COUNCIL AGENDA MEMO

MEETING DATE/TYPES: WORKSHOP SESSION 10-6-15
VOTING SESSION 11-10-15

DEPARTMENT: Community Development

AGENDA ITEM: Public Hearing for Deep Well Ranches South annexation, master plan amendment and rezoning, ANX15-002, (possible MP15-001) and RZ15-005. City-initiated applications including all or portions of APN 106-04-001D, an area of approximately 321 acres [Owner: James Deep Well Ranches #1]

Approved By:  
Date:
Director: Guice, Tom 9/24/2015
City Attorney: Paladini, Jon 9/25/2015
City Manager: McConnell, Craig

Item Summary

This is a City-initiated annexation and rezoning of 321 ± acres located west of the Pinion Oaks Subdivision (Attachment 1). The subject property is bounded on the east by Pinion Oaks, on the west by Williamson Valley Estates (county) and on the south by Pioneer Park, and currently vacant. This annexation is consistent with, and implements in part, the Procedural Pre-Annexation Agreement, between the City and James Deep Well Ranches #1 and #2, City Contract No. 2010-086, which set forth mutual understandings for future annexations in the vicinity of the airport.

The annexation is subject to Proposition 400 (Resolution No. 3735), since the area is greater than 250 acres. A Master Plan is attached showing proposed uses and locations, boundaries of the site, and significant natural features affecting development. Proposition 400 requirements include:
- A 60-day public comment period following the Planning and Zoning Commission’s vote on the Master Plan and prior to the Council voting on the annexation ordinance
- Permanent recharge of all effluent generated by development within the annexed area to benefit aquifer safe-yield

A major component of the Master Plan is the rezoning of various parcels from the current County zoning to the approved land uses. The General Plan land uses and the Master Plan are already in place for the property.

Rezoning of various parts of the annexation area to Multi-family and Single-family
residential is proposed to allow for the type of development depicted on the Master Plan and, to be compatible with the General Plan and the Airport Specific Area Plan land use designations for the property.

The proposed rezoning comprises the following approximate acreages (Attachment 3):

<table>
<thead>
<tr>
<th>Land Use Type</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-family High (MF-H)</td>
<td>42</td>
</tr>
<tr>
<td>Single Family 18 (SF-18)</td>
<td>279</td>
</tr>
</tbody>
</table>

**Background**

The General Plan was adopted in 2003, and is the guide for land use and related decisions in the City. The updated Plan (2015) was ratified August 25, 2015. The 2015 General Plan acknowledges the Prescott Municipal Airport for its importance in regional economic development and encourages compatible growth in the airport area.

In 2011, the Airport Master Plan was updated to better reflect new FAA design standards related to airport impacts. None of this portion of the Deep Well Ranches property is influenced by these impact zones, making the area suitable for a mix of single-family and multifamily residential land uses.

Annexation and subsequent development of this property within the Prescott corporate limits will benefit both the City and the land owner. For the City, the ability to enforce land use controls to protect the airport is significant. In addition, there is a financial benefit to collecting permitting fees, impact fees and development related taxes. The subject area also has potential future roadway connections that will benefit the transportation system of the region. Development of the property within the City limits will also assure return of the wastewater generated for treatment and permanent recharge, under the provisions of Proposition 400. For the land owner, the benefits are in the ability to connect to central water and wastewater facilities, and in the ability to establish commercial and residential densities that are compatible with Prescott’s zoning.

**City Services and Financial Impacts**

Utilities Master Plans have been created for this area, to guide water and sewer infrastructure development. Water to support development is available pursuant to city Contract No. 2010-086. Transportation-related decisions will be made in accordance with the Airport Area Transportation Plan. All related improvements will be built to City standards.

An independent cost-benefit analysis, as required by Proposition 400, will be presented by Sarah Murley of Applied Economics at the October 6, 2015, City Council Public Hearing.
The adopted Annexation Policy of the City (Resolution No. 2739) describes factors to be considered, and states that annexation priorities are property with potential commercial or industrial uses, new residential development and property located in relationship to long-term goals of the City. Resolution No. 3878 set forth specific guidelines to improve the cost-benefit review of annexations, and established an Advisory Annexation Financial Review Committee. The Financial Review Committee has reviewed the analysis prepared by Applied Economics and completed their report (Attachment 6 of the report for ANX15-001). The analysis includes all identifiable costs and benefits to the City expected to result from the annexation and subsequent development of the property.

Planning and Zoning Commission Action

The Planning and Zoning Commission held public hearings related to the annexation, master plan amendment and rezoning on September 10, 2015. Approximately 200 written petitions were received opposing this annexation (Attachment 6 is example petition). Approximately 130 people attended the September 10, 2015 Commission meeting, with many speaking against the annexation. Much of the concern expressed related to the proposed multifamily zoning of 42 acres of the area to be annexed. Several people expressed concern about future road access to the annexed area across Pioneer Park. Following public comments and Commission discussion, the Planning and Zoning Commission voted to recommend approval of the annexation, Master Plan and rezoning, with a modification replacing the 42 acre multifamily area with single-family land use and SF-18 zoning to match the remainder of the annexation (4-0, with Commissioner Stringer abstaining).

Water

The aforementioned Procedural Pre-Annexation Agreement made available to Deep Well Ranches in three increments, 450 acre-feet/year, 500 acre-feet/year, and 900 acre-feet/year, respectively. Water supplies are managed in accordance with state laws and the state-issued Decision and Order of Assured Water Supplies currently held by the City of Prescott.

Development of the property will assure return of the wastewater generated to the Airport Water Reclamation Facility for treatment and subsequent permanent recharge.

Schedule

Following the conclusion of the sixty-day review period on November 9, 2015, the City Council will hold a public hearing November 10, 2015, to consider ordinances annexing the subject properties with City equivalent zoning, amending the Master Plan and rezoning the subject properties to be consistent with the General Plan, the Master Plan,
Agenda Item: Public Hearing for Deep Well Ranches South annexation, master plan amendment and rezoning - ANX15-002, (possible MP15-001) and RZ15-005, comprising approximately 321.3 acres. City initiated application including all or portions of APN 106-04-001D [Owner: James Deep Well Ranches #1]

and the Airport Specific Area Plan.

Attachments
1) Annexation Vicinity Map
2) Rezoning Map
3) General Plan Land Use Map
4) General Plan Circulation Map
5) Master Plan
6) Example Petition Form
7) Letters of opposition

Recommended Action: Hold the public hearing.