

# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature Second Regular Session Senate: FICO DP 5-2-0-0 | 3<sup>rd</sup> Read 20-10-0-0 House: GOV DP 7-2-0-0

## <u>SB 1665</u>: municipal development; permits; review Sponsor: Senator Gowan, LD 19 House Engrossed

### **Overview**

Prescribes requirements for the review of an application for a single-family residential building permit.

#### <u>History</u>

Each new municipal ordinance or code that requires a license must have in place an overall time frame during which the municipality must either grant or deny each type of license that it issues. The overall time frame for each type of license must separately state the administrative completeness review time frame and the substantive review time frame and must be posted on the municipality's website or the website of an association of cities and towns if the municipality does not have a website (A.R.S. § 9-835).

### **Provisions**

- 1. Authorizes a required review of an application for a single-family residential building permit to be performed by a qualified third party selected by the applicant if a municipality does not approve, conditionally approve or respond with required additions or revisions to an application within 15 working days after submission. (Sec. 1)
- 2. Prohibits the qualified third party selected by the applicant from being the applicant, a person whose work is the subject of the application or a person with a financial or proprietary interest in the application or property that is the subject of the application other than compensation for the work performed. (Sec. 1)
- 3. Allows a qualified third party selected by the applicant to be any of the following:
  - a) a person employed by a third-party vendor identified on a list of approved vendors by the municipality if the list has more than one vendor;
  - b) a registered engineer or architect; or
  - c) a person who is certified by an international council on model codes and standards for building safety with a credential specific to the residential code on single-family dwelling construction and who attends a class offered by the municipality that exclusively reviews the adopted code amendments related to single-family dwelling construction, if the municipality requires the person to attend the class and the class is offered at least once a year. (Sec. 1)
- 4. Permits a required inspection to be performed by a qualified third party selected by the applicant if a municipality does not conduct a required inspection within two working days after a request. (Sec. 1)

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

- 5. Authorizes a qualified third party selected by the applicant to perform the inspection to be any of the following:
  - a) a person who is certified to inspect buildings by an international council on model codes and standards for building safety with a credential specific to the residential code on single-family dwelling construction and who attends a class offered by the municipality that exclusively reviews the adopted code amendments related to single-family dwelling construction, if the municipality requires the person to attend the class and the class is offered at least once a year;
  - b) a registered engineer or architect; or
  - c) a person who is employed by a third-party vendor that is identified on a list of approved vendors by the municipality if the list has more than one vendor. (Sec. 1)
- 6. Directs a third party who reviews a single-family residential building permit application or performs a required inspection to:
  - a) review the application or conduct the inspection and take all other related actions in accordance with requirements adopted by the municipality where the application was submitted; and
  - b) provide notice to the municipality and the applicant of the results of the review or inspection. (Sec. 1)
- 7. Allows a municipality to prescribe a reasonable format for the notice required for the results of the review or inspection. (Sec. 1)
- 8. Prohibits a municipality from requesting or requiring an applicant to waive a deadline or other procedure. (Sec. 1)
- 9. Authorizes an applicant to appeal any of the following:
  - a) a decision by the municipality to approve, conditionally approve or deny a singlefamily residential building permit application;
  - b) a decision by a qualified third party to review a single-family residential building permit application;
  - c) the results of an inspection conducted by the municipality; or
  - d) the results of an inspection conducted by a qualified third party. (Sec. 1)
- 10. Instructs an appeal to be filed in the manner required by the municipality within 15 working days after the date of the decision or result being appealed. (Sec. 1)
- 11. Establishes that the application that is the subject of the appeal is deemed approved or the inspection that is the subject of the appeal is waived if a decision is not rendered within 60 working days of filing. (Sec. 1)
- 12. Specifies that a municipality has immunity when they issue a permit, approval or certificate of occupancy after a third-party plan review or inspection. (Sec. 1)
- 13. Establishes that the applicant is responsible for any fees and costs associated with a third-party review or inspection and must pay them either directly to the third-party vendor or in an agreed alternative manner. (Sec. 1)
- 14. Declares that a municipality is not responsible for assessing or collecting any fees or costs associated with a third-party review or inspection. (Sec. 1)
- 15. Provides that outlined requirements do not apply to applications required to comply with a hillside development ordinance or for floodplain reviews required pursuant to federal floodplain regulations. (Sec. 1)

- 16. Specifies that this legislation does not modify the authority of a building official to withhold a certificate of occupancy in accordance with the municipality's adopted codes and ordinances. (Sec. 1)
- 17. Directs municipalities, when establishing time frames, to additionally consider the time frames prescribed in this legislation. (Sec. 2)
- 18. Prescribes that a municipality must, within 10 working days after a request by an applicant, meet or discuss with the applicant the request for corrections and provide sufficient information and instruction to allow the applicant to provide the requested corrections. (Sec. 2)
- 19. Prohibits a municipality, except for an application submitted pursuant to statute, from denying a license application that is necessary for land development or building construction unless the municipality considers the application withdrawn. (Sec. 2)
- 20. Requires a municipality that makes more than one comprehensive written or electronic request for corrections and one supplemental request or that does not conditionally grant a license, to refund fees charged for reviewing and acting on the application. (Sec. 2)
- 21. Prohibits a municipality from modifying, rescinding or requesting any subsequent modifications or revisions to an approved plan or permit for land development or building construction during construction if the construction is done in accordance with the approved plan or permit unless the modification, rescission or revision is:
  - a) required to address a field condition that was unknown when the plan or permit was reviewed;
  - b) is made at the request of the applicant if the property that is the subject of the approved plan or permit changes ownership; or
  - c) is made by the municipality to correct noncompliance with an objective code requirement that was not identified by a third party who conducted a plan review. (Sec. 2)
- 22. Specifies that any ambiguity or necessary interpretation must be construed in favor of the approved plan or permit. (Sec. 2)
- 23. Removes the exemption for a license that is necessary for the construction or development of a residential lot from statute relating to failure to comply with licensing time frames. (Sec. 2)
- 24. Defines:
  - a) *applicant*;
  - b) *application*; and
  - c) objective. (Sec. 1, 2)
- 25. Makes technical and conforming changes. (Sec. 2)