

REFERENCE TITLE: retail superstores; economic impact report

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
Second Regular Session  
2008

## HB 2302

Introduced by  
Representatives Sinema, Ableser, Campbell CH, Lujan, Prezelski: Gallardo,  
Lopes, Meza, Miranda B

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-500.28; 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 9-500.28, to read:

4 9-500.28. 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 AN INDEPENDENT PRIVATE ENTITY, OTHER  
10 THAN THE PERMIT APPLICANT, OR ANOTHER PUBLIC AGENCY FOR THE PREPARATION OF  
11 THE REPORT. THE PRIVATE ENTITY OR OTHER PUBLIC AGENCY MUST BE QUALIFIED BY  
12 EDUCATION, TRAINING AND EXPERIENCE TO CONDUCT ECONOMIC AND FISCAL ANALYSES.  
13 THE 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 MUST 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 TRANSACTION PRIVILEGE OR USE TAX REVENUE BUT DOES NOT INCLUDE A  
26 PRIMARY BUSINESS ACTIVITY AS A MOTOR VEHICLE DEALER AS DEFINED IN SECTION  
27 28-4301.

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

30 11-834. Retail superstores; economic impact report; definitions

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

40 B. THE ECONOMIC IMPACT REPORT MUST INCLUDE ALL OF THE FOLLOWING:

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

43 2. AN ASSESSMENT OF HOW THE CONSTRUCTION AND OPERATION OF THE PROPOSED  
44 RETAIL SUPERSTORE WILL AFFECT THE SUPPLY AND DEMAND FOR RETAIL SPACE IN THE  
45 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:

43           1. "MARKET AREA" MEANS A GEOGRAPHICAL AREA THAT IS DESCRIBED IN  
44 INDEPENDENT AND RECOGNIZED COMMERCIAL TRADE LITERATURE, RECOGNIZED AND  
45 ESTABLISHED BUSINESS OR MANUFACTURING POLICIES OR PRACTICES OR PUBLICATIONS

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 TRANSACTION PRIVILEGE OR USE TAX REVENUE BUT DOES NOT INCLUDE A  
6 PRIMARY BUSINESS ACTIVITY AS A MOTOR VEHICLE DEALER AS DEFINED IN SECTION  
7 28-4301.