

AGENDA ITEM:
DATE: 7/20/2015

**CITY OF CASA GRANDE
REQUEST FOR COUNCIL ACTION**

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| Date Submitted: 7/2/2015 | Date Requested: 7/20/2015 |
| Type of Action Requested | Subject |
| <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Formal Action/Motion <input type="checkbox"/> Public Hearing <input type="checkbox"/> Other | Mountain View Estates Annexation Request for Council Direction |

RECOMMENDATION:

Based upon the concerns and fiscal impact detailed in this report it is recommended that Mountain View Estates not be annexed at this time.

DISCUSSION:

A group of property owners residing at Mountain View Estates Subdivision approached the City in the early months of 2014, to discuss the possibility of annexing their subdivision into the City of Casa Grande. The Mountain View Estates Subdivision is located west of I-10, south of I-8 and southeast of the Casa Grande Mountains. The subdivision was platted through Pinal County in the 70s. There were three portions of the subdivision approved, (Unit 1, 2 and 3) with about 639 total lots. Development of the subdivision was not completed by the developer. Per aerial map review by staff, there are currently 147 improved lots.

The proposed annexation site is located west ½ of Section 24 and portions of Sections 23 and 13, of Township 7 South, Range 6 East, in Pinal County, Arizona. The project area is approximately 920 acres. The west boundary line of the proposed annexation area abuts the Eloy City Limits.

The Mountain View Estates is a single family residential development with a mixed of custom built homes and manufactured homes. There are townhomes near the entrance of the subdivision. The annexation area has about 147 homes. Considering an average of 2.8 persons per dwelling unit, the site has approximately 411 residents.

Planning Area & General Plan Jurisdiction

Mountain View Estates is currently located within the City of Eloy's Planning Area Boundary and included within their General Plan. As part of the annexation process, Mrs. Judith Smith, submitted a letter to the City of Eloy on October 8, 2014 requesting that Mountain View Estates be removed from the City of Eloy Planning Area and be allowed to be annexed into the City of Casa Grande's City limits and Planning Area (See Exhibit A). Eloy in their response letter dated October 9, 2014, stated their willingness to work with the Mountain View Estates residents and the City of Casa Grande. Eloy stated further that they will monitor the annexation process and will adjust their planning boundary if the annexation is approved in Casa Grande (See Exhibit B).

If annexed, the Casa Grande General Plan would be amended to include the Mountain View Estates area within the Neighborhoods land use category, which will be compatible with the proposed residential development to the west and the existing residential land uses of the site.

Annexation Concerns:

Staff has a number of concerns regarding this annexation, including:

- 1) Inadequate access
- 2) Ability to provide timely public safety response
- 3) Lack of subdivision improvements

The Mountain View Estates development currently has one access point to an external street network. Arica Rd. is the sole street which connects the internal street network serving Mountain View Estates to Sunland Gin Road. Additional access to external streets can likely be provided in the future with the development of the street network within the adjacent Casa Grande Mountain Ranch which is located to the north and west of Mountain View Estates. However, until such time as the street network within Casa Grande Mountain Ranch is built the sole access into Mountain View Estates has the potential to slow or even prevent public safety response and evacuation in emergency situations.

Emergency response is not only limited sole access to Arica Rd. but also by the fact that both Fire and Police would have to travel a significant distance from a Fire Station, or the normal patrol areas, to respond to calls for service within Mountain View Estates. Fire and Police would be required to drive south on 1-10 to Sunland Gin Rd. and then west Arica to access Mountain View Estates. The Fire Dept. has noted that they estimate their response time to Mountain View Estates would be in the 13-15 minute range which significantly exceeds their target response time of 4 minutes, especially for emergency medical services. Due to the limited access and location of Mountain View Estates emergency response could not be provided by the Casa Grande Fire and Police Departments in a manner which meets their respective response standards.

It appears that the typical subdivision improvements were never completed by the developer of Mountain View Estates. These improvements include: streets, sidewalks, street lights, water mains, sewer mains, and drainage facilities.

Most of the roads within Mountain View Estates are paved with a chip and seal surface, however some are gravel. There are a number of roads that have been platted but are yet to be developed. None of the streets within this development meet the construction standards required of residential subdivisions built within Casa Grande. As a result our street maintenance requirements would be higher than the costs we typically incur with residential streets. In order to adequately address this situation the paved streets would have to be resurfaced to meet our current paving standards. Additionally, any unpaved streets would have to be paved prior to issuance of building permits as allowing new home construction as unpaved streets not only result in higher maintenance costs it also contributes to the creation of dust that hinders the City's efforts to comply with the requirements of the Clean Air Act.

Although there are some water mains constructed within the subdivision there appears to be only 3 fire hydrants and the adequacy of the water mains to provide sufficient water for firefighting purposes is doubtful.

There are some sewer mains installed in the development (as evidenced by the existence of manholes in a few of the streets). However, it appears that these sewer mains were never connected to any wastewater treatment facility. Accordingly, all of the existing homes are using individual septic systems. The lots in the developments may be large enough to allow for the construction of new homes on individual septic systems, depending on the soil condition and percolation rate existing on a specific lot. However, the use of individual septic systems is not desirable for residential developments with this density within the City.

The design of Mountain View Estates did not include the provision of retention basins for the collection and storage of stormwater. Accordingly, any retention of stormwater occurs on a lot by lot basis. There are accounts of some amount of street flooding in high rain events which is probably a result of inadequate subdivision drainage facilities.

In summary, staff would recommend that prior to, or concurrent with annexation, all of the noted subdivision improvement deficiencies would need to be addressed. One possible method of achieving this would be by the creation of a Special Improvement District by the residents and owners of the vacant lots within Mountain View Estates which could be used to finance the necessary subdivision infrastructure improvements.

FISCAL IMPACT:

The estimated fiscal impact to the City in annexing Mountain View Estates is set forth in the attached Cost/Benefit Analysis (See Exhibit C). This analysis indicates that, at least initially, the cost of providing City services to Mountain View Estates is significantly greater than the revenue that will be realized with the additional property tax and state shared revenues. This situation may change as new homes are constructed as the new home construction will generate revenue associated with impact fees and construction sales tax. Additionally, the new homes built in Mountain View Estates will have a higher assessed value than many of the existing homes resulting in higher property tax revenue.

Reviewed by
Finance Director: *Doug Sandstrom*

Reviewed by
City Attorney: *Brett Wallace*

ALTERNATIVES:

Table the request for further discussion.
Direct staff to process the annexation.

Prepared by:

Recommended by:

Approved by:

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Planning & Development Director

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City Manager