

REFERENCE TITLE: Arizona community land trust fund

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HB 2578

Introduced by
Representatives Quiñonez: Ortiz, Schwiebert, Seaman

AN ACT

AMENDING TITLE 41, CHAPTER 37, ARTICLE 2, ARIZONA REVISED STATUTES, BY
ADDING SECTION 41-3956; RELATING TO THE ARIZONA DEPARTMENT OF HOUSING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 41, chapter 37, article 2, Arizona Revised
3 Statutes, is amended by adding section 41-3956, to read:

4 41-3956. Arizona state community land trust acquisition grant
5 fund; purpose; definitions

6 A. THE ARIZONA STATE COMMUNITY LAND TRUST ACQUISITION GRANT FUND IS
7 ESTABLISHED. THE DEPARTMENT SHALL ADMINISTER THE FUND. THE FUND CONSISTS
8 OF LEGISLATIVE APPROPRIATIONS, FEDERAL MONIES, PRIVATE GRANTS, GIFTS,
9 CONTRIBUTIONS AND DEVICES.

10 B. MONIES IN THE FUND SHALL BE DISTRIBUTED TO COMMUNITY LAND TRUSTS
11 TO PROVIDE GRANTS TO ELIGIBLE OWNERS.

12 C. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND EXEMPT FROM
13 THE PROVISIONS OF SECTION 35-190 RELATING TO THE LAPSING OF
14 APPROPRIATIONS.

15 D. FOR THE PURPOSES OF THIS SECTION:

16 1. "COMMUNITY LAND TRUST" MEANS A CORPORATION THAT IS EXEMPT FROM
17 TAXATION PURSUANT TO SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE AND
18 THAT SATISFIES ALL OF THE FOLLOWING:

19 (a) THE CORPORATION'S PRIMARY PURPOSE IS THE CREATION AND
20 MAINTENANCE OF PERMANENTLY AFFORDABLE SINGLE-FAMILY OR MULTIFAMILY
21 RESIDENCES.

22 (b) ALL DWELLINGS AND UNITS LOCATED ON LAND THAT IS OWNED BY THE
23 CORPORATION MUST BE SOLD TO ELIGIBLE OWNERS AND MUST BE OCCUPIED AS THE
24 ELIGIBLE OWNER'S PRIMARY RESIDENCE OR RENTED TO LOW-INCOME FAMILIES.

25 (c) THE LAND THAT IS OWNED BY THE CORPORATION, AND ON WHICH A
26 DWELLING OR UNIT SOLD TO AN OWNER IS SITUATED, IS LEASED BY THE
27 CORPORATION TO THE ELIGIBLE OWNER FOR THE CONVENIENT OCCUPATION AND USE OF
28 THE DWELLING OR UNIT FOR AN INITIAL TERM OF NINETY-NINE YEARS WITH RENEWAL
29 RIGHTS UNDER THE SAME INITIAL TERMS AND CONDITIONS.

30 2. "ELIGIBLE OWNER" MEANS EITHER OF THE FOLLOWING:

31 (a) AN INDIVIDUAL WHO OWNS OR AGREES TO PURCHASE A HOME UNDER THIS
32 SECTION AND WHO OCCUPIES THE HOME AS THE OWNER'S PRIMARY RESIDENCE.

33 (b) A PARTNERSHIP, CORPORATION OR OTHER ENTITY THAT WILL REBUILD OR
34 REHABILITATE VACANT PROPERTIES FOR SALE TO HOMEBUYERS.