

PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
COMMUNITY OUTREACH MEETING HELD ON TUESDAY, MARCH 15, 2011 AT 4:00 P.M.
Sunsites Community (Senior) Center
1216 E. Treasure Road, at the corner of Treasure Road and Ford Street, Pearce, Arizona

Chairman Call called the Community Outreach Meeting of the Board of Supervisors to order at 4:00 p.m. All three supervisors were present: Pat Call, Chairman; Ann English, Vice-Chairman; Richard Searle, Supervisor. Also attending were Mike Ortega, County Administrator; Britt Hanson, Chief Deputy County Attorney; Tom Schelling, Elections Director; Patricia Viverto, Special Districts Coordinator and Katie Howard, Clerk of the Board.

Chairman Call explained that this was a continuation of the last meeting to consider the amendments to the Impact Statement. He asked attendees to limit their comments to new remarks about the changes to the Impact Statement. He reviewed basic rules for conduct of the meeting and explained that they had to clear the room by 6:00 p.m. He then introduced the Board and staff present at today's meeting.

PRESENTATION

1. Presentation by Tom Schelling, Director of Elections & Special Districts, to provide updated information regarding the formation requirements and regarding the Amended Impact Statement filed by the group proposing the formation of the Sunsites Park Maintenance District.

Mike Ortega, County Administrator began the presentation by recapping the purpose of today's meeting, reminding those attending where things left off at the March 1, 2011 meeting and what needs to be determined today. Today, he said is a continuation of the March 1st public hearing; however, first Tom Schelling will provide a brief refresher of what is before the Board today and outline changes made to the Impact Statement, provide a list of next steps and staff's recommendation. He reminded attendees that at the March 1st meeting members of the public spoke both in favor of and against the proposed district and we have already taken note of those statements. There were a couple of fundamental questions that arose during the prior meeting regarding validity of Impact Statement: 1) Did it meet statutory requirements? The Impact Statement did not have a five-year budget in it but it does now. 2) Did it address back tax issues? He said, we'll address that shortly. He explained to the Board that there are two key issues before them today: The first is whether the Impact Statement meets the statutory requirements; we believe it now does. The second issue is whether the creation of the district will promote the public health, comfort, convenience, necessity or welfare of the community within the district boundaries. He reminded the audience that the Board of Supervisors is not considering whether to impose a new tax today but rather whether to authorize the organizers to circulate petitions for residents to decide. He then turned the presentation over to Tom Schelling.

Tom Schelling reviewed a PowerPoint presentation, providing a refresher regarding the requirements for an Impact Statement. The Impact Statement filed with the Board must contain the following information:

- legal description of the boundaries

- estimate of assessed valuation
- estimate of change in the property tax
- list of benefits
- list of injuries
- proposed members of district's organizing board
- description of capital expenditures, personnel growth and services to be provided during the first five years

He said the Impact Statement now includes all the required information. Mr. Schelling reminded the audience that this is a Petition process, not an election. He then reviewed the signature requirements for the Petitions:

- Signatures of more than one-half of property owners – AND
- Signatures of persons owning collectively one-half of the assessed valuation of the property within the proposed district, A.R.S. § 48-261.
- Signatures of more than one-half of registered voters required in A.R.S. § 48-1206

Mr. Schelling explained the conflict in the statutes for the signature requirements and therefore staff's recommendation is that the organizers should obtain sufficient signatures so that all three thresholds are met.

The first amended Impact Statement was filed on March 7, 2011, and that amendment indicated that the size of the park is 155.53 acres—that is just the park itself, not the entire district. The organizers also removed the erroneous statement regarding improved legal services via the Cochise County Attorney's Office, included additional information regarding the 5-year Comprehensive Plan and budget, and also attached some information in the form of Questions and Answers.

The second revised Impact Statement was filed on March 11, 2011. This amendment shows the revised park acreage to be 157.9 acres, which was verified by the County's GIS division. It also has specific reference to the eight parcels which will comprise the community park and the exclusion of one of the parcels that sits in the middle of that, parcel number 114-18-001G, which is not a part of the park. The map was also amended to reflect these changes. In appendix D, in the Questions and Answers it refers to the statutory references and added #3 which refers to how the Assessor's method is used for valuing golf courses, pursuant to A.R.S. 42-12152. The organizers also changed the responses to the Questions and Answers #s 8, 20 and also on #10, to change the appraised value of the golf course which was originally listed as \$791,000—this was changed to \$823,000 for all eight parcels. Mr. Schelling then showed a map that shows just the eight parcels that comprise the park.

Mr. Schelling explained that the way this meeting has been advertised is that it is a continuation of the hearing from March 1st. The Board of Supervisors will hear those interested in addressing the Board who:

- Did not comment at the March 1, 2011 hearing, or
- Did not submit forms indicating their position, or
- Have comments regarding the Amended Impact Statement

After the hearing, Mr. Schelling said, the Board must determine if the Impact Statement meets the basic requirements of A.R.S. § 48-261. The Board must also determine whether the creation of the district will promote public health, comfort, convenience, necessity or welfare of the community. If the Board approves the Impact Statement, they must authorize the circulation of petitions. He reminded attendees that the Board is not considering tonight whether a tax should be levied but only whether the organizers have met the requirements and should be authorized to obtain signatures on petitions. Signatures must be submitted to the Board of Supervisors within one year from the date they authorize the organizers to circulate petitions. The number of signatures is certified by the Clerk of the Board within 15 days after the date the Board approves the Impact Statement and the number remains fixed throughout the process, for one year—this is the list of registered voters, property owners and such.

Mr. Schelling stated that staff finds that the second Amended Impact Statement meets the statutory requirements outlined in A.R.S. §48-261 and if the Board also determines that the public health, comfort, convenience, necessity or welfare are also met, staff recommends that the Board should approve the amended Impact Statement and authorize circulation of petitions and gathering of signatures.

Chairman Call called for questions from the Board and Supervisor Searle asked Mr. Schelling if the Board determines tonight that those conditions are not met, and Petitions do not go out, at what point can it be brought forward again, to consider this district? Mr. Schelling advised that organizers could file another Impact Statement in six months.

PUBLIC HEARING

2. Continued Public Hearing regarding the proposed Sunsites Park Maintenance District.

Chairman Call opened the Public Hearing at 4:14 p.m.

Multiple speakers addressed the Board both in favor and opposed to the district. In addition, numerous people chose not to speak; however their names were read aloud as well as their position on the proposed district (in favor/opposed). The names of those who completed Speaker Request Forms are listed at the end of these Minutes.

Several of those who spoke in favor of the district spoke about the favorable economic impact of the golf course on the local community, describing it as the economic engine that also provides some protection for local property values. Visitors spend money on golf, food, drink and gas in the community. Others indicated that the Board should let the community decide via the petition process.

Opponents of the district said that the Assessor's appraised value was not realistic; that ownership is problematic and needs to be resolved before proceeding with the district; objected to an open-ended tax, given current high cost of living and the number of residents on fixed income; referred to two judgments which are attached to the land and would become a liability of the district, if formed; concerned about whether the budget, as presented, is realistic and concerned about the ability of the organizers to keep the golf course moving forward.

Chairman Call closed the Public Hearing at 5:01 p.m.

Chairman Call asked Britt Hanson to speak to the ownership issue raised by several persons during the public hearing. Mr. Hanson stated that the ownership of the golf course is indefinite because there is an owner of the golf course, a lender on a loan that is in default, a lessee (the organizers who put this parks district proposal together) and how it's all going to come together, no one knows. A lot of things have to happen to make ownership happen of the community park. Everything is up in the air.

Chairman Call asked Mr. Hanson to address the findings of public health, comfort, necessity, convenience and necessity. Mr. Hanson stated that the legislature sometimes puts broad language in the statute that is subjective to give the local Board discretion.

Supervisor Searle asked about the exact amount of back taxes that the community parks district could be liable for. Mr. Schelling reported that, per the County Treasurer, the figure is \$105,000.

ACTION

Board of Supervisors

3. Consider and approve, amend or deny the District Impact Statement filed to form the Sunsites Park Maintenance District and, if approved, authorize the persons proposing the District to circulate Petitions pursuant to A.R.S. § 48-261.

Supervisor Searle stated that his position is that the community should decide this situation. He said he knows and respect people on both sides of this issue. Taxes are a big issue. I have worked for the past six years, to keep taxes low. The County primary tax rate in my six years in office is down from \$2.90 to \$2.62. Water is also an issue, but these trees, ponds and grounds have been here 50-60 years; think it is a decision the community should make. Many recommendations have come forward; think those should be determined by the community. I don't see this as a real estate decision. Do you keep it green or let it die? The community will survive either way. There has been a lot of discussion about the persons who are pushing this golf course because it is helping them—that's true, but keeping the golf course benefits others in the community.

This item has nothing to do with public health; comfort and convenience come into play. Necessity—no; it is not a necessity. Welfare; it depends. I do believe that this district meets three of the criteria. He emphasized that these are “or” criteria, not “and” criteria.

The legislature, he said, recognizes that parks can provide benefit to communities and have offered a way for communities that are not in the city to form a park. It is an equitable process—all voters and all property owners get to decide. The Impact Statement does meet the criteria and I think the community needs to make the decision.

Vice-Chairman English said she has tried to be unbiased in listening to all the information; however, although the ultimate decision will be up to the community, this particular decision is whether we feel that the criteria for the Impact Statement is robust enough. The Impact Statement technically has the categories of information that are required. If I lived in this district, I would have several questions, which she enumerated and discussed. These included the formation based on lease; the budget allocated without provision for capital improvements; that property value of the golf course won't keep

housing values from dropping and that the golf course has not been a profitable business. She contrasted this with a subdivision which has covenants and restrictions and a fixed price. Think the power plant is the primary economic engine in this area. She observed that the community has a very committed group of people to run the district, but where will it be in five years? She stated that she thinks it is premature to move forward with the park at this time until these issues have been clarified.

Chairman Call commended everyone for their civility and appreciates the atmosphere. He said he understands Ms. English's concerns, but given the unique circumstances here, think that this has to be a local decision. He reminded the Board that there are two issues before the Board tonight. The first issue is whether the Impact Statement is sufficient.

Vice-Chairman English made a motion that the Board approve the Impact Statement filed by the organizers to form the Sunsites Park Maintenance District. Supervisor Searle seconded the motion and the vote was 2-1 (English opposed).

Mr. Ortega reminded the Board of staff's recommendation that they obtain sufficient signatures for all three thresholds.

Supervisor Searle made a motion that the Board find that the creation of the district would promote public health, comfort, convenience, necessity or the welfare of the community and authorize persons proposing the district to circulate petitions pursuant to A.R.S. 48-261, with the requirement that they obtain sufficient number of signatures on all three thresholds. Vice-Chairman English seconded the motion.

Chairman Call asked Mr. Hanson if the Board could make that a requirement. Mr. Hanson stated that yes, the Board could make that a requirement; everyone knows that the petition signatures have to come back to the Board and the Board is indicating to the organizers what they are requiring of them in terms of the signatures when they come back before the Board.

Chairman Call called for the vote and the motion carried, 2-1 (English opposed).

There being no further business before the Board, Chairman Call adjourned the meeting at 5:21 p.m.

APPROVED: _____
Patrick G. Call, Chairman

ATTEST: _____
Katie A. Howard, Clerk of the Board

LIST OF PERSONS IN FAVOR OF, OR OPPOSED TO THE SUNSITES PARKS MAINTENANCE DISTRICT
(FROM 3/15/11 MEETING)

IN FAVOR

Live in district / in favor/wish to speak:

Jonathan Williams
Naaman Nickell
William Brownlee
Anita Brownlee
Anna Nickell
Jyme Stoner
Sandra Huntington
Dianne Kolenosky
Ed Thacker
Darlyne Vance

Live outside the district / in favor/wish to speak:

Joseph Senn

Live in district / in favor/decline to speak:

William Jobey
A. M. Wall
Paul Sampson
Robert Palmer
Sharon Gibson
Robin Cruickshank
Jerry Whitsitt
Janet Hines
Gerald Hines
Sam Marotta
JoAnn Marotta
Sandra Lea Cramer
George Kolenosky
Shirley Johnson
Deborah Breese
Jack Breese
Kathy Larson
Glenn Shepherd
Shirley Shepherd
Karen Grassell
Ellis Williams
George Grassell
Andrea Williams
Perry & Mary Powell
Margene Sanders
Carmen Holman

Own property in the district / in favor/decline to speak:

Raymond Klumb

Live outside the district / in favor/decline to speak:

Judith Leiker

Joy Jaqua

Did not indicate whether in or out of district / in favor/decline to speak:

Joan & Robert Jarratt

Wanda & Lawrence Paterson

OPPOSED

Live in district / opposed/wish to speak:

Cheryl Pastika

Melissa Turner

Nancy Ford

James Martin

Gerald Muir

Own property in the district / opposed/wish to speak:

Linda Nunez

Murray McClelland

Live in district / opposed/decline to speak:

Gary Jones

James Royer

Donna Royer

Joan Cooper

Keith & Karen Corwin

Patrick Cavallaro

Donald Ford

Bertha Porter

John Porter

Darlene Burnett

Roxene Nicolaus

George Nicolaus

Sherri Vance

Glen Lelleque

Roger Lance

Louise Lance

Own property in the district / opposed/decline to speak:

Duke Spangler

Suzette Spangler

Live outside the district/opposed/wish to speak:

Merle Effing

Did not indicate whether in or out of district / opposed/decline to speak:

Don Alexander