

COMMITTEE ON COMMERCE
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1163
(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

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

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

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

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

10 2. Regulate signs and billboards.

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

16 4. Establish requirements for off-street parking and loading.

17 5. Establish and maintain building setback lines.

18 6. Create civic districts around civic centers, public parks, public
19 buildings or public grounds and establish regulations for the civic
20 districts.

21 7. Require as a condition of rezoning public dedication of
22 rights-of-way as streets, alleys, public ways, drainage and public

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

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

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

14 10. Establish districts of historical significance provided that:

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

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

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

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

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

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

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

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

28 (b) The preservation of the character of the sending property and
29 assurance that the prohibitions against the use and development of the
30 sending property shall bind the landowner and every successor in interest
31 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 transferable
5 development rights before the rights being affixed to a receiving property.

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

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

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

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

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

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

- 27 (a) Infrequency of use.
- 28 (b) High degree of traffic generation.
- 29 (c) Requirement of large land area.

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

1 D. ON VACANT LAND IN ANY ZONE THAT ALLOWS SINGLE-FAMILY RESIDENTIAL
2 USES, A MUNICIPALITY WITH A POPULATION OF MORE THAN THIRTY THOUSAND PERSONS
3 MAY NOT REQUIRE THE FOLLOWING:

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

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

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

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

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

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

16 E. IN ANY ZONE THAT ALLOWS RESIDENTIAL USES, A MUNICIPALITY WITH A
17 POPULATION OF MORE THAN THIRTY THOUSAND PERSONS MAY NOT PROHIBIT THE
18 PLACEMENT OF A NEW MANUFACTURED HOME THAT IS, OR WILL BE AFTER PURCHASE,
19 TITLED AS REAL PROPERTY AND THAT IS BUILT ACCORDING TO THE UNITED STATES
20 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT CODE. A MUNICIPALITY MAY
21 REQUIRE SINGLE-FAMILY OR DUPLEX NEW MANUFACTURED HOUSING THAT IS BUILT
22 ACCORDING TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
23 CODE TO BE SECURELY FIXED TO A PERMANENT STANDARD OR ENGINEERED FOUNDATION
24 AT AN EQUIVALENT LEVEL AS THE REQUIREMENTS APPLICABLE TO SINGLE-FAMILY
25 DWELLINGS WITHIN THE MUNICIPALITY ON WHICH THE MANUFACTURED HOUSING IS
26 PROPOSED TO BE LOCATED.

27 F. A MUNICIPALITY WITH A POPULATION OF MORE THAN THIRTY THOUSAND
28 PERSONS SHALL PROVIDE ADDITIONAL RESIDENTIAL ZONES THAT ALLOW FOR THE
29 CONSTRUCTION OR USE OF DUPLEXES, TRIPLEXES, LOTS THAT ARE SMALLER THAN FOUR
30 THOUSAND SQUARE FEET AND OTHER HOUSING TYPES PROPOSED BY APPLICANTS.

1 ~~D.~~ G. To carry out the purposes of this article and articles 6 and
2 6.2 of this chapter, the legislative body may adopt overlay zoning
3 districts and regulations applicable to particular buildings, structures
4 and land within individual zones. For the purposes of this subsection,
5 "overlay zoning district" means a special zoning district that includes
6 regulations that modify regulations in another zoning district with which
7 the overlay zoning district is combined. Overlay zoning districts and
8 regulations shall be adopted pursuant to section 9-462.04.

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

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

30 ~~G.~~ J. A regulation or ordinance under this section may not prevent
31 or restrict agricultural composting on farmland that is five or more
32 contiguous acres and that meets the requirements of this subsection. An

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

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

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

20 ~~†~~ K. A municipality may not adopt a land use regulation or impose
21 any condition for issuance of a building or use permit or other approval
22 that violates section 9-461.16.

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

27 ~~†~~ M. Before adopting any zoning ordinance or zoning ordinance text
28 amendment of general applicability, the legislative body of a municipality
29 shall consider the probable impact of the proposed zoning ordinance or text
30 amendment on the cost to construct housing for sale or rent.

1 ~~N.~~ N. A municipality may not adopt or enforce a land use regulation
2 that requires the property on which a nongovernmental primary or secondary
3 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 BY
6 PARTIES OTHER THAN THE MUNICIPALITY.

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

12 ~~Q.~~ Q. For the purposes of this section:

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

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

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

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

9 Sec. 2. Section 9-463.01, Arizona Revised Statutes, is amended to
10 read:

11 9-463.01. Authority

12 A. Pursuant to this article, the legislative body of every
13 municipality shall regulate the subdivision of all lands within its
14 corporate limits.

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

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

19 2. Standards governing the design of subdivision plats.

20 3. Minimum requirements and standards for the installation of
21 subdivision streets, sewer and water utilities and improvements as a
22 condition of final plat approval.

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

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

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

28 3. Make requirements as to the form and content of preliminary
29 plats.

30 4. Either determine that certain lands may not be subdivided, by
31 reason of adverse topography, periodic inundation, adverse soils,
32 subsidence of the earth's surface, high water table, lack of water or other

1 natural or man-made hazard to life or property, or control the lot size,
2 establish special grading and drainage requirements and impose other
3 regulations deemed reasonable and necessary for the public health, safety
4 or general welfare on any lands to be subdivided affected by such
5 characteristics.

6 5. Require payment of a proper and reasonable fee by the subdivider
7 based upon the number of lots or parcels on the surface of the land to
8 defray municipal costs of plat review and site inspection.

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

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

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

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

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

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

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

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

4 E. The public agency for whose benefit an area has been reserved
5 shall have a period of one year after recording the final subdivision plat
6 to enter into an agreement to acquire such reserved land area. The
7 purchase price shall be the fair market value of the reserved land area at
8 the time of the filing of the preliminary subdivision plat plus the taxes
9 against such reserved area from the date of the reservation and any other
10 costs incurred by the subdivider in the maintenance of such reserved area,
11 including the interest cost incurred on any loan covering such reserved
12 area.

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

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

21 1. Final subdivision plats.

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

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

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

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

30 1. Rules as may be established by the department of transportation
31 relating to provisions for the safety of entrance upon and departure from
32 abutting state primary highways.

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

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

7 I. If the subdivision is ~~comprised~~ COMPOSED of subdivided lands, as
8 defined in section 32-2101, and is within an active management area, as
9 defined in section 45-402, the final plat shall not be approved unless it
10 is accompanied by a certificate of assured water supply issued by the
11 director of water resources, or unless the subdivider has obtained a
12 written commitment of water service for the subdivision from a city, town
13 or private water company designated as having an assured water supply by
14 the director of water resources pursuant to section 45-576 or is exempt
15 from the requirement pursuant to section 45-576. The legislative body of
16 the municipality shall note on the face of the final plat that a
17 certificate of assured water supply has been submitted with the plat or
18 that the subdivider has obtained a written commitment of water service for
19 the proposed subdivision from a city, town or private water company
20 designated as having an assured water supply, pursuant to section 45-576,
21 or is exempt from the requirement pursuant to section 45-576.

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

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

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

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

13 1. The legislative body determines that there is no feasible
14 alternative water supply for the subdivision and that the transportation of
15 water to the subdivision will not constitute a significant risk to the
16 health and safety of the residents of the subdivision.

17 2. If the water to be transported to the subdivision will be
18 withdrawn or diverted in the service area of a municipal provider as
19 defined in section 45-561, the municipal provider has consented to the
20 withdrawal or diversion.

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

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

26 L. A municipality that adopts the exemption authorized by subsection
27 K of this section shall give written notice of the adoption of the
28 exemption, including a certified copy of the ordinance containing the
29 exemption, to the director of water resources, the director of
30 environmental quality and the state real estate commissioner. If the
31 municipality later rescinds the exemption, the municipality shall give
32 written notice of the rescission to the director of water resources, the

1 director of environmental quality and the state real estate
2 commissioner. A municipality that rescinds an exemption adopted pursuant
3 to subsection K of this section shall not readopt the exemption for at
4 least five years after the rescission becomes effective.

5 M. If the legislative body of a municipality approves a subdivision
6 plat pursuant to subsection J, paragraph 1 or 2 or subsection O of this
7 section, the legislative body shall note on the face of the plat that the
8 director of water resources has reported that the subdivision has an
9 adequate water supply or that the subdivider has obtained a commitment of
10 water service for the proposed subdivision from a city, town or private
11 water company designated as having an adequate water supply pursuant to
12 section 45-108.

13 N. If the legislative body of a municipality approves a subdivision
14 plat pursuant to an exemption authorized by subsection K of this section or
15 granted by the director of water resources pursuant to section 45-108.02 or
16 45-108.03:

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

19 2. The legislative body shall include on the face of the plat a
20 statement that the director of water resources has determined that the
21 water supply for the subdivision is inadequate and a statement describing
22 the exemption under which the plat was approved, including a statement that
23 the legislative body or the director of water resources, whichever applies,
24 has determined that the specific conditions of the exemption were met. If
25 the director subsequently informs the legislative body that the subdivision
26 is being served by a water provider that has been designated by the
27 director as having an adequate water supply pursuant to section 45-108, the
28 legislative body shall record in the county recorder's office a statement
29 disclosing that fact.

1 O. If a municipality has not been given written notice by the
2 director of water resources pursuant to section 45-108, subsection H, the
3 legislative body of the municipality, to protect the public health and
4 safety, may provide by ordinance that, except as provided in subsections K
5 and P of this section, the final plat of a subdivision located in the
6 municipality and outside of an active management area will not be approved
7 by the legislative body unless the director of water resources has
8 determined that there is an adequate water supply for the subdivision
9 pursuant to section 45-108 or the subdivider has obtained a written
10 commitment of water service for the subdivision from a city, town or
11 private water company designated as having an adequate water supply by the
12 director of water resources pursuant to section 45-108. Before holding a
13 public hearing to consider whether to enact an ordinance pursuant to this
14 subsection, a municipality shall provide written notice of the hearing to
15 the board of supervisors of the county in which the municipality is
16 located. A municipality that enacts an ordinance pursuant to this
17 subsection shall give written notice of the enactment of the ordinance,
18 including a certified copy of the ordinance, to the director of water
19 resources, the director of environmental quality, the state real estate
20 commissioner and the board of supervisors of the county in which the
21 municipality is located. If a municipality enacts an ordinance pursuant to
22 this subsection, water providers may be eligible to receive monies in a
23 water supply development fund, as otherwise provided by law.

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

25 1. A proposed subdivision that the director of water resources has
26 determined will have an inadequate water supply pursuant to section 45-108
27 if the director grants an exemption for the subdivision pursuant to section
28 45-108.02 and the exemption has not expired or if the director grants an
29 exemption pursuant to section 45-108.03.

30 2. A proposed subdivision that received final plat approval from the
31 municipality before the requirement for an adequate water supply became
32 effective in the municipality if the plat has not been materially changed

1 since it received the final plat approval. If changes were made to the
2 plat after the plat received the final plat approval, the director of water
3 resources shall determine whether the changes are material pursuant to the
4 rules adopted by the director to implement section 45-108. If the
5 municipality approves a plat pursuant to this paragraph and the director of
6 water resources has determined that there is an inadequate water supply for
7 the subdivision pursuant to section 45-108, the municipality shall note
8 this on the face of the plat.

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

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

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

24 R. Every municipality is responsible for the recordation of all
25 final plats approved by the legislative body and shall receive from the
26 subdivider and transmit to the county recorder the recordation fee
27 established by the county recorder.

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

31 T. The legislative bodies of cities and towns may regulate by
32 ordinance land splits within their corporate limits. Authority granted

1 under this section refers to the determination of division lines, area and
2 shape of the tracts or parcels and does not include authority to regulate
3 the terms or condition of the sale or lease nor does it include the
4 authority to regulate the sale or lease of tracts or parcels that are not
5 the result of land splits as defined in section 9-463.

6 U. For any subdivision that consists of ten or fewer lots, tracts or
7 parcels, each of which is of a size as prescribed by the legislative body,
8 the legislative body of each municipality may expedite the processing of or
9 waive the requirement to prepare, submit and receive approval of a
10 preliminary plat as a condition precedent to submitting a final plat and
11 may waive or reduce infrastructure standards or requirements proportional
12 to the impact of the subdivision. Requirements for dust-controlled access
13 and drainage improvements shall not be waived.

14 V. AT THE APPLICANT'S REQUEST, AFTER PRELIMINARY PLAT SUBMITTAL AND
15 AFTER THE APPLICANT RECEIVES ANY REQUIRED APPROVAL FROM THE DEPARTMENT OF
16 ENVIRONMENTAL QUALITY, THE MUNICIPALITY SHALL ISSUE AN AT-RISK PERMIT FOR
17 GRADING AND EARTHMOVING THAT RELATES TO THE PROPERTY THAT IS THE SUBJECT OF
18 THE PRELIMINARY PLAT. THE MUNICIPALITY ISSUING AN AT-RISK PERMIT DOES NOT
19 CONSTITUTE FINAL PRELIMINARY PLAT APPROVAL OR FINAL APPROVAL OF ANY GRADING
20 AND DRAINAGE PLANS. ANY WORK, SERVICES OR MATERIALS ACCOMPLISHED OR
21 ACQUIRED BY THE APPLICANT OR ITS AGENTS IS DONE AT THE FINANCIAL RISK OF
22 THE APPLICANT WITH NO FINANCIAL LIABILITY TO THE MUNICIPALITY FOR ISSUING
23 THE AT-RISK PERMIT. THE MUNICIPALITY MAY REQUIRE THAT ALL GRADING AND
24 EARTHMOVING BE DONE IN COMPLIANCE WITH ALL MUNICIPAL CODES, ORDINANCES AND
25 STANDARDS AND OTHER LEGAL REQUIREMENTS. THIS SUBSECTION DOES NOT APPLY TO
26 A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY THOUSAND PERSONS, A
27 MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND, LAND IN AN AREA THAT IS
28 DESIGNATED AS A DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT TO SECTION
29 9-462.01, SUBSECTION A, PARAGRAPH 10 OR AN AREA THAT IS DESIGNATED AS
30 HISTORIC ON THE NATIONAL REGISTER OF HISTORIC PLACES.

1 Sec. 3. Title 9, chapter 4, article 6.4, Arizona Revised Statutes,
2 is amended by adding section 9-469, to read:

3 9-469. Municipal housing needs assessment; annual report;
4 applicability

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

8 1. THE TOTAL POPULATION GROWTH PROJECTED FOR THE SUBSEQUENT
9 FIVE-YEAR PERIOD.

10 2. THE TOTAL JOB GROWTH PROJECTED FOR THE SUBSEQUENT FIVE-YEAR
11 PERIOD.

12 3. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT
13 AND FOR SALE IN THE MUNICIPALITY TO MEET:

14 (a) ANY DEFICIENCIES IN HOUSING THE EXISTING POPULATION.

15 (b) ANY DEFICIENCIES IN HOUSING THE EXISTING WORKFORCE.

16 (c) THE POPULATION GROWTH PROJECTIONS.

17 (d) THE JOBS GROWTH PROJECTIONS.

18 (e) THE HOUSING NEEDS ACROSS ALL VARIOUS INCOME LEVELS.

19 B. BEGINNING JANUARY 1, 2025 AND EVERY YEAR THEREAFTER, EACH
20 MUNICIPALITY SHALL SUBMIT AN ANNUAL REPORT ACCOUNTING FOR THE TOTAL NUMBER
21 OF PROPOSED RESIDENTIAL HOUSING UNITS SUBMITTED TO THE MUNICIPALITY, THE
22 TOTAL NUMBER OF NET NEW RESIDENTIAL HOUSING UNITS SUBMITTED TO THE
23 MUNICIPALITY AND THE TOTAL NUMBER OF NEW RESIDENTIAL HOUSING UNITS THAT ARE
24 ENTITLED, HAVE BEEN PLATTED, HAVE BEEN ISSUED A BUILDING PERMIT AND HAVE
25 RECEIVED A CERTIFICATE OF OCCUPANCY BY THE MUNICIPALITY. THE REPORT SHALL
26 BE SUBMITTED TO THE ARIZONA DEPARTMENT OF HOUSING. THE ANNUAL REPORT SHALL
27 ALSO INCLUDE THE FOLLOWING:

28 1. THE NUMBER OF HOUSING DEVELOPMENT APPLICATIONS RECEIVED IN THE
29 PRIOR YEAR.

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

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

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

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

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

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

13 Sec. 4. Section 11-812, Arizona Revised Statutes, is amended to
14 read:

15 11-812. Restriction on regulation; exceptions; aggregate
16 mining regulation; definitions

17 A. ~~Nothing contained in~~ Any ordinance authorized by this chapter
18 shall NOT:

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

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

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

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

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

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

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

8 3. Prevent, restrict or otherwise regulate the use or occupation of
9 land or improvements for agricultural composting, if the tract is five or
10 more contiguous commercial acres. An agricultural composting operation
11 shall notify in writing the board of supervisors and the nearest fire
12 department of the location of the composting operation. If the nearest
13 fire department is located in a city, town or fire district where the
14 agricultural composting is not located, the agricultural composting
15 operation shall also notify in writing the fire district in which the
16 operation is located. Agricultural composting is subject to sections 3-112
17 and 49-141. For the purposes of this paragraph, "agricultural composting"
18 has the same meaning prescribed in section 9-462.01, subsection ~~G~~ J.

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

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

26 C. For the purposes of subsection A, paragraph 2 of this section,
27 mining does not include aggregate mining operations in an aggregate mining
28 operations zoning district established pursuant to this section. The board
29 of supervisors of any county with a population of more than two million
30 persons shall designate and establish the boundaries of an aggregate mining
31 operations zoning district on the petition of at least one hundred persons
32 who reside within one-half mile of an existing aggregate mining operation.

1 In addition, the board of supervisors of any county may establish, in its
2 discretion and on the board's initiative, one or more aggregate mining
3 operations zoning districts. Aggregate mining operations zoning districts
4 may only be located in areas that are inventoried and mapped as areas of
5 known reserves or in areas with existing aggregate mining operations.
6 Subject to subsections E and F of this section, a county and the state mine
7 inspector may jointly adopt, as internal administrative regulations,
8 reasonable aggregate mining operations zoning district standards limited to
9 permitted uses, procedures for approval of property development plans and
10 site development standards for dust control, height regulations, setbacks,
11 days and hours of operation, off-street parking, screening, noise,
12 vibration and air pollution control, signs, roadway access lanes, arterial
13 highway protection and property reclamation for which aggregate mining
14 operations are not otherwise subject to federal, state or local regulation
15 or a governmental contractual obligation. Regulations jointly adopted
16 pursuant to this subsection by the county and the state mine inspector
17 shall not prohibit the activities included in the definition of mine
18 pursuant to section 27-301, paragraph 8 or duplicate, conflict with or be
19 more stringent than applicable federal, state or local laws.

20 D. The board of supervisors of any county that establishes an
21 aggregate mining operations zoning district shall appoint an aggregate
22 mining operations recommendation committee for the district. The committee
23 consists of not more than seven operators, or representatives of operators,
24 of active aggregate mining operations in any district within the county and
25 an equal number of private citizens, who are not operators, who are not
26 employed by operators and who do not represent operators, residing within
27 three miles of the boundaries of aggregate mining operations or a proposed
28 aggregate mining operation in the district for which the committee is
29 established. The initial members appointed to the committee shall be
30 deemed the primary members, and the board of supervisors shall appoint not
31 more than five alternate members who represent operators and shall appoint
32 not more than five alternate members who are private citizens. Alternate

1 members may serve at meetings of the committee when a primary member is
2 unable to attend. An aggregate mining operator may serve on more than one
3 committee in the same county. The board of supervisors shall determine the
4 length of terms of members of the committee and shall stagger the initial
5 appointments so that not all members' terms expire at the same time.
6 Members of the committee who no longer qualify for membership as provided
7 by this subsection are subject to removal and replacement by the board of
8 supervisors. The committee shall elect a member who is an aggregate mining
9 operator to serve as chairperson for the first year in which the committee
10 is created. For each year thereafter, the chairperson shall be elected by
11 the members of the committee with a member who is a private citizen and a
12 member who is an aggregate mining operator serving as chairperson in
13 alternate years. The committee is subject to the open meeting requirements
14 of title 38, chapter 3, article 3.1.

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

20 1. By a majority vote of all members make recommendations to the
21 board of supervisors for aggregate mining zoning districts and
22 administrative regulations as provided in this section. The board of
23 supervisors may adopt or reject the recommendations but may not make any
24 modifications to the recommendations unless the modification is approved by
25 a majority of the members of the recommendation committee.

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

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

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

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

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

1 to county rezoning of property at the request of the property owner to a
2 more intensive zoning district.

3 I. For the purposes of this section:

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

5 2. "Aggregate mining" has the same meaning prescribed in section
6 27-441.

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

9 4. "Operators" means persons who are actively engaged in aggregate
10 mining operations within the zoning district or proposed zoning district
11 and who have given notice to the state mine inspector pursuant to section
12 27-303."

13 Amend title to conform

And, as so amended, it do pass

JUSTIN WILMETH
CHAIRMAN

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