granted by the director of water resources pursuant to section
44 45-108.02 or 45-108.03:

1 1. The legislative body shall give written notice of the approval
2 to the director of water resources and the director of environmental
3 quality.

4 2. The legislative body shall include on the face of the plat a
5 statement that the director of water resources has determined that the
6 water supply for the subdivision is inadequate and a statement describing
7 the exemption under which the plat was approved, including a statement
8 that the legislative body or the director of water resources, whichever
9 applies, has determined that the specific conditions of the exemption were
10 met. If the director subsequently informs the legislative body that the
11 subdivision is being served by a water provider that has been designated
12 by the director as having an adequate water supply pursuant to section
13 45-108, the legislative body shall record in the county recorder's office
14 a statement disclosing that fact.

15 0. If a municipality has not been given written notice by the
16 director of water resources pursuant to section 45-108, subsection H, the
17 legislative body of the municipality, to protect the public health and
18 safety, may provide by ordinance that, except as provided in subsections K
19 and P of this section, the final plat of a subdivision located in the
20 municipality and outside of an active management area will not be approved
21 ~~by the legislative body~~ unless the director of water resources has
22 determined that there is an adequate water supply for the subdivision
23 pursuant to section 45-108 or the subdivider has obtained a written
24 commitment of water service for the subdivision from a city, town or
25 private water company designated as having an adequate water supply by the
26 director of water resources pursuant to section 45-108. Before holding a
27 public hearing to consider whether to enact an ordinance pursuant to this
28 subsection, a municipality shall provide written notice of the hearing to
29 the board of supervisors of the county in which the municipality is
30 located. A municipality that enacts an ordinance pursuant to this
31 subsection shall give written notice of the enactment of the ordinance,
32 including a certified copy of the ordinance, to the director of water
33 resources, the director of environmental quality, the state real estate
34 commissioner and the board of supervisors of the county in which the
35 municipality is located. If a municipality enacts an ordinance pursuant
36 to this subsection, water providers may be eligible to receive monies in a
37 water supply development fund, as otherwise provided by law.

38 P. Subsections J and O of this section do not apply to:

39 1. A proposed subdivision that the director of water resources has
40 determined will have an inadequate water supply pursuant to section 45-108
41 if the director grants an exemption for the subdivision pursuant to
42 section 45-108.02 and the exemption has not expired or if the director
43 grants an exemption pursuant to section 45-108.03.

1 2. A proposed subdivision that received final plat approval from
2 the municipality before the requirement for an adequate water supply
3 became effective in the municipality if the plat has not been materially
4 changed since it received the final plat approval. If changes were made
5 to the plat after the plat received the final plat approval, the director
6 of water resources shall determine whether the changes are material
7 pursuant to the rules adopted by the director to implement section 45-108.
8 If the municipality approves a plat pursuant to this paragraph and the
9 director of water resources has determined that there is an inadequate
10 water supply for the subdivision pursuant to section 45-108, the
11 municipality shall note this on the face of the plat.

12 Q. If the subdivision is composed of subdivided lands as defined in
13 section 32-2101 outside of an active management area and the municipality
14 has not received written notice pursuant to section 45-108, subsection H
15 and has not adopted an ordinance pursuant to subsection O of this section:

16 1. If the director of water resources has determined that there is
17 an adequate water supply for the subdivision pursuant to section 45-108 or
18 if the subdivider has obtained a written commitment of water service for
19 the subdivision from a city, town or private water company designated as
20 having an adequate water supply by the director of water resources
21 pursuant to section 45-108, the municipality shall note this on the face
22 of the plat if the plat is approved.

23 2. If the director of water resources has determined that there is
24 an inadequate water supply for the subdivision pursuant to section 45-108,
25 the municipality shall note this on the face of the plat if the plat is
26 approved.

27 R. Every municipality is responsible for the recordation of all
28 ~~APPROVED~~ final plats ~~approved by the legislative body~~ and shall receive
29 from the subdivider and transmit to the county recorder the recordation
30 fee established by the county recorder.

31 S. Pursuant to provisions of applicable state statutes, the
32 legislative body of any municipality may itself prepare or have prepared a
33 plat for the subdivision of land under municipal ownership.

34 T. The legislative bodies of cities and towns may regulate by
35 ordinance land splits within their corporate limits. Authority granted
36 under this section refers to the determination of division lines, area and
37 shape of the tracts or parcels and does not include authority to regulate
38 the terms or condition of the sale or lease nor does it include the
39 authority to regulate the sale or lease of tracts or parcels that are not
40 the result of land splits as defined in section 9-463.

41 U. For any subdivision that consists of ten or fewer lots, tracts
42 or parcels, each of which is of a size as prescribed by the legislative
43 body, the legislative body of each municipality may expedite the
44 processing of or waive the requirement to prepare, submit and receive
45 approval of a preliminary plat as a condition precedent to submitting a

1 final plat and may waive or reduce infrastructure standards or
2 requirements proportional to the impact of the subdivision. Requirements
3 for dust-controlled access and drainage improvements shall not be waived.

4 V. AT THE APPLICANT'S REQUEST, AFTER PRELIMINARY PLAT SUBMITTAL AND
5 AFTER THE APPLICANT RECEIVES ANY REQUIRED APPROVAL FROM THE DEPARTMENT OF
6 ENVIRONMENTAL QUALITY, THE MUNICIPALITY SHALL ISSUE AN AT-RISK PERMIT FOR
7 GRADING AND EARTHMOVING THAT RELATES TO THE PROPERTY THAT IS THE SUBJECT
8 OF THE PRELIMINARY PLAT. THE MUNICIPALITY ISSUING AN AT-RISK PERMIT DOES
9 NOT CONSTITUTE FINAL PRELIMINARY PLAT APPROVAL OR FINAL APPROVAL OF ANY
10 GRADING OR DRAINAGE PLANS. ANY WORK, SERVICES OR MATERIALS ACCOMPLISHED
11 OR ACQUIRED BY THE APPLICANT OR ITS AGENTS IS DONE AT THE FINANCIAL RISK
12 OF THE APPLICANT WITH NO FINANCIAL LIABILITY TO THE MUNICIPALITY FOR
13 ISSUING THE AT-RISK PERMIT. THE MUNICIPALITY MAY REQUIRE THAT ALL GRADING
14 AND EARTHMOVING BE DONE IN COMPLIANCE WITH ALL MUNICIPAL CODES, ORDINANCES
15 AND STANDARDS AND OTHER LEGAL REQUIREMENTS. THIS SUBSECTION DOES NOT
16 APPLY TO A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY THOUSAND
17 PERSONS, A MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND, LAND IN AN AREA
18 THAT IS DESIGNATED AS A DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT TO
19 SECTION 9-462.01 OR AN AREA THAT IS DESIGNATED AS HISTORIC ON THE NATIONAL
20 REGISTER OF HISTORIC PLACES.

21 W. NOTWITHSTANDING ANY OTHER LAW, A MUNICIPALITY WITH A POPULATION
22 OF LESS THAN THIRTY THOUSAND PERSONS OR A MUNICIPALITY THAT IS LOCATED ON
23 TRIBAL LAND MAY REQUIRE FINAL PLATS TO BE APPROVED BY THE LEGISLATIVE BODY
24 OF THE MUNICIPALITY.

25 Sec. 6. Title 9, chapter 4, article 6.4, Arizona Revised Statutes,
26 is amended by adding section 9-469, to read:

27 9-469. Municipal housing needs assessment; annual report;
28 applicability

29 A. BEGINNING JANUARY 1, 2024 AND EVERY FIVE YEARS THEREAFTER, A
30 MUNICIPALITY SHALL PUBLISH A HOUSING NEEDS ASSESSMENT THAT INCLUDES AT
31 LEAST THE FOLLOWING:

32 1. THE TOTAL POPULATION GROWTH PROJECTED FOR THE SUBSEQUENT
33 FIVE-YEAR PERIOD.

34 2. THE TOTAL JOB GROWTH PROJECTED FOR THE SUBSEQUENT FIVE-YEAR
35 PERIOD.

36 3. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT
37 AND FOR SALE IN THE MUNICIPALITY TO MEET ANY DEFICIENCIES IN HOUSING THE
38 EXISTING POPULATION.

39 4. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT
40 AND FOR SALE IN THE MUNICIPALITY TO MEET ANY DEFICIENCIES IN HOUSING THE
41 EXISTING WORKFORCE.

42 5. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT
43 AND FOR SALE IN THE MUNICIPALITY TO MEET THE POPULATION GROWTH
44 PROJECTIONS.

1 6. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT
2 AND FOR SALE IN THE MUNICIPALITY TO MEET THE JOBS GROWTH PROJECTIONS.

3 7. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT
4 AND FOR SALE IN THE MUNICIPALITY TO MEET THE HOUSING NEEDS ACROSS ALL
5 VARIOUS INCOME LEVELS.

6 B. BEGINNING JANUARY 1, 2025 AND EVERY YEAR THEREAFTER, EACH
7 MUNICIPALITY SHALL SUBMIT AN ANNUAL REPORT ACCOUNTING FOR THE TOTAL NUMBER
8 OF PROPOSED RESIDENTIAL HOUSING UNITS SUBMITTED TO THE MUNICIPALITY, THE
9 TOTAL NUMBER OF NET NEW RESIDENTIAL HOUSING UNITS SUBMITTED TO THE
10 MUNICIPALITY AND THE TOTAL NUMBER OF NET NEW RESIDENTIAL HOUSING UNITS
11 THAT ARE ENTITLED, HAVE BEEN PLATTED, HAVE BEEN ISSUED A BUILDING PERMIT
12 AND HAVE RECEIVED A CERTIFICATE OF OCCUPANCY BY THE MUNICIPALITY. THE
13 REPORT SHALL BE SUBMITTED TO THE ARIZONA DEPARTMENT OF HOUSING. THE
14 ANNUAL REPORT SHALL ALSO INCLUDE THE FOLLOWING:

15 1. THE NUMBER OF HOUSING DEVELOPMENT APPLICATIONS RECEIVED IN THE
16 PRIOR YEAR.

17 2. THE NUMBER OF LOTS AND MULTIFAMILY UNITS INCLUDED IN ALL
18 DEVELOPMENT APPLICATIONS IN THE PRIOR YEAR.

19 3. THE NUMBER OF LOTS AND MULTIFAMILY UNITS APPROVED AND
20 DISAPPROVED OR OTHERWISE NOT APPROVED IN THE PRIOR YEAR.

21 4. THE STATUS AND PROGRESS IN MEETING THE MUNICIPALITY'S HOUSING
22 NEEDS.

23 5. A PLAN THAT SPECIFIES HOW THE MUNICIPALITY INTENDS TO SATISFY
24 THE IDENTIFIED NEED FOR ADDITIONAL HOUSING UNITS WITHIN THE MUNICIPALITY.

25 C. THIS SECTION DOES NOT REQUIRE A MUNICIPALITY TO MEET OR
26 OTHERWISE FULFILL THE PROJECTIONS IN THE HOUSING NEEDS ASSESSMENT REQUIRED
27 BY SUBSECTION A OF THIS SECTION.

28 D. THIS SECTION DOES NOT APPLY TO A MUNICIPALITY THAT IS LOCATED ON
29 TRIBAL LAND OR A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY
30 THOUSAND PERSONS.

31 Sec. 7. Title 9, chapter 4, article 8, Arizona Revised Statutes, is
32 amended by adding section 9-500.49, to read:

33 9-500.49. Residential housing design standards; prohibition;
34 applicability; definitions

35 A. NOTWITHSTANDING ANY OTHER LAW, A MUNICIPALITY MAY NOT ADOPT OR
36 ENFORCE ANY ORDINANCE, CODE, STANDARD, REGULATION, GUIDELINE, AGREEMENT,
37 STIPULATION OR OTHER LEGAL REQUIREMENT RELATED TO OR REGULATING
38 RESIDENTIAL HOUSING DESIGN ELEMENTS. THE MUNICIPALITY MAY NOT WITHHOLD A
39 BUILDING PERMIT OR OTHER APPROVAL THAT IS NECESSARY AS A CONDITION OF
40 CONSTRUCTION FOR FAILURE TO COMPLY WITH ANY ORDINANCE, CODE, STANDARD,
41 REGULATION, GUIDELINE, STIPULATION OR OTHER LEGAL REQUIREMENT RELATED TO
42 OR REGULATING RESIDENTIAL HOUSING DESIGN ELEMENTS.

43 B. ANY APPLICANT FOR AN APPROVAL THAT IS NECESSARY TO OBTAIN A
44 BUILDING PERMIT TO CONSTRUCT A SINGLE-FAMILY, TWO-FAMILY OR MULTIFAMILY

1 BUILDING OR ANY HOUSING ORGANIZATION MAY BRING AN ACTION IN THE SUPERIOR
2 COURT TO ENFORCE THE REQUIREMENTS OF THIS SECTION.

3 C. SUBSECTION A OF THIS SECTION DOES NOT APPLY TO ANY ORDINANCE,
4 CODE, STANDARD, REGULATION, GUIDELINE, AGREEMENT, STIPULATION OR OTHER
5 LEGAL REQUIREMENT THAT IS:

6 1. A REQUIREMENT OF AN ADOPTED MINIMUM STANDARD BUILDING CODE,
7 INCLUDING ANY LOCAL AMENDMENTS THAT ARE LESS RESTRICTIVE THAN THE
8 UNAMENDED MINIMUM STANDARD BUILDING CODE.

9 2. APPLICABLE SOLELY TO STRUCTURES LOCATED IN AN AREA DESIGNATED AS
10 A LOCAL DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT TO SECTION 9-462.01
11 OR AN AREA DESIGNATED AS HISTORIC ON THE NATIONAL REGISTER OF HISTORIC
12 PLACES.

13 3. APPLICABLE SOLELY TO STRUCTURES INDIVIDUALLY DESIGNATED AS
14 LOCAL, STATE OR NATIONAL HISTORIC LANDMARKS.

15 4. APPLIED TO MANUFACTURED HOMES IN A MANNER CONSISTENT WITH TITLE
16 41, CHAPTER 37, ARTICLE 3 OR APPLICABLE FEDERAL LAW.

17 5. REQUIRED AS A CONDITION OF PARTICIPATING IN THE NATIONAL FLOOD
18 INSURANCE PROGRAM.

19 6. A STIPULATION ON A RECORDED SUBDIVISION PLAT ADOPTED BY THE
20 MUNICIPALITY BEFORE THE EFFECTIVE DATE OF THIS SECTION.

21 D. THIS SECTION DOES NOT AFFECT THE VALIDITY OR ENFORCEABILITY OF
22 PRIVATE COVENANTS OR OTHER CONTRACTUAL ELEMENTS AMONG PROPERTY OWNERS
23 RELATING TO DWELLING DESIGN ELEMENTS BY PARTIES OTHER THAN THE
24 MUNICIPALITY.

25 E. THIS SECTION DOES NOT APPLY TO A MUNICIPALITY THAT IS LOCATED ON
26 TRIBAL LAND OR A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY
27 THOUSAND PERSONS.

28 F. FOR THE PURPOSES OF THIS SECTION:

29 1. "DESIGN ELEMENTS" MEANS:

30 (a) THE NUMBER AND VARIATIONS OF FLOOR PLANS AND EXTERIOR
31 ELEVATIONS, INCLUDING THE SELECTION OF THE FLOOR PLAN TO BE BUILT ON EACH
32 LOT, EXCEPT A MUNICIPALITY MAY LIMIT THE NUMBER OF TIMES AN ELEVATION CAN
33 BE BUILT NEXT TO OR ACROSS FROM THE SAME ELEVATION.

34 (b) THE SIZE AND NUMBER OF STORIES OF THE DWELLING, EXCEPT THAT THE
35 HEIGHT OF THE DWELLING MAY BE REGULATED PURSUANT TO SECTIONS 9-462.01 AND
36 9-462.10.

37 (c) THE EXTERIOR BUILDING COLOR AND MATERIALS.

38 (d) THE TYPE OF STYLE OF EXTERIOR CLADDING MATERIALS.

39 (e) THE STYLE, MATERIALS, SHAPE, PITCH AND ARTICULATION OF THE ROOF
40 STRUCTURE.

41 (f) THE STYLE, MATERIALS, SIZE, SHAPE AND INCLUSION OF PORCHES AND
42 PATIOS.

43 (g) THE EXTERIOR NONSTRUCTURAL ARCHITECTURAL ORNAMENTATION.

1 (h) THE LOCATION, ARCHITECTURAL STYLING, MATERIALS AND SIZES OF
2 GARAGES, GARAGE DOORS AND DRIVEWAYS.

3 (i) PLACEMENT AND ORIENTATION OF GARAGE DOORS RELATIVE TO THE FRONT
4 FAÇADE OF THE LIVING SPACE.

5 (j) THE INTERIOR LAYOUT AND SIZE OF ROOMS, INCLUDING THE INTERIOR
6 OF THE GARAGE, HALLWAYS AND FLOOR PLANS.

7 (k) THE LOCATION, SIZE AND DESIGN OF OPEN SPACE AND AMENITIES,
8 INCLUDING AMENITIES IN COMMON AREAS MAINTAINED BY THE PROPERTY OWNER, AN
9 ASSOCIATION OR THE MEMBERS OF AN ASSOCIATION, EXCEPT THE LOCATION AND SIZE
10 OF OPEN SPACE MAY BE REGULATED TO THE EXTENT REQUIRED BY THE MUNICIPALITY
11 SOLELY FOR STORMWATER RETENTION AND WATER CONSERVATION AS OF THE EFFECTIVE
12 DATE OF THIS SECTION.

13 (l) SIDEWALK PLACEMENT AND DESIGN, INCLUDING REQUIRING DETACHED
14 SIDEWALKS, EXCEPT AS REQUIRED BY TITLE 41, CHAPTER 9, ARTICLE 8 AND
15 APPLICABLE FEDERAL LAW.

16 (m) THE DESIGN, DECORATION AND LANDSCAPING OF THE REAR YARD, SIDE
17 YARD AND ANY AREA THAT IS NOT VISIBLE OR ACCESSIBLE TO THE PUBLIC.

18 (n) ANY OTHER ARCHITECTURAL OR AESTHETIC ELEMENT THAT DOES NOT
19 DIRECTLY AFFECT AN OBJECTIVE AND IDENTIFIED HEALTH OR SAFETY CONDITION.

20 2. "HOUSING ORGANIZATION" MEANS A TRADE OR INDUSTRY GROUP WHOSE
21 MEMBERS ARE ENGAGED IN THE DEVELOPMENT OR CONSTRUCTION OF SINGLE-FAMILY,
22 TWO-FAMILY OR MULTIFAMILY HOUSING UNITS.

23 3. "MINIMUM STANDARD BUILDING CODE" MEANS AN UNAMENDED MODEL
24 BUILDING CODE, INCLUDING THE INTERNATIONAL BUILDING CODE AND INTERNATIONAL
25 RESIDENTIAL CODE, HOWEVER DENOMINATED.

26 4. "OBJECTIVE" MEANS INVOLVING NO PERSONAL OR SUBJECTIVE JUDGMENT
27 BY A MUNICIPAL EMPLOYEE OR OFFICIAL AND BEING UNIFORMLY VERIFIABLE BY
28 REFERENCE TO AN EXTERNAL AND UNIFORM BENCHMARK, STANDARD OR CRITERION THAT
29 IS AVAILABLE AND KNOWABLE BY BOTH AN APPLICANT OR PROPONENT AND A
30 MUNICIPAL EMPLOYEE OR OFFICIAL.

31 5. "RESIDENTIAL HOUSING" MEANS A SINGLE-FAMILY, TWO-FAMILY OR
32 MULTIFAMILY BUILDING DESIGNED FOR RESIDENTIAL USE AND COMMON AREAS AND
33 IMPROVEMENTS THAT ARE OWNED OR MAINTAINED BY THE OWNER, A TENANT ON BEHALF
34 OF THE OWNER, AN ASSOCIATION OR THE MEMBERS OF AN ASSOCIATION.

35 Sec. 8. Section 9-831, Arizona Revised Statutes, is amended to
36 read:

37 9-831. Definitions

38 In this article, unless the context otherwise requires:

39 1. "Fire and life safety inspection" means an inspection of a
40 regulated person or facility conducted to ensure fire safety compliance.

41 2. "Food and swimming pool inspection" means an inspection of a
42 regulated person or facility conducted to ensure the safety of food
43 services, swimming pools and other bathing places.

1 3. "License":

2 (a) Includes the whole or part of any municipal permit,
3 certificate, approval, registration, charter or similar form of permission
4 required by law. ~~License~~

5 (b) Does not include a transaction privilege tax license.

6 4. "Licensing" includes the municipal process respecting the grant,
7 denial, renewal, revocation, suspension, annulment, withdrawal or
8 amendment of a license.

9 5. "Municipal" or "municipality" means an incorporated city or
10 town.

11 6. "OBJECTIVE" MEANS INVOLVING NO PERSONAL OR SUBJECTIVE JUDGMENT
12 BY A MUNICIPAL EMPLOYEE OR OFFICIAL AND BEING UNIFORMLY VERIFIABLE BY
13 REFERENCE TO AN EXTERNAL AND UNIFORM BENCHMARK, STANDARD OR CRITERION THAT
14 IS AVAILABLE AND KNOWABLE BY BOTH AN APPLICANT OR PROPONENT AND A
15 MUNICIPAL EMPLOYEE OR OFFICIAL.

16 ~~6.~~ 7. "Person" means an individual, partnership, corporation,
17 association, governmental subdivision or unit of a governmental
18 subdivision or a public or private organization of any character.

19 ~~7.~~ 8. "Request for corrections" means a request for technical or
20 clarifying corrections from an applicant who has submitted an
21 administratively complete application for a license.

22 ~~8.~~ 9. "Substantive policy statement":

23 (a) Means a written expression that is only advisory and that
24 informs the general public of a municipality's current approach to, or
25 opinion of, the requirements of the ordinances or codes, including, if
26 appropriate, the municipality's current practice, procedure or method of
27 action based on that approach or opinion. ~~A substantive policy statement~~

28 (b) Does not include internal procedural documents that only affect
29 the internal procedures of the municipality and that do not impose
30 additional requirements or penalties on regulated parties or confidential
31 information.

32 ~~9.~~ 10. "Working day" means a ~~twenty-four hour~~ TWENTY-FOUR-HOUR
33 period excluding weekends and THE legal holidays ENUMERATED IN SECTION
34 1-301.

35 Sec. 9. Section 9-832, Arizona Revised Statutes, is amended to
36 read:

37 9-832. Regulatory bill of rights

38 To ensure fair and open regulation by municipalities, a person:

39 1. Is eligible for reimbursement of fees and other expenses if the
40 person prevails by adjudication on the merits against a municipality in a
41 court proceeding regarding a municipality decision as provided in section
42 12-348.

43 2. Is entitled to receive information and notice regarding
44 inspections as provided in section 9-833.

1 3. Is entitled to have a municipality not base a licensing decision
2 in whole or in part on licensing conditions or requirements that are not
3 **OBJECTIVE AND** specifically authorized as provided in section 9-834,
4 subsection A.

5 4. May have a municipality approve or deny the person's license
6 application within a predetermined period of time as provided in section
7 9-835.

8 5. Is entitled to receive written or electronic notice from a
9 municipality on denial of a license application that:

10 (a) Justifies the denial with references to the statute, ordinance,
11 code or authorized substantive policy statements on which the denial is
12 based as provided in section 9-835.

13 (b) Explains the applicant's right to appeal the denial as provided
14 in section 9-835.

15 6. Is entitled to receive information regarding the license
16 application process at the time the person obtains an application for a
17 license as provided in section 9-836.

18 7. May inspect all ordinances, codes and substantive policy
19 statements of a municipality, including a directory of documents, at the
20 office of the municipality or on the municipality's website as provided in
21 section 9-837.

22 8. Unless specifically authorized, may expect municipalities to
23 avoid duplication of other laws that do not enhance regulatory clarity and
24 to avoid dual permitting to the maximum extent practicable as provided in
25 section 9-834.

26 9. May file a complaint with the municipality concerning an
27 ordinance, code or substantive policy statement that fails to comply with
28 this section.

29 10. As provided in section 9-834, is entitled to have a
30 municipality not request or initiate discussions about waiving any of the
31 rights prescribed in this section.

32 Sec. 10. Section 9-834, Arizona Revised Statutes, is amended to
33 read:

34 9-834. Prohibited acts by municipalities and employees;
35 enforcement; notice

36 A. A municipality shall not base a licensing decision in whole or
37 in part on a licensing requirement or condition that is not **OBJECTIVE AND**
38 specifically authorized by statute, rule, ordinance or code. A general
39 grant of authority does not constitute a basis for imposing a licensing
40 requirement or condition unless the authority specifically authorizes the
41 requirement or condition.

42 B. Unless specifically authorized, a municipality shall avoid
43 duplication of other laws that do not enhance regulatory clarity and shall
44 avoid dual permitting to the maximum extent practicable.

1 C. This section does not prohibit municipal flexibility to issue
2 licenses or adopt ordinances or codes.

3 D. A municipality shall not request or initiate discussions with a
4 person about waiving that person's rights.

5 E. This section may be enforced in a private civil action and
6 relief may be awarded against a municipality. The court may award
7 reasonable attorney fees, damages and all fees associated with the license
8 application to a party that prevails in an action against a municipality
9 for a violation of this section.

10 F. A municipal employee may not intentionally or knowingly violate
11 this section. A violation of this section is cause for disciplinary
12 action or dismissal pursuant to the municipality's adopted personnel
13 policy.

14 G. This section does not abrogate the immunity provided by section
15 12-820.01 or 12-820.02.

16 H. A municipality shall prominently print the provisions of
17 subsections A, B, C, D, E, F and G of this section on all license
18 applications.

19 I. The ~~licensing~~ LICENSE application may be in either print or
20 electronic format.

21 Sec. 11. Section 9-835, Arizona Revised Statutes, is amended to
22 read:

23 9-835. Licensing time frames; compliance; consequence for
24 failure to comply with time frame; exemptions;
25 definitions

26 A. For any new ordinance or code requiring a license, a
27 municipality shall have in place an overall time frame during which the
28 municipality will either grant or deny each type of license that it
29 issues. The overall time frame for each type of license shall state
30 separately the administrative completeness review time frame and the
31 substantive review time frame and shall be posted on the municipality's
32 website or the website of an association of cities and towns if the
33 municipality does not have a website.

34 B. ~~On or before December 31, 2012,~~ A municipality that issues
35 licenses required under existing ordinances or codes shall have in place
36 an overall time frame during which the municipality will either grant or
37 deny each type of license that it issues. The overall time frame for each
38 type of license shall state separately the administrative completeness
39 review time frame and the substantive review time frame and shall be
40 posted on the municipality's website or the website of an association of
41 cities and towns if the municipality does not have a website.
42 Municipalities shall prioritize the establishment of time frames for those
43 licenses that have the greatest impact on the public.

1 C. In establishing time frames, municipalities shall consider all
2 of the following:

- 3 1. The complexity of the licensing subject matter.
- 4 2. The resources of the municipality.
- 5 3. The economic impact of delay on the regulated community.
- 6 4. The impact of the licensing decision on public health and
7 safety.
- 8 5. The possible use of volunteers with expertise in the subject
9 matter area.
- 10 6. The possible increased use of general licenses for similar types
11 of licensed businesses or facilities.
- 12 7. The possible increased cooperation between the municipality and
13 the regulated community.
- 14 8. Increased municipal flexibility in structuring the licensing
15 process and personnel including:
 - 16 (a) Adult businesses and other licenses that are related to the
17 first amendment.
 - 18 (b) Master planned communities.
 - 19 (c) Suspension of the substantive and overall time frames for
20 purposes including delays caused by the need for public hearings, state or
21 federal licenses or approvals from public utilities on residential or
22 commercial development projects.
- 23 9. That the substantive review time frames and overall time frames
24 do not include the time required for an applicant to obtain other
25 nonmunicipal licenses or to participate in meetings as required by law.

26 10. THE IMPACT ON THE SUPPLY AND COST OF HOUSING FROM UNNECESSARY
27 DELAYS IN THE APPROVAL AND PERMITTING PROCESSES.

28 D. A municipality shall issue a written or electronic notice of
29 administrative completeness or deficiencies to an applicant for a license
30 within the administrative completeness review time frame. If the permit
31 sought requires approval of more than one department of the municipality,
32 each department may issue a written or electronic notice of administrative
33 completeness or deficiencies.

34 E. If a municipality determines that an application for a license
35 is not administratively complete, the municipality shall include a
36 comprehensive list of the specific deficiencies in the written or
37 electronic notice provided pursuant to subsection D of this section. If
38 the municipality issues a written or electronic notice of deficiencies
39 within the administrative completeness time frame, the administrative
40 completeness review time frame and the overall time frame are suspended
41 from the date the notice is issued until the date that the municipality
42 receives the missing information from the applicant. The municipality may
43 issue an additional written or electronic notice of administrative
44 completeness or deficiencies based on the applicant's submission of
45 missing information. If the permit sought requires approval of more than

1 one department of the municipality, each department may issue an
2 additional written or electronic notice of administrative completeness or
3 deficiencies based on the applicant's submission of missing information.

4 F. If a municipality does not issue a written or electronic notice
5 of administrative completeness or deficiencies within the administrative
6 completeness review time frame, the application is deemed administratively
7 complete. If a municipality issues a timely written or electronic notice
8 of deficiencies, an application ~~shall~~ IS not ~~be~~ complete until all
9 requested information has been received by the municipality. A
10 municipality may consider an application withdrawn if, by fifteen days or
11 more after the date of notice, as established by the municipality, the
12 applicant does not supply the documentation or information requested or an
13 explanation of why the information cannot be provided within the
14 established time period.

15 G. During the substantive review time frame, a municipality may
16 make one comprehensive written or electronic request for corrections. If
17 the municipality identifies legal requirements that were not included in
18 the comprehensive request for corrections, the municipality may amend the
19 comprehensive request for corrections once to include the legal
20 requirements and the legal authority for the requirements. **WITHIN FIVE**
21 **WORKING DAYS FOLLOWING A REQUEST BY THE APPLICANT, THE MUNICIPALITY SHALL**
22 **MEET OR DISCUSS WITH THE APPLICANT THE REQUEST FOR CORRECTIONS AND PROVIDE**
23 **SUFFICIENT INFORMATION AND INSTRUCTION TO ALLOW THE APPLICANT TO PROVIDE**
24 **THE REQUESTED CORRECTIONS.** If the permit sought requires approval of more
25 than one department of the municipality, each department may issue a
26 comprehensive written or electronic request for corrections. If the
27 applicant fails to resolve an issue identified in a request for
28 corrections, the municipality may make supplemental written or electronic
29 requests for corrections that are limited to issues previously identified
30 in a comprehensive request for corrections. If a municipality issues a
31 comprehensive written or electronic request or a supplemental request for
32 corrections, the substantive review time frame and the overall time frame
33 are suspended from the date the request is issued until the date that the
34 municipality receives the corrections from the applicant. If an applicant
35 requests significant changes, alterations, additions or amendments to an
36 application that are consistent with the purposes of the original
37 application and that are not in response to the request for corrections, a
38 municipality may make one additional comprehensive written or electronic
39 request for corrections and may have ~~no~~ NOT more than an additional fifty
40 ~~per cent~~ PERCENT of the substantive review time frame as established by
41 the municipality for that license to grant or deny the license. Nothing
42 shall prevent communication between a municipality and an applicant
43 regarding a comprehensive written or electronic request for corrections or
44 a supplemental request for corrections. **EXCEPT FOR AN APPLICATION**
45 **SUBMITTED FOR A CHANGE IN ZONING PURSUANT TO CHAPTER 4, ARTICLE 6.1 OF**

1 THIS TITLE OR AN APPLICATION RELATED TO A STRUCTURE IN AN AREA DESIGNATED
2 AS A DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT TO SECTION 9-462.01,
3 SUBSECTION A, PARAGRAPH 10, AN AREA DESIGNATED AS HISTORIC ON THE NATIONAL
4 REGISTER OF HISTORIC PLACES OR A STRUCTURE INDIVIDUALLY DESIGNED AS A
5 LOCAL, STATE OR NATIONAL HISTORIC LANDMARK, A MUNICIPALITY MAY NOT DENY A
6 LICENSE APPLICATION THAT IS NECESSARY FOR LAND DEVELOPMENT OR BUILDING
7 CONSTRUCTION UNLESS THE MUNICIPALITY CONSIDERS THE APPLICATION
8 WITHDRAWN. A municipality may consider an application withdrawn if, by
9 thirty days or more after the date of notice, as established by the
10 municipality, the applicant does not supply the documentation or
11 information requested or an explanation of why the information cannot be
12 provided within the established time period.

13 H. Nothing shall prevent the municipality from continuing to
14 process the application during the suspension of the substantive review
15 time frame and overall time frame.

16 I. By mutual written or electronic agreement, a municipality and an
17 applicant for a license may extend the substantive review time frame and
18 the overall time frame. An extension of the substantive review time frame
19 and the overall time frame may not exceed fifty ~~per cent~~ PERCENT of the
20 overall time frame.

21 J. Unless a municipality and an applicant for a license mutually
22 agree to extend the substantive review time frame and the overall time
23 frame pursuant to subsection I of this section, a municipality shall issue
24 a written or electronic notice granting or denying a license to an
25 applicant. If a municipality denies or withdraws an application for a
26 license, the municipality shall include in the written or electronic
27 notice at least the following information:

28 1. Justification for the denial or withdrawal with references to
29 the statutes, ordinances, codes or substantive policy statements on which
30 the denial or withdrawal is based.

31 2. An explanation of the applicant's right to appeal the denial or
32 withdrawal. The explanation shall include the number of working days in
33 which the applicant must file a protest challenging the denial or
34 withdrawal and the name and telephone number of a municipal contact person
35 who can answer questions regarding the appeals process.

36 3. An explanation of the applicant's right to resubmit the
37 application, the total amount of fees that will be assessed if the
38 applicant resubmits the application and the method in which those fees
39 were calculated.

40 K. If a municipality does not issue the applicant the written or
41 electronic notice granting, ~~CONDITIONALLY GRANTING~~ or denying a license
42 within the overall time frame or within the mutually agreed on time frame
43 extension, the municipality shall refund to the applicant all fees charged
44 for reviewing and acting on the application for the license and shall
45 excuse payment of any fees that have not yet been paid. The municipality

1 shall not require an applicant to submit an application for a refund
2 pursuant to this subsection. The refund shall be made within thirty
3 working days after the expiration of the overall time frame or the time
4 frame extension. The municipality shall continue to process the
5 application. Notwithstanding any other statute, the municipality shall
6 make the refund from the fund in which the application fees were
7 originally deposited. The right to receive a refund of fees charged for
8 reviewing and acting on the application for the license may not be waived
9 by an applicant. EXCEPT FOR A FINAL CERTIFICATE OF OCCUPANCY OR A FINAL
10 INSPECTION FOR LAND DEVELOPMENT OR BUILDING CONSTRUCTION, IF THE
11 APPLICATION IS FOR A LICENSE OR APPROVAL THAT IS NECESSARY FOR LAND
12 DEVELOPMENT OR BUILDING CONSTRUCTION, THE APPLICATION SHALL BE DEEMED
13 APPROVED IF THE MUNICIPALITY DOES NOT ISSUE THE APPLICANT THE WRITTEN OR
14 ELECTRONIC NOTICE GRANTING OR CONDITIONALLY GRANTING THE LICENSE OR
15 APPROVAL WITHIN THE OVERALL TIME FRAME OR WITHIN THE MUTUALLY AGREED ON
16 TIME FRAME EXTENSION. THE MUNICIPALITY MAY RETAIN ALL FEES CHARGED FOR
17 REVIEWING AND ACTING ON THE APPLICATION.

18 L. If an application for a license is denied and the applicant
19 resubmits the application for the same purposes with only revisions or
20 corrections to the original application, the municipality shall not assess
21 any additional application fees that exceed the cost of processing the
22 resubmitted revisions or corrections. This subsection does not apply to
23 license applications that were denied for disqualifying criminal
24 convictions or that were submitted fraudulently.

25 M. If an application for a license is withdrawn and the applicant
26 resubmits the application for the same purpose, the municipality shall not
27 assess any additional application fees that exceed fifty ~~per cent~~ PERCENT
28 of the original ~~applicant~~ APPLICATION fees that have not been refunded to
29 the applicant. This subsection does not apply to license applications
30 that were denied for disqualifying criminal convictions or that were
31 submitted fraudulently.

32 N. This section does not apply to a license that is either:

33 1. Issued within seven working days after receipt of the initial
34 application or a permit that expires within twenty-one working days after
35 issuance.

36 2. Necessary for the construction or development of a residential
37 lot, including swimming pools, hardscape and property walls, subdivisions
38 or master planned community, IN A MUNICIPALITY THAT IS LOCATED ON TRIBAL
39 LAND OR A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY THOUSAND
40 PERSONS.

41 O. For the purposes of this section:

42 1. "Master planned community" means development by one or more
43 developers of real estate that consists of residential, commercial,
44 education, health care, open space and recreational components and that is

1 developed pursuant to a long-range, multiphase master plan providing
2 comprehensive land use planning and staged implementation and development.

3 2. "Subdivision" means improved or unimproved land or lands divided
4 for the purposes of financing, sale or lease, whether immediate or future,
5 into four or more lots, tracts or parcels of land, or, if a new street is
6 involved, any such property that is divided into two or more lots, tracts
7 or parcels of land, or, any such property, the boundaries of which have
8 been fixed by a recorded plat, which is divided into more than two parts.
9 Subdivision includes any condominium, cooperative, community apartment,
10 townhouse or similar project containing four or more parcels, in which an
11 undivided interest in the land is coupled with the right of exclusive
12 occupancy of any unit located thereon, but plats of such projects need not
13 show the buildings or the manner in which the buildings or airspace above
14 the property shown on the plat are to be divided.

15 Sec. 12. Section 11-812, Arizona Revised Statutes, is amended to
16 read:

17 11-812. Restriction on regulation; exceptions; aggregate
18 mining regulation; definitions

19 A. ~~Nothing contained in~~ Any ordinance authorized by this chapter
20 shall NOT:

21 1. Affect existing uses of property or the right to its continued
22 use or the reasonable repair or alteration of the property for the purpose
23 for which used at the time the ordinance affecting the property takes
24 effect.

25 2. Prevent, restrict or otherwise regulate the use or occupation of
26 land or improvements for railroad, mining, metallurgical, grazing or
27 general agricultural purposes, if the tract concerned is five or more
28 contiguous commercial acres. For the purposes of this paragraph:

29 (a) "General agricultural purposes" includes agritourism as defined
30 in section 3-111, but does not include any of the following:

31 (i) Food establishments THAT ARE under the authority of the
32 department of health services pursuant to section 36-136, subsection I AND
33 that are associated with an agritourism business.

34 (ii) Rodeo events that are open to the general public and that sell
35 tickets for admission. For the purposes of this item, rodeo events do not
36 include generally accepted agricultural practices associated with
37 livestock and equine operations.

38 (iii) The cultivation of cannabis as defined in section 13-3401 or
39 marijuana as defined in section 13-3401 or 36-2801.

40 (b) "Mining" has the same meaning prescribed in section 27-301.

41 3. Prevent, restrict or otherwise regulate the use or occupation of
42 land or improvements for agricultural composting, if the tract is five or
43 more contiguous commercial acres. An agricultural composting operation
44 shall notify in writing the board of supervisors and the nearest fire
45 department of the location of the composting operation. If the nearest

1 fire department is located in a city, town or fire district where the
2 agricultural composting is not located, the agricultural composting
3 operation shall also notify in writing the fire district in which the
4 operation is located. Agricultural composting is subject to sections
5 3-112 and 49-141. For the purposes of this paragraph, "agricultural
6 composting" has the same meaning prescribed in section 9-462.01,
7 subsection ~~G~~ J.

8 4. Prevent, restrict or otherwise regulate the otherwise lawful
9 discharge of a firearm or air gun or use of archery equipment on a private
10 lot or parcel of land that is not open to the public on a commercial or
11 membership basis.

12 B. A nonconforming business use within a district may expand if the
13 expansion does not exceed one hundred ~~per cent~~ PERCENT of the area of the
14 original business.

15 C. For the purposes of subsection A, paragraph 2 of this section,
16 mining does not include aggregate mining operations in an aggregate mining
17 operations zoning district established pursuant to this section. The
18 board of supervisors of any county with a population of more than two
19 million persons shall designate and establish the boundaries of an
20 aggregate mining operations zoning district on the petition of at least
21 one hundred persons who reside within one-half mile of an existing
22 aggregate mining operation. In addition, the board of supervisors of any
23 county may establish, in its discretion and on the board's initiative, one
24 or more aggregate mining operations zoning districts. Aggregate mining
25 operations zoning districts may only be located in areas that are
26 inventoried and mapped as areas of known reserves or in areas with
27 existing aggregate mining operations. Subject to subsections E and F of
28 this section, a county and the state mine inspector may jointly adopt, as
29 internal administrative regulations, reasonable aggregate mining
30 operations zoning district standards limited to permitted uses, procedures
31 for approval of property development plans and site development standards
32 for dust control, height regulations, setbacks, days and hours of
33 operation, off-street parking, screening, noise, vibration and air
34 pollution control, signs, roadway access lanes, arterial highway
35 protection and property reclamation for which aggregate mining operations
36 are not otherwise subject to federal, state or local regulation or a
37 governmental contractual obligation. Regulations jointly adopted pursuant
38 to this subsection by the county and the state mine inspector shall not
39 prohibit the activities included in the definition of mine pursuant to
40 section 27-301, paragraph 8 or duplicate, conflict with or be more
41 stringent than applicable federal, state or local laws.

42 D. The board of supervisors of any county that establishes an
43 aggregate mining operations zoning district shall appoint an aggregate
44 mining operations recommendation committee for the district. The
45 committee consists of not more than seven operators, or representatives of

1 operators, of active aggregate mining operations in any district within
2 the county and an equal number of private citizens, who are not operators,
3 who are not employed by operators and who do not represent operators,
4 residing within three miles of the boundaries of aggregate mining
5 operations or a proposed aggregate mining operation in the district for
6 which the committee is established. The initial members appointed to the
7 committee shall be deemed the primary members, and the board of
8 supervisors shall appoint not more than five alternate members who
9 represent operators and shall appoint not more than five alternate members
10 who are private citizens. Alternate members may serve at meetings of the
11 committee when a primary member is unable to attend. An aggregate mining
12 operator may serve on more than one committee in the same county. The
13 board of supervisors shall determine the length of terms of members of the
14 committee and shall stagger the initial appointments so that not all
15 members' terms expire at the same time. Members of the committee who no
16 longer qualify for membership as provided by this subsection are subject
17 to removal and replacement by the board of supervisors. The committee
18 shall elect a member who is an aggregate mining operator to serve as
19 chairperson for the first year in which the committee is created. For
20 each year thereafter, the chairperson shall be elected by the members of
21 the committee with a member who is a private citizen and a member who is
22 an aggregate mining operator serving as chairperson in alternate years.
23 The committee is subject to the open meeting requirements of title 38,
24 chapter 3, article 3.1.

25 E. Within ninety days after an aggregate mining operations
26 recommendation committee is established, the committee shall notify all
27 existing aggregate mining operators in the district of the application of
28 this section and title 27, chapter 3, article 6 to the aggregate mining
29 operation. In addition, the committee shall:

30 1. By a majority vote of all members make recommendations to the
31 board of supervisors for aggregate mining zoning districts and
32 administrative regulations as provided in this section. The board of
33 supervisors may adopt or reject the recommendations but may not make any
34 modifications to the recommendations unless the modification is approved
35 by a majority of the members of the recommendation committee.

36 2. Serve as a forum for mediation of disputes between members of
37 the public and aggregate mining owners or operators. If the committee is
38 unable to resolve a dispute, the committee shall transmit the matter to
39 the state mine inspector, with written findings and recommendations, for
40 further action.

41 3. Hear written complaints filed with the state mine inspector
42 regarding alleged material deviations from approved community notices for
43 aggregate mining operations and make written recommendations to the state
44 mine inspector pursuant to section 27-446.

1 F. Any administrative regulations adopted by a board of supervisors
2 pursuant to this section are not effective until the regulations are
3 approved by the state mine inspector. The STATE MINE inspector may
4 disapprove the administrative regulations adopted by the board of
5 supervisors only if they duplicate, conflict with or are more stringent
6 than applicable federal, state or local laws, rules or regulations. If
7 the STATE MINE inspector disapproves the administrative regulations, the
8 STATE MINE inspector must provide written reasons for the disapproval.
9 The STATE MINE inspector shall not make any modification to the
10 administrative regulations as adopted by the board of supervisors unless
11 the modification is approved by a majority of the members of the board of
12 supervisors.

13 G. A person or entity is subject to this chapter if the use or
14 occupation of land or improvements by the person or entity consists of or
15 includes changing, remanufacturing or treating human sewage or sludge for
16 distribution or resale. These activities are not exempt from this chapter
17 under subsection A, paragraph 2 of this section.

18 H. A county shall not require as a condition for a permit or for
19 any approval, or otherwise cause, an owner or possessor of property to
20 waive the right to continue an existing nonconforming outdoor advertising
21 use or structure without acquiring the use or structure by purchase or
22 condemnation and paying just compensation unless the county, at its
23 option, allows the use or structure to be relocated to a comparable site
24 in the county with the same or a similar zoning classification, or to
25 another site in the county acceptable to both the county and the owner of
26 the use or structure, and the use or structure is relocated to the other
27 site. The county shall pay for relocating the outdoor advertising use or
28 structure including the cost of removing and constructing the new use or
29 structure that is at least the same size and height. This subsection does
30 not apply to county rezoning of property at the request of the property
31 owner to a more intensive zoning district.

32 I. For the purposes of this section:

33 1. "Aggregate" has the same meaning prescribed in section 27-441.

34 2. "Aggregate mining" has the same meaning prescribed in section
35 27-441.

36 3. "Aggregate mining operation" means property that is owned,
37 operated or managed by the same person for aggregate mining.

38 4. "Operators" means persons who are actively engaged in aggregate
39 mining operations within the zoning district or proposed zoning district
40 and who have given notice to the state mine inspector pursuant to section
41 27-303.