



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

Senate: ED DP 4-3-0-0 | 3rd Read 16-13-1-0

House: COM DPA/SE 7-3-0-0

SB 1163: bond or override; contracts; prohibition
S/E: municipal; zoning; housing assessment; report
Sponsor: Senator Kaiser, LD 2
Caucus & COW

Summary of the Strike-Everything Amendment to SB 1163

Overview

Creates an at-risk permit relating to grading and earthmoving of property, provides zoning regulations relating to single-family residential uses, and establishes municipal reporting requirements relating to housing needs.

History

Statute authorizes municipalities to adopt zoning ordinances and codes to conserve and promote the public health, safety, convenience and general welfare and outlines zoning guidelines and requirements ([Title 9, Ch.4, Art. 6.1, A.R.S.](#)).

The governing body of a municipality must adopt by ordinance a citizen review process that applies to all rezoning and specific plan applications that require a public hearing. The citizen review process must include at least:

- 1) notifying adjacent landowners and other potentially affected citizens of the application;
- 2) informing adjacent landowners and other potentially affected citizens on the substance of the proposed rezoning; and
- 3) providing adjacent landowners and other potentially affected citizen an opportunity to express any issues or concerns regarding the rezoning.

Any zoning ordinances that propose to change property from one zone to another, that imposes any regulation not previously imposed or that removes any such regulation previously imposed must be adopted following the procedure prescribed in the citizen review process and in the manner set for public hearings ([A.R.S. § 9-462.03](#)).

Provisions

Housing Needs Assessment

1. Requires, beginning January 1, 2024, and every five years thereafter, a municipality to publish a housing needs assessment, which at minimum includes:
 - a) the total population growth and total job growth projected for the subsequent five-year period; and
 - b) the total need for additional residential housing units for rent and for sale in the municipality to meet:
 - i. any deficiencies in housing the existing population and workforce;
 - ii. the population growth and jobs growth projections; and
 - iii. the housing needs across all various income levels. (Sec. 3)

2. Instructs a municipality, beginning January 1, 2025, and every year thereafter, to submit an annual report to the Department of Housing that accounts for:
 - a) the total number of proposed residential housing units and the total number of net new residential housing units submitted to the municipality; and
 - b) the total number of new residential housing units that are entitled, have been platted, have been issued a building permit and have received a certificate of occupancy by the municipality. (Sec. 3)
3. Outlines additional factors that the submitted report must include. (Sec. 3)
4. Specifies the requirement to publish a housing needs assessment does not require the municipality to meet or otherwise fulfill the projections stated in the assessment. (Sec. 3)
5. Excludes, from the assessment and reporting requirement, a municipality that is located on tribal land or that has a population of less than 30,000. (Sec. 3)

At-Risk Permit

6. Requires a municipality, at the applicant's request and after receiving certain approvals, to issue an at-risk permit for grading and earthmoving that relates to the property that is the subject of the preliminary plat. (Sec. 2)
7. Specifies the municipality issuing an at-risk permit does not constitute final preliminary plat approval or final approval of any grading and drainage plans. (sec. 2)
8. Stipulates any work, services or materials accomplished or acquired by the applicant is done at the financial risk of the applicant with no financial liability to the municipality for issuing the at-risk permit. (Sec. 2)
9. Allows the municipality to require that all grading and earthmoving be done in compliance with all municipal codes, ordinances and standards and other legal requirements. (Sec. 2)
10. Stipulates the at-risk permit requirements do not apply to:
 - a) a municipality with a population of less than thirty thousand persons;
 - b) a municipality that is located on tribal land;
 - c) land in an area that is designated as a district of historical significance; or
 - d) an area that is designated as historic on the national register of historic places. (Sec. 2)

Zoning Regulations

11. Prevents certain municipalities, on vacant land in any zone that allows single-family residential uses, from requiring:
 - a) lot size minimums that are greater than 4,000 square feet in area, however, may limit the density to 6 primary dwelling units per acre;
 - b) lot width minimums that are greater than 40 feet;
 - c) front setbacks that are greater than 10 feet, except for portions of a dwelling that are occupied by a garage, in which the front setback minimum may not be greater than 18 feet from the back of the sidewalk or lot line if there is no sidewalk;
 - d) side yard setbacks that are greater than 5 feet;
 - e) rear setbacks that are greater than 10 feet; or
 - f) the percentage of a lot that may be occupied by a building or structure to be greater than the setbacks. (Sec. 1)
12. Specifies certain municipalities, in any zone that allows residential uses, cannot prohibit the placement of a new manufactured home that is titled as real property and that is built according to the U.S. Department of Housing and Urban Development code (Code). (Sec. 1)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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13. Permits a municipality to require single-family or duplex new manufactured housing, built in accordance with the Code, to be securely fixed to a permanent standard or engineered foundation at an equivalent level as the requirements applicable to single-family dwellings within the municipality on which the manufactured housing is proposed to be located. (Sec. 1)
14. Instructs certain municipalities to provide additional residential zones that allow for the construction or use of duplexes, triplexes, lots that are smaller than 4,000 square feet and other housing types proposed by applicants. (Sec. 1)
15. Specifies the statutory zoning regulations does not affect the validity or enforceability of private covenants or other contractual elements among property owners by parties other than the municipality. (Sec. 1)
16. Excludes, from specified statutory zoning regulations, municipalities that are located on tribal land, an area designated as a historical significance district or an area designated as historic on the national register of historic places. (Sec. 1)

Miscellaneous

17. Makes technical and conforming changes. (Sec. 4)

Amendments

Committee on Commerce

1. Adopted the strike-everything amendment.