



MAYOR & COUNCIL COMMUNICATION

December 8, 2015

Subject: Public Hearing – Desert Willow Annexation District
(Ward 2 and Outside City)

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Issue – This Public Hearing for the proposed Desert Willow Annexation District is scheduled pursuant to State law.

City Manager’s Office Recommendation – At the close of the Public Hearing, it is recommended that the Mayor and Council direct City staff to continue with the Desert Willow Annexation District by gathering the necessary property owner signatures and return with a proposed ordinance approving the annexation of the property.

Plan Tucson Considerations – This item relates to the Element of Land Use, Transportation, & Urban Design. Specifically, this item is supported by the following policy:

- LT19 – Pursue annexation of vacant, underdeveloped, and developed land that is within both the adopted Water Service Area and the Municipal Planning Area, taking into consideration the development/growth potential, projected revenues to be received and projected costs and capability to serve the area, and the strategic importance of the area.

Background – The property within this proposed annexation district is located along Tanque Verde and Houghton, northeast of Tucson. Encompassing approximately 349 acres, it is currently residentially zoned. (Attachment A). It is within the obligated water service area for Tucson Water.

The land is primarily vacant with six unique land owners, of which five are eligible to sign for annexation. Pima County owns five parcels; however they are tax exempt and therefore unable to sign for annexation.

Project Description and Analysis – The property within this proposed annexation district is located along Tanque Verde and Houghton, northeast of Tucson. Pulte Homes has purchased and rezoned approximately 46 acres for 49 single family homes, with construction currently underway. These homes will have a sales price between \$426,990 and \$507,990. Mayor and Council approved a Pre-Annexation Development Agreement to provide water service to this area on November 20, 2012.

An additional property owner has approximately 11 acres on the northeast corner of Houghton and Tanque Verde that is currently vacant. This owner would like to consider a rezoning to support a residential density similar to the Pulte project. They do need annexation to receive water service.

Annexation into the City allows residents to take advantage of City services such as Fire, Police, Environmental Services and Transportation.

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Legal Considerations – This public hearing is scheduled pursuant to State Statute A.R.S. § 9-471 et. seq. regarding public notification process for proposed annexation.

Financial Considerations – A request was sent to all City service departments asking them to indicate the financial impact of providing service to this annexation district at the same level of service that is currently provided to existing City residents and businesses. The attached analysis shows that projected operating revenues will exceed projected operating expenses for the 10-year period of the analysis. (Attachment C) The majority of the capital costs are absorbed by the home builder, Pulte Homes, which includes water infrastructure, and streets.

Respectfully submitted,



Martha Durkin
Deputy City Manager

MD:MC
Mike Czechowski, Annexation Project Manager

Attachments: A) Annexation District and Location Map
B) Annexation District Legal Description
C) Economic Analysis