



ARIZONA HOUSE OF REPRESENTATIVES

SB 1094: telecommunications fund; report; posting

S/E: planned communities; applicability; recreational center

PRIME SPONSOR: Senator Borrelli, LD 5

BILL STATUS: [Government](#)

Summary of the Strike-Everything Amendment to SB1094

Overview

States that the planned community statutes do not apply to certain nonprofit corporations or unincorporated associations unless the members elect in writing to be subject to such statutes.

History

A planned community is defined in statute as a real estate development that includes real estate that is owned and operated by a nonprofit corporation or unincorporated association of owners. The purpose of a planned community is to manage, maintain or improve the property and stipulates that owners of separately owned lots are mandatory members and are required to pay assessments to the association ([A.R.S. §33-1802](#)). The planned community statutes include but are not limited to provisions that govern open meetings, rental property, their board of directors and parking ([Title 33, Chapter 16](#)).

Provisions

1. Specifies that, notwithstanding any provision in the community documents, the statutes relating to planned communities do not apply to a nonprofit corporation or unincorporated association of owners that is created or incorporated before January 1, 1974 and has no authority to enforce covenants, conditions and restrictions related to the use, occupancy or appearance of the separately owned lots, parcels or units in a real estate development. (Sec. 1)
2. Asserts that the planned community statutes may apply to a nonprofit corporation or unincorporated association of owners if a majority of all the members of such elect in writing to subject the association to these statutes by recording a notice of election as set forth in this Act. (Sec. 1)
3. Allows a nonprofit corporation or unincorporated association of owners that has the power under recorded covenants to assess members to pay the costs and expenses incurred in the performance of obligations created by recorded covenants for a real estate development that does not qualify as a planned community to elect to subject the association of owners to the planned community statutes with the written approval of a majority vote of all the members. (Sec. 1)
4. Requires a notice of election to be subject to the planned community statutes to be recorded by the nonprofit corporation or unincorporated association of owners with the county recorder of the county in which the real estate development is located. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note

5. Specifies that if a majority of all the members elect in writing to be subject to the planned community statutes, then the notice will be effective as of the date of the recording of the notice. (Sec. 1)
6. Authorizes any election to be subject to the planned community statutes to be rescinded in the same manner as an election and stipulates that it will be effective as of the date of the recording of the notice of rescission. (Sec. 1)
7. Declares that the definition of *association* includes any nonprofit corporation or unincorporated association of owners that otherwise elects to be subject to the planned community statutes. (Sec. 2)
8. States that the definition of *association* does not include a nonprofit corporation or unincorporated association of owners which has no authority to enforce covenants, conditions or restrictions related to the use, occupancy or appearance of the separately owned lots, parcels or units in a real estate development. (Sec. 2)
9. Asserts that the definition of *planned community* includes that the declaration expressly states both that the owners are mandatory members and the owners are required to pay assessments to the association. (Sec. 2)
10. Specifies that the definition of *planned community* does not include a real estate development which is not managed or maintained by an association as defined in statute. (Sec. 2)
11. Contains a legislative intent clause. (Sec. 3)
12. Contains a severability clause. (Sec.5)
13. Contains a retroactive effective date of July 16, 1994. (Sec.4)