

COMMITTEE ON INTERNATIONAL TRADE
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1543
(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Title 9, chapter 4, article 6, Arizona Revised Statutes,
3 is amended by adding section 9-461.19, to read:

4 9-461.19. Municipal allowed ancillary use; multifamily
5 residential housing; hotel use; regulations;
6 applicability; definitions

7 A. NOTWITHSTANDING ANY OTHER LAW, A MUNICIPALITY WITH A POPULATION
8 OF TWO HUNDRED THOUSAND OR MORE PERSONS BUT NOT MORE THAN FIVE HUNDRED
9 THOUSAND PERSONS SHALL ALLOW HOTEL USE AND MULTIFAMILY RESIDENTIAL HOUSING
10 AS AN ALLOWED ANCILLARY USE IN A ZONING DISTRICT THAT ALLOWS LIGHT
11 INDUSTRIAL USE WITHOUT REQUIRING ANY TYPE OF APPLICATION THAT WILL REQUIRE
12 A PUBLIC HEARING IF THE ANCILLARY USE MEETS BOTH OF THE FOLLOWING CRITERIA:

13 1. THE ANCILLARY USE IS LOCATED WITHIN AN INTERNATIONAL HEADQUARTERS
14 CAMPUS THAT IS SOLELY OWNED BY EITHER A SINGLE ENTITY OR RELATED ENTITIES
15 AT THE TIME THAT DEVELOPMENT OF THE INTERNATIONAL HEADQUARTERS CAMPUS
16 COMMENCES AND, ON COMPLETION, THE INTERNATIONAL HEADQUARTERS ON THE
17 INTERNATIONAL HEADQUARTERS CAMPUS WILL EMPLOY MORE THAN TWO THOUSAND
18 FULL-TIME EMPLOYEES AT AN AVERAGE ANNUAL COMPENSATION OF MORE THAN ONE
19 HUNDRED TWENTY-FIVE PERCENT OF THE MEDIAN WAGE OF THE COUNTY WHERE THE
20 INTERNATIONAL HEADQUARTERS CAMPUS IS LOCATED.

21 2. THE INTERNATIONAL HEADQUARTERS CAMPUS THAT CONTAINS THE ANCILLARY
22 USE IS BOUND BY A RECORDED INSTRUMENT THAT IS ENFORCEABLE BY THE
23 MUNICIPALITY AND THAT DOES BOTH OF THE FOLLOWING:

24 (a) RESTRICTS OCCUPANCY IN AT LEAST TWENTY PERCENT OF THE
25 MULTIFAMILY RESIDENTIAL HOUSING UNITS LOCATED ON THE INTERNATIONAL
26 HEADQUARTERS CAMPUS TO INDIVIDUALS EMPLOYED AT THE INTERNATIONAL
27 HEADQUARTERS AND THE FAMILIES OF INDIVIDUALS EMPLOYED AT THE INTERNATIONAL
28 HEADQUARTERS. THE RECORDED INSTRUMENT MUST ALSO PROVIDE THAT THE
29 MUNICIPALITY WHERE THE INTERNATIONAL HEADQUARTERS CAMPUS IS LOCATED, IN THE
30 MUNICIPALITY'S SOLE AND ABSOLUTE DISCRETION, MAY WAIVE THE OCCUPANCY
31 REQUIREMENT.

32 (b) PROHIBITS AN AGREEMENT FOR OCCUPANCY OF ANY MULTIFAMILY
33 RESIDENTIAL HOUSING UNIT WITHIN THE INTERNATIONAL HEADQUARTERS CAMPUS FOR A
34 PERIOD OF LESS THAN NINETY CONSECUTIVE DAYS AND LIMITS OCCUPANCY TO THE
35 SAME OCCUPANTS FOR THE ENTIRETY OF THE NINETY CONSECUTIVE DAYS UNLESS A
36 TENANT OF THE MULTIFAMILY RESIDENTIAL HOUSING UNIT IS AN EMPLOYEE OR
37 CONTRACTOR OF AN ENTITY LOCATED WITHIN THE INTERNATIONAL HEADQUARTERS

1 CAMPUS AND THAT EMPLOYEE OR CONTRACTOR PERFORMS JOB DUTIES AT THE
2 INTERNATIONAL HEADQUARTERS. THIS SUBDIVISION DOES NOT APPLY TO MULTIFAMILY
3 HOUSING DEVELOPMENTS THAT ARE PLATTED FOR INDIVIDUAL OWNERSHIP OF UNITS.

4 B. AN ANCILLARY USE IS SUBJECT TO COMPLIANCE WITH GENERALLY
5 APPLICABLE MUNICIPAL BUILDING CODES AND FIRE CODES AND THE OBJECTIVE
6 DEVELOPMENT STANDARDS PURSUANT TO SUBSECTION E OF THIS SECTION.

7 C. THE GOVERNING BODY OF THE MUNICIPALITY MAY NOT WITHHOLD A
8 BUILDING PERMIT OR A CERTIFICATE OF OCCUPANCY FOR AN ANCILLARY USE THAT
9 COMPLIES WITH ONE OF THE FOLLOWING:

10 1. FOR INTERNATIONAL HEADQUARTERS CAMPUSES THAT INCLUDE MULTIFAMILY
11 RESIDENTIAL HOUSING UNITS AS AN ANCILLARY USE PURSUANT TO THIS SECTION, A
12 MUNICIPALITY SHALL ALLOW A NUMBER OF MULTIFAMILY RESIDENTIAL UNITS WITHIN
13 THE INTERNATIONAL HEADQUARTERS CAMPUS THAT ARE EQUAL TO OR MORE THAN THE
14 NUMBER OF GROSS ACRES IN THE INTERNATIONAL HEADQUARTERS CAMPUS MULTIPLIED
15 BY TWENTY-EIGHT.

16 2. FOR CAMPUSES THAT INCLUDE HOTEL USE AS AN ANCILLARY USE PURSUANT
17 TO THIS SECTION, A MUNICIPALITY SHALL ALLOW A NUMBER OF HOTEL ROOMS WITHIN
18 THE INTERNATIONAL HEADQUARTERS CAMPUS EQUAL TO OR MORE THAN THE NUMBER OF
19 GROSS ACRES IN THE INTERNATIONAL HEADQUARTERS CAMPUS MULTIPLIED BY
20 SEVEN. NOT MORE THAN TEN PERCENT OF THE HOTEL ROOMS WITHIN THE
21 INTERNATIONAL HEADQUARTERS CAMPUS SHALL BE ALLOWED AS FOR-SALE RESIDENTIAL
22 UNITS WITHIN THE HOTEL. THE MUNICIPALITY IS NOT REQUIRED TO ALLOW AN
23 AGGREGATE NUMBER OF HOTEL ROOMS AND MULTIFAMILY RESIDENTIAL HOUSING UNITS
24 AS AN ANCILLARY USE WITHIN THE INTERNATIONAL HEADQUARTERS CAMPUS OF MORE
25 THAN THE NUMBER OF GROSS ACRES IN THE INTERNATIONAL HEADQUARTERS CAMPUS
26 MULTIPLIED BY THIRTY-FIVE.

27 D. FOR CAMPUSES THAT INCLUDE HOTEL USE OR MULTIFAMILY RESIDENTIAL
28 HOUSING UNITS AS AN ANCILLARY USE PURSUANT TO THIS SECTION, A MUNICIPALITY
29 SHALL ALLOW COMPLEMENTARY RETAIL AND RESTAURANT USE WITHIN THE
30 INTERNATIONAL HEADQUARTERS CAMPUS.

31 E. THE FOLLOWING OBJECTIVE STANDARDS APPLY TO AN ANCILLARY USE
32 BUILDING DEVELOPED PURSUANT TO THIS SECTION:

33 1. A MUNICIPALITY MAY LIMIT THE HEIGHT OF THE ANCILLARY USE BUILDING
34 TO TWO STORIES IN A INTERNATIONAL HEADQUARTERS CAMPUS SITE THAT IS LOCATED
35 DIRECTLY ADJACENT TO AND WITHIN ONE HUNDRED FEET OF AN AREA THAT IS ZONED
36 FOR SINGLE-FAMILY RESIDENTIAL USE.

37 2. EXCEPT PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION, A MUNICIPALITY
38 MAY NOT RESTRICT THE MAXIMUM HEIGHT OF THE ANCILLARY USE BUILDING TO LESS
39 THAN SIX STORIES, NOT INCLUDING MECHANICAL SCREENING OR ROOFTOP
40 APPURTENANCES.

1 3. ANY UTILITY PROVIDER THAT MAY PROVIDE UTILITY SERVICE TO THE
2 ANCILLARY USE DEVELOPMENT MAY REVIEW CONSTRUCTION DOCUMENTS TO ENSURE
3 ADEQUATE WATER AND SEWER CAPACITY IMPACTED BY THE PROPOSED ANCILLARY USE
4 DEVELOPMENT.

5 4. EXISTING MUNICIPAL ZONING ORDINANCES FOR SETBACK AND PARKING
6 REQUIREMENTS FOR THE PROPOSED ANCILLARY USE DEVELOPMENT APPLY.

7 F. A BUILDING PERMIT FOR AN ANCILLARY USE BUILDING DEVELOPED
8 PURSUANT TO THIS SECTION MAY NOT BE OBTAINED UNTIL THE MUNICIPALITY ISSUES
9 A BUILDING PERMIT FOR CONSTRUCTION OF THE INTERNATIONAL HEADQUARTERS
10 BUILDING. A CERTIFICATE OF OCCUPANCY MAY NOT BE GRANTED FOR AN ANCILLARY
11 USE BUILDING DEVELOPED PURSUANT TO THIS SECTION BEFORE THE MUNICIPALITY
12 GRANTS A CERTIFICATE OF OCCUPANCY FOR THE INTERNATIONAL HEADQUARTERS
13 BUILDING.

14 G. NOTWITHSTANDING SUBSECTION F OF THIS SECTION, IF SUBSTANTIAL
15 CONSTRUCTION OF THE INTERNATIONAL HEADQUARTERS BUILDING HAS COMMENCED, A
16 CERTIFICATE OF OCCUPANCY MAY BE GRANTED FOR AN ANCILLARY USE BUILDING
17 DEVELOPED PURSUANT TO THIS SECTION BEFORE THE MUNICIPALITY GRANTS A
18 CERTIFICATE OF OCCUPANCY FOR THE INTERNATIONAL HEADQUARTERS BUILDING IF THE
19 STATE LAND DEPARTMENT HAS RECEIVED A BOND, A LETTER OF CREDIT OR ANY OTHER
20 SUFFICIENT FINANCIAL ASSURANCE THAT, IN THE REASONABLE DISCRETION OF THE
21 STATE LAND COMMISSIONER, PROVIDES FOR PAYMENT TO THE STATE LAND TRUST OF AN
22 AMOUNT EQUAL TO THE MARKET SALE VALUE OF THE LAND AND IMPROVEMENTS
23 CONTAINING THE ANCILLARY USE DEVELOPMENT, LESS DEVELOPMENT COSTS, IF THE
24 MUNICIPALITY DOES NOT GRANT A PERMANENT CERTIFICATE OF OCCUPANCY FOR THE
25 INTERNATIONAL HEADQUARTERS BUILDING WITHIN FIVE YEARS AFTER GRANTING THE
26 CERTIFICATE OF OCCUPANCY FOR THE ANCILLARY USE BUILDING.

27 H. A MUNICIPALITY SHALL CONSENT TO AMENDMENTS TO EXISTING
28 DEVELOPMENT AGREEMENTS TO WHICH THE MUNICIPALITY IS A SIGNATORY THAT ARE
29 REASONABLY NECESSARY TO ALLOW FOR THE DEVELOPMENT OF HOTEL USE OR
30 MULTIFAMILY RESIDENTIAL USE AS AN ANCILLARY USE PURSUANT TO THIS SECTION.

31 I. THIS SECTION DOES NOT APPLY TO LAND IN THE TERRITORY IN THE
32 VICINITY OF A MILITARY AIRPORT OR ANCILLARY MILITARY FACILITY AS DEFINED IN
33 SECTION 28-8461.

34 J. FOR THE PURPOSES OF THIS SECTION:

35 1. "BUILDING CODE" HAS THE SAME MEANING PRESCRIBED IN SECTION
36 9-1301.

37 2. "INTERNATIONAL HEADQUARTERS" MEANS A PRINCIPAL CENTRAL
38 ADMINISTRATIVE OFFICE WHERE PRIMARY HEADQUARTERS-RELATED FUNCTIONS AND
39 SERVICES ARE PERFORMED, INCLUDING FINANCIAL, PERSONNEL, ADMINISTRATIVE,

1 LEGAL, PLANNING AND SIMILAR BUSINESS FUNCTIONS, AND THAT DOES NOT REPORT TO
2 ANY PARENT COMPANY OUTSIDE OF THIS STATE.

3 3. "INTERNATIONAL HEADQUARTERS BUILDING" MEANS THE PRIMARY BUILDING
4 THAT CONTAINS THE INTERNATIONAL HEADQUARTERS ON THE INTERNATIONAL
5 HEADQUARTERS CAMPUS.

6 4. "INTERNATIONAL HEADQUARTERS CAMPUS" MEANS A CONTIGUOUS AREA OF
7 NOT LESS THAN FORTY GROSS ACRES, PORTIONS OF WHICH MAY BE SEPARATED BY
8 PUBLIC RIGHTS-OF-WAY, ON WHICH AN INTERNATIONAL HEADQUARTERS IS LOCATED AND
9 WHICH MAY INCLUDE ANCILLARY USE PURSUANT TO THIS SECTION.

10 5. "LIGHT INDUSTRIAL USE" INCLUDES LIGHT MANUFACTURING AND
11 AERONAUTICAL USE.

12 6. "RELATED ENTITIES" MEANS ENTITIES THAT HAVE MORE THAN FIFTY
13 PERCENT DIRECT OR INDIRECT COMMON OWNERSHIP.

14 7. "ZONING DISTRICT" MEANS A ZONING DISTRICT, PLANNED COMMUNITY
15 DISTRICT, PLANNED AREA DEVELOPMENT OR PLANNED UNIT DEVELOPMENT.

16 Sec. 2. Legislative findings

17 The legislature finds:

18 1. That it is in the public interest of this state to encourage the
19 location or relocation of corporate headquarters to this state.

20 2. That the development of corporate international headquarters
21 campuses as defined in section 9-461.19, Arizona Revised Statutes, as added
22 by this act, that include primary commercial uses as well as ancillary
23 residential uses contribute greatly to the economic prosperity and health
24 of this state.

25 3. That it is necessary to adopt a uniform law governing
26 international headquarters campuses as defined in section 9-461.19, Arizona
27 Revised Statutes, as added by this act, to encourage the development of
28 corporate international headquarters campuses throughout this state."

29 Amend title to conform

And, as so amended, it do pass

TONY RIVERO
CHAIRMAN