

PROPOSITION 207

Passed in 2006 (ARS 12-1134)

Eminent domain is the power of the government to take private property for public use or redevelopment. Proposition 207 redefined the rights of a property owner when the state or a local government exercises this power. (Prop 207 rights were in addition to their existing statutory and constitutional rights.)

Proposition 207 requires local governments to compensate a private property owner if the value of a person's property is reduced by the enactment of a land use law. A land use law regulates the use or division of land, such as municipal zoning laws.

Prop 207 is the reason why “downzoning” or changing zoning to permit less intensive development is difficult to accomplish in Arizona. Property owners must either waive their entitlements voluntarily or be compensated for the reduction in value of their property. Compensation is an expensive option for local governments in many cases.

Examples of downzoning would be:

- Taking away the ability to build an office building in favor of single family homes
- Reducing the density of housing units from 8 units per acre to 3 units per acre
- Reducing the maximum allowable building height from 65' to 35'.