

REFERENCE TITLE: retail superstores; economic impact report

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2288

Introduced by
Representatives Sinema, Kirkpatrick: Ableser, Campbell CL, Gallardo,
Lopes, Lujan, Meza, Pancrazi, Prezelski, Thrasher, Tom

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-500.27; AMENDING TITLE 11, CHAPTER 6, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 11-834; RELATING TO RETAIL SUPERSTORES.

(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 8, Arizona Revised Statutes, is
3 amended by adding section 9-500.27, to read:

4 9-500.27. Retail superstores; economic impact report;
5 definitions

6 A. BEFORE APPROVING OR DISAPPROVING A PROPOSED DEVELOPMENT PROJECT
7 THAT WOULD PERMIT THE CONSTRUCTION OF A RETAIL SUPERSTORE, A CITY OR TOWN
8 SHALL PREPARE AN ECONOMIC IMPACT REPORT. THE CITY OR TOWN MAY PREPARE THE
9 ECONOMIC IMPACT REPORT OR CONTRACT WITH A PRIVATE ENTITY, OTHER THAN THE
10 PERMIT APPLICANT, OR ANOTHER PUBLIC AGENCY FOR THE PREPARATION OF THE REPORT.
11 THE PRIVATE ENTITY OR OTHER PUBLIC AGENCY SHALL BE QUALIFIED BY EDUCATION,
12 TRAINING AND EXPERIENCE TO CONDUCT ECONOMIC AND FISCAL ANALYSES. THE
13 APPLICANT FOR THE DEVELOPMENT PROJECT SHALL PAY THE CITY OR TOWN FOR THE
14 COSTS OF PREPARING THE ECONOMIC IMPACT REPORT.

15 B. THE ECONOMIC IMPACT REPORT SHALL INCLUDE ALL OF THE FOLLOWING:

16 1. AN ASSESSMENT OF THE EXTENT TO WHICH THE PROPOSED RETAIL SUPERSTORE
17 WILL CAPTURE A SHARE OF RETAIL SALES IN THE CITY OR TOWN AND MARKET AREA.

18 2. AN ASSESSMENT OF HOW THE CONSTRUCTION AND OPERATION OF THE PROPOSED
19 RETAIL SUPERSTORE WILL AFFECT THE SUPPLY AND DEMAND FOR RETAIL SPACE IN THE
20 CITY OR TOWN AND MARKET AREA.

21 3. AN ASSESSMENT OF HOW THE CONSTRUCTION AND OPERATION OF THE PROPOSED
22 RETAIL SUPERSTORE WILL AFFECT EMPLOYMENT IN THE CITY OR TOWN AND MARKET AREA,
23 INCLUDING THE FOLLOWING:

24 (a) THE NUMBER OF PERSONS EMPLOYED IN EXISTING RETAIL STORES IN THE
25 MARKET AREA.

26 (b) AN ESTIMATE OF THE NUMBER OF PEOPLE WHO ARE LIKELY TO BE EMPLOYED
27 BY THE PROPOSED RETAIL SUPERSTORE.

28 (c) AN ASSESSMENT OF WHETHER THE PROPOSED RETAIL SUPERSTORE WILL
29 RESULT IN A NET INCREASE OR DECREASE IN RETAIL EMPLOYMENT.

30 (d) THE EFFECT ON WAGES AND BENEFITS OF EMPLOYEES OF OTHER RETAIL
31 BUSINESSES.

32 4. A PROJECTION OF THE COSTS OF PUBLIC SERVICES AND PUBLIC FACILITIES
33 RESULTING FROM THE CONSTRUCTION AND OPERATION OF THE PROPOSED RETAIL
34 SUPERSTORE AND THE INCIDENCE OF THOSE COSTS.

35 5. A PROJECTION OF THE PUBLIC REVENUES RESULTING FROM THE CONSTRUCTION
36 AND OPERATION OF THE PROPOSED RETAIL SUPERSTORE AND THE INCIDENCE OF THOSE
37 REVENUES.

38 6. AN ASSESSMENT OF THE EFFECT THAT THE CONSTRUCTION AND OPERATION OF
39 THE PROPOSED RETAIL SUPERSTORE WILL HAVE ON RETAIL OPERATIONS IN THE SAME
40 MARKET AREA, INCLUDING THE POTENTIAL FOR BLIGHT RESULTING FROM RETAIL
41 BUSINESS CLOSURES.

42 7. AN ASSESSMENT OF THE EFFECT THAT THE CONSTRUCTION AND OPERATION OF
43 THE PROPOSED RETAIL SUPERSTORE WILL HAVE ON THE ABILITY OF THE CITY OR TOWN
44 TO IMPLEMENT THE GOALS CONTAINED IN ITS GENERAL PLAN, INCLUDING LOCAL
45 POLICIES AND STANDARDS THAT APPLY TO LAND USE PATTERNS, TRAFFIC CIRCULATION,

1 AFFORDABLE HOUSING, NATURAL RESOURCES INCLUDING WATER SUPPLIES, OPEN-SPACE
2 LANDS, NOISE PROBLEMS AND SAFETY RISKS.

3 8. AN ASSESSMENT OF THE EFFECT THAT THE CONSTRUCTION AND OPERATION OF
4 THE PROPOSED RETAIL SUPERSTORE WILL HAVE ON THE AVERAGE TOTAL VEHICLE MILES
5 TRAVELED BY RETAIL CUSTOMERS IN THE SAME MARKET AREA.

6 9. AN ASSESSMENT OF THE POTENTIAL FOR LONG-TERM VACANCY OF THE
7 PROPERTY ON WHICH THE RETAIL SUPERSTORE IS LOCATED IF THE BUSINESS VACATES
8 THE PREMISES.

9 C. AT ANY REGULARLY SCHEDULED MEETING OR MEETINGS OF THE CITY OR TOWN
10 GOVERNING BODY, AFTER THE COMPLETION OF THE ECONOMIC IMPACT REPORT REQUIRED
11 BY THIS SECTION, AND THIRTY DAYS BEFORE THE ISSUANCE OF ANY ENTITLEMENT,
12 INCLUDING A BUILDING PERMIT, THE CITY OR TOWN SHALL PROVIDE THE OPPORTUNITY
13 FOR PUBLIC COMMENT ON THE ECONOMIC IMPACT REPORT AND ITS FINDINGS.

14 D. NOTHING IN THIS SECTION PRECLUDES A CITY OR TOWN FROM CONDUCTING
15 ADDITIONAL STUDIES OF THE EFFECTS OF THE CONSTRUCTION AND OPERATION OF A
16 PROPOSED RETAIL SUPERSTORE.

17 E. FOR THE PURPOSES OF THIS SECTION:

18 1. "MARKET AREA" MEANS A GEOGRAPHICAL AREA THAT IS DESCRIBED IN
19 INDEPENDENT AND RECOGNIZED COMMERCIAL TRADE LITERATURE, RECOGNIZED AND
20 ESTABLISHED BUSINESS OR MANUFACTURING POLICIES OR PRACTICES OR PUBLICATIONS
21 OF RECOGNIZED INDEPENDENT RESEARCH ORGANIZATIONS AS BEING AN AREA THAT IS
22 LARGE ENOUGH TO SUPPORT THE LOCATION OF THE SPECIFIC RETAIL SUPERSTORE.

23 2. "RETAIL SUPERSTORE" MEANS A BUSINESS ESTABLISHMENT THAT HAS MORE
24 THAN ONE HUNDRED THOUSAND SQUARE FEET OF GROSS BUILDABLE AREA AND THAT WILL
25 GENERATE SALES OR USE TAX REVENUE BUT DOES NOT INCLUDE A PRIMARY BUSINESS
26 ACTIVITY AS A MOTOR VEHICLE DEALER AS DEFINED IN SECTION 28-4301.

27 Sec. 2. Title 11, chapter 6, article 2, Arizona Revised Statutes, is
28 amended by adding section 11-834, to read:

29 11-834. Retail superstores; economic impact report; definitions

30 A. BEFORE APPROVING OR DISAPPROVING A PROPOSED DEVELOPMENT PROJECT
31 THAT WOULD PERMIT THE CONSTRUCTION OF A RETAIL SUPERSTORE, A COUNTY SHALL
32 PREPARE AN ECONOMIC IMPACT REPORT. THE COUNTY MAY PREPARE THE ECONOMIC
33 IMPACT REPORT OR CONTRACT WITH A PRIVATE ENTITY, OTHER THAN THE PERMIT
34 APPLICANT, OR ANOTHER PUBLIC AGENCY FOR THE PREPARATION OF THE REPORT. THE
35 PRIVATE ENTITY OR OTHER PUBLIC AGENCY SHALL BE QUALIFIED BY EDUCATION,
36 TRAINING AND EXPERIENCE TO CONDUCT ECONOMIC AND FISCAL ANALYSES. THE
37 APPLICANT FOR THE DEVELOPMENT PROJECT SHALL PAY THE COUNTY FOR THE COSTS OF
38 PREPARING THE ECONOMIC IMPACT REPORT.

39 B. THE ECONOMIC IMPACT REPORT SHALL INCLUDE ALL OF THE FOLLOWING:

40 1. AN ASSESSMENT OF THE EXTENT TO WHICH THE PROPOSED RETAIL SUPERSTORE
41 WILL CAPTURE A SHARE OF RETAIL SALES IN THE COUNTY AND MARKET AREA.

42 2. AN ASSESSMENT OF HOW THE CONSTRUCTION AND OPERATION OF THE PROPOSED
43 RETAIL SUPERSTORE WILL AFFECT THE SUPPLY AND DEMAND FOR RETAIL SPACE IN THE
44 COUNTY AND MARKET AREA.

1 3. AN ASSESSMENT OF HOW THE CONSTRUCTION AND OPERATION OF THE PROPOSED
2 RETAIL SUPERSTORE WILL AFFECT EMPLOYMENT IN THE COUNTY AND MARKET AREA,
3 INCLUDING THE FOLLOWING:
4 (a) THE NUMBER OF PERSONS EMPLOYED IN EXISTING RETAIL STORES IN THE
5 MARKET AREA.
6 (b) AN ESTIMATE OF THE NUMBER OF PEOPLE WHO ARE LIKELY TO BE EMPLOYED
7 BY THE PROPOSED RETAIL SUPERSTORE.
8 (c) AN ASSESSMENT OF WHETHER THE PROPOSED RETAIL SUPERSTORE WILL
9 RESULT IN A NET INCREASE OR DECREASE IN RETAIL EMPLOYMENT.
10 (d) THE EFFECT ON WAGES AND BENEFITS OF EMPLOYEES OF OTHER RETAIL
11 BUSINESSES.
12 4. A PROJECTION OF THE COSTS OF PUBLIC SERVICES AND PUBLIC FACILITIES
13 RESULTING FROM THE CONSTRUCTION AND OPERATION OF THE PROPOSED RETAIL
14 SUPERSTORE AND THE INCIDENCE OF THOSE COSTS.
15 5. A PROJECTION OF THE PUBLIC REVENUES RESULTING FROM THE CONSTRUCTION
16 AND OPERATION OF THE PROPOSED RETAIL SUPERSTORE AND THE INCIDENCE OF THOSE
17 REVENUES.
18 6. AN ASSESSMENT OF THE EFFECT THAT THE CONSTRUCTION AND OPERATION OF
19 THE PROPOSED RETAIL SUPERSTORE WILL HAVE ON RETAIL OPERATIONS IN THE SAME
20 MARKET AREA, INCLUDING THE POTENTIAL FOR BLIGHT RESULTING FROM RETAIL
21 BUSINESS CLOSURES.
22 7. AN ASSESSMENT OF THE EFFECT THAT THE CONSTRUCTION AND OPERATION OF
23 THE PROPOSED RETAIL SUPERSTORE WILL HAVE ON THE ABILITY OF THE COUNTY TO
24 IMPLEMENT THE GOALS CONTAINED IN ITS COMPREHENSIVE PLAN, INCLUDING LOCAL
25 POLICIES AND STANDARDS THAT APPLY TO LAND USE PATTERNS, TRAFFIC CIRCULATION,
26 AFFORDABLE HOUSING, NATURAL RESOURCES INCLUDING WATER SUPPLIES, OPEN-SPACE
27 LANDS, NOISE PROBLEMS AND SAFETY RISKS.
28 8. AN ASSESSMENT OF THE EFFECT THAT THE CONSTRUCTION AND OPERATION OF
29 THE PROPOSED RETAIL SUPERSTORE WILL HAVE ON THE AVERAGE TOTAL VEHICLE MILES
30 TRAVELED BY RETAIL CUSTOMERS IN THE SAME MARKET AREA.
31 9. AN ASSESSMENT OF THE POTENTIAL FOR LONG-TERM VACANCY OF THE
32 PROPERTY ON WHICH THE RETAIL SUPERSTORE IS LOCATED IF THE BUSINESS VACATES
33 THE PREMISES.
34 C. AT ANY REGULARLY SCHEDULED MEETING OR MEETINGS OF THE COUNTY BOARD
35 OF SUPERVISORS, AFTER THE COMPLETION OF THE ECONOMIC IMPACT REPORT REQUIRED
36 BY THIS SECTION, AND THIRTY DAYS BEFORE THE ISSUANCE OF ANY ENTITLEMENT,
37 INCLUDING A BUILDING PERMIT, THE COUNTY SHALL PROVIDE THE OPPORTUNITY FOR
38 PUBLIC COMMENT ON THE ECONOMIC IMPACT REPORT AND ITS FINDINGS.
39 D. NOTHING IN THIS SECTION PRECLUDES A COUNTY FROM CONDUCTING
40 ADDITIONAL STUDIES OF THE EFFECTS OF THE CONSTRUCTION AND OPERATION OF A
41 PROPOSED RETAIL SUPERSTORE.
42 E. FOR THE PURPOSES OF THIS SECTION:
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1 OF RECOGNIZED INDEPENDENT RESEARCH ORGANIZATIONS AS BEING AN AREA THAT IS
2 LARGE ENOUGH TO SUPPORT THE LOCATION OF THE SPECIFIC RETAIL SUPERSTORE.
3 2. "RETAIL SUPERSTORE" MEANS A BUSINESS ESTABLISHMENT THAT HAS MORE
4 THAN ONE HUNDRED THOUSAND SQUARE FEET OF GROSS BUILDABLE AREA AND THAT WILL
5 GENERATE SALES OR USE TAX REVENUE BUT DOES NOT INCLUDE A PRIMARY BUSINESS
6 ACTIVITY AS A MOTOR VEHICLE DEALER AS DEFINED IN SECTION 28-4301.