

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

SENATE BILL 1147

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTION 9-403.01; RELATING TO THE SALE OR LEASE OF MUNICIPAL
PROPERTY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 9, chapter 4, article 1, Arizona Revised Statutes,
3 is amended by adding section 9-403.01, to read:

4 9-403.01. Sale or lease of property for economic development
5 activities; notice; exceptions; definition

6 A. NOTWITHSTANDING ANY OTHER POWERS GRANTED TO A GOVERNING BODY OF
7 A CITY OR TOWN, THE GOVERNING BODY OF THE CITY OR TOWN MAY SELL OR LEASE
8 FOR ECONOMIC DEVELOPMENT ACTIVITIES LAND OR BUILDINGS OWNED BY OR UNDER
9 THE CONTROL OF THE CITY OR TOWN ONLY PURSUANT TO THE REQUIREMENTS OF THIS
10 SECTION.

11 B. THE GOVERNING BODY OF THE CITY OR TOWN SHALL APPOINT AN
12 EXPERIENCED, INDEPENDENT APPRAISER TO DETERMINE THE SALE OR LEASE
13 VALUATION OF THE LAND OR BUILDING, EXCEPT THAT THE APPOINTMENT OF AN
14 APPRAISER IS NOT REQUIRED FOR THE SALE OR LEASE OF ANY LAND OR BUILDING
15 THAT IS VALUED AT \$50,000 OR LESS IF THE VALUE OF THE LAND OR BUILDING HAS
16 BEEN ESTIMATED AND JUSTIFIED BY A MARKET ANALYSIS THAT IS BASED ON
17 COMPARABLE SALES. THE GOVERNING BODY SHALL MAKE AVAILABLE TO THE PUBLIC
18 ON THE GOVERNING BODY'S WEBSITE ANY APPRAISAL REPORT OR MARKET ANALYSIS
19 PREPARED PURSUANT TO THIS SECTION FOR FOUR CONSECUTIVE WEEKS BEFORE THE
20 GOVERNING BODY EXECUTES ANY SALE OR LEASE.

21 C. THE GOVERNING BODY OF THE CITY OR TOWN SHALL GIVE NOTICE OF A
22 PROPOSED SALE OR LEASE BY PUBLICATION, ONCE EACH WEEK FOR FOUR CONSECUTIVE
23 WEEKS BEFORE THE GOVERNING BODY EXECUTES ANY SALE OR LEASE, IN A NEWSPAPER
24 OF GENERAL CIRCULATION IN THE CITY OR TOWN AND SHALL MAKE THE NOTICE
25 AVAILABLE TO THE PUBLIC ON THE GOVERNING BODY'S WEBSITE. THE NOTICE SHALL
26 STATE ALL MATERIAL CONDITIONS OF THE PROPOSED SALE OR LEASE, INCLUDING, IF
27 APPLICABLE, THE VALUATION OF THE LAND OR BUILDING DETERMINED PURSUANT TO
28 THIS SECTION.

29 D. FOR THE PURPOSES OF THIS SECTION, "ECONOMIC DEVELOPMENT
30 ACTIVITIES" HAS THE SAME MEANING PRESCRIBED IN SECTION 9-500.11.

31 Sec. 2. Purpose; applicability

32 A. This act is intended to enforce article IX, section 7,
33 Constitution of Arizona. It is the intent of the legislature to clarify
34 existing law relating to the state's preemption of economic development
35 activities in this state. Economic development is regulated by the
36 Constitution of Arizona and is of statewide concern. Therefore, the
37 legislature intends to limit the ability of any city or town to engage in
38 economic development activities in violation of article IX, section 7,
39 Constitution of Arizona.

40 B. This act applies to any agreement made on or after the effective
41 date of this act.