

COCHISE COUNTY

**ASSURANCE AGREEMENT EXTENSION
WORK SESSION**

AUGUST 16, 2016



Public Programs...Personal Service

COCHISE COUNTY

BOS Assurance Agreement Work Session held June 9, 2014

Minutes reflect that staff would identify some criteria for extending or not extending assurance agreements.

Staff will come up with three to five items for this.

Give the Board an estimate of the cost to abandon the particular assurance agreement.



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History of Assurance Agreement Extensions 2010 – 2016

BOS unanimously approved 10 assurance agreement extension requests:

2010/2013/2016 -Rancho Arizona Subdivision

2011 -Rolling Hills Subdivision

2011/2014 -The Oaks Subdivision

2012 -Red Hawk Subdivision Phase 2

2012/2014 -Sonora Verde Subdivision

2013 -Linda Vista Subdivision Phase 4



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Purpose of an Assurance Agreement

The mechanism to ensure that the subdivision improvements are completed before any lots are released for sale.

ARS Section 11-821:

C. “The regulations shall require the posting of performance bonds, assurances or such other security as may be appropriate and necessary to ensure the installation of required street, sewer, electric and water utilities, drainage, flood control and improvements meeting established minimum standards of design and construction.”

Cochise County Subdivision Regulations: Article 5, Section 501:

“Unless all required improvements are completed, and approved by the County before final plat approval, some method of security to guarantee improvements shall be approved at the time of final plat approval. Any such agreement between the County and the subdivider, Title Company, escrow agent, surety or financial institution shall:

- A. Be in favor of the County.
- B. Be continuous in form.
- C. Designate the County as the beneficiary.
- D. Be approved by the County Attorney.



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Downside of extending Assurance Agreements

Subdivision plat not subject to new subdivision regulations that may have been adopted since original plat approval.

Traffic impact, street connectivity, drainage issues, water conservation requirements and the general character of the area may have changed since original approval.

If property taxes are not paid, tax liens could be sold on individual lots in a platted subdivision that is never developed.

If the Assurance Agreement is not extended by the BOS, the subdivision plat should be abandoned.



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Criteria for determining an assurance agreement extension

Considered on a case by case basis.

Property taxes are current on the subject parcels.

Progress made to date on subdivision improvements.

Number of previous extensions granted.

Existing conditions affecting the ability to complete subdivision improvements.



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Developer Input and Questions

