

Annexation Policy Update

August 5, 2014

City Council Workshop

Planning Division



Annexation Policy

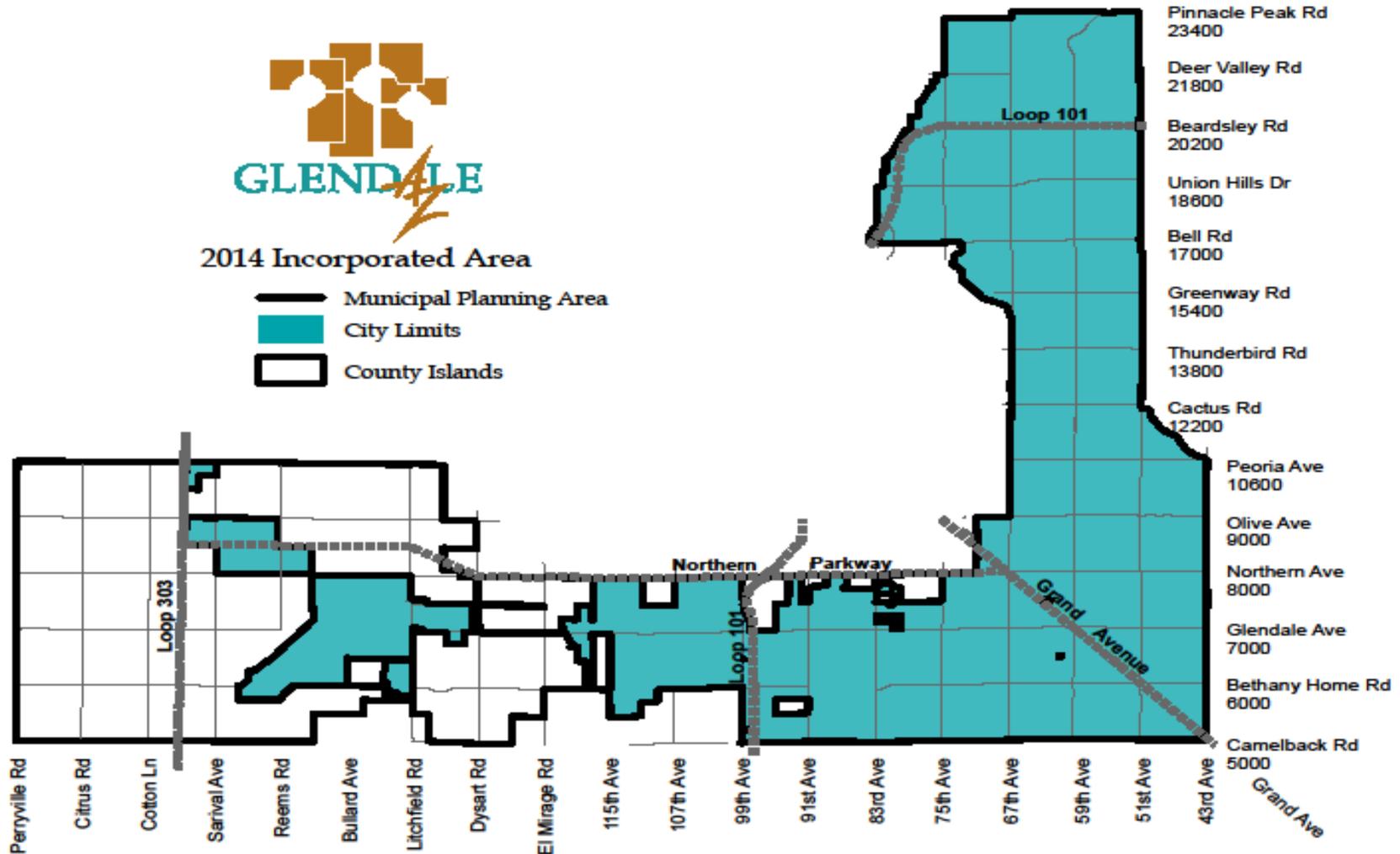
- This is an opportunity for Council to discuss the Annexation Policy and to receive an update on annexation matters and future growth opportunities in Glendale
- The City's Annexation Policy was adopted by the City Council on December 16, 2003
- It was amended by the City Council on July 12, 2005
- The Annexation Policy:
 - Encompasses the Municipal Planning Area (MPA) also known as the strip annexation area
 - Allows viable private companies to provide water and sewer service for lands west of 115th Avenue
 - Voluntary annexation can be pursued in the MPA

Municipal Planning Area



2014 Incorporated Area

-  Municipal Planning Area
-  City Limits
-  County Islands



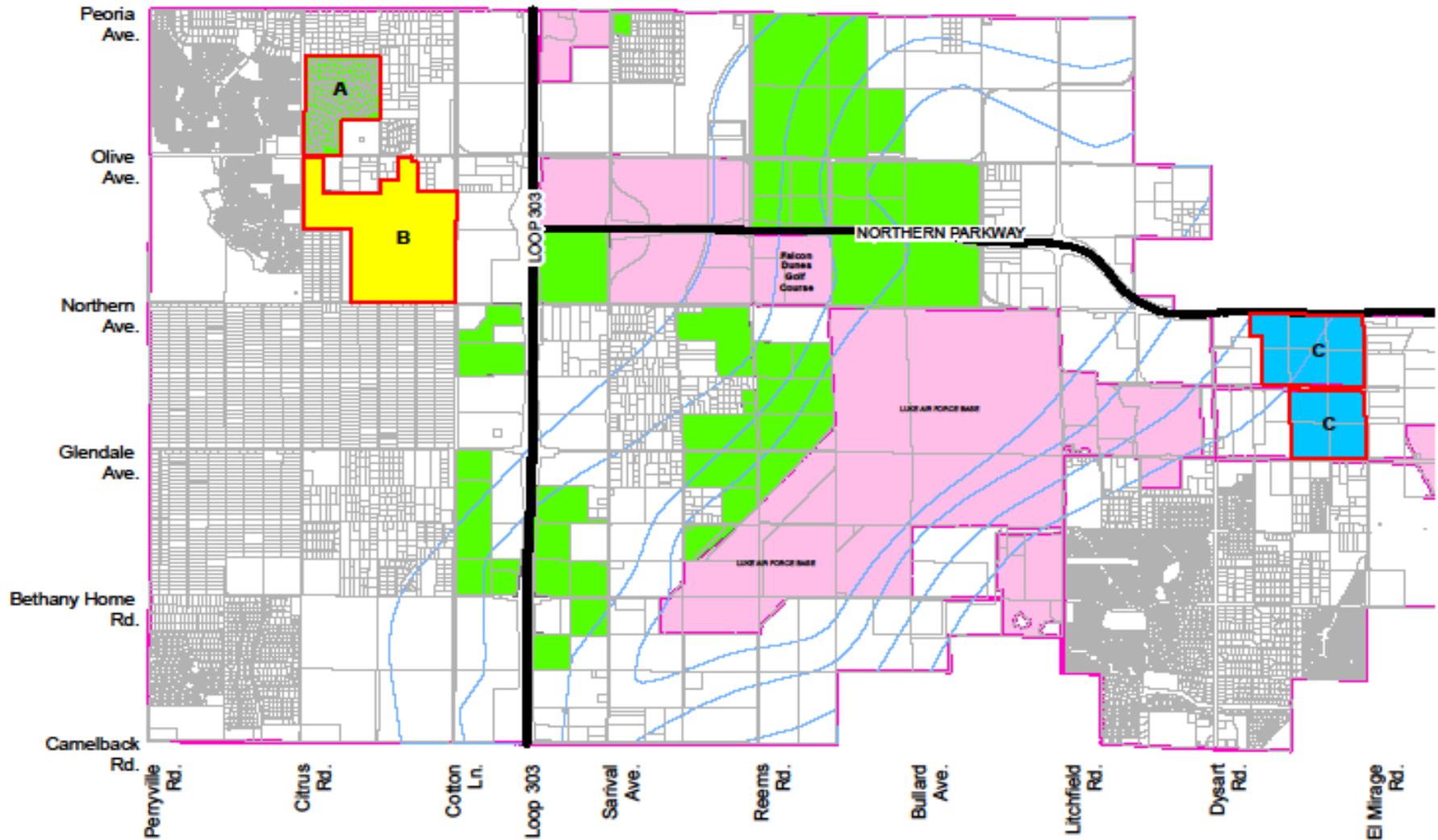
Planning: June 2014

Potential Annexation Activity

- There are three large development projects that could provide growth opportunities to Glendale if annexed:
 - Zanjero Pass (180 acres)
 - Granite Vista (443 acres)
 - Marbella Ranch (359 acres)
- It is best to be involved in the early planning stages of new projects to ensure quality design and conformance with the General Plan

Loop 303 Corridor & Northern Parkway Area

August 2014



Legend

City of Glendale

Annexation Request Participants in Pre Annexation Development Agreement (PADA) Future Annexation

Granite Vista

Marbella Ranch

Parcel A - Zerkow Pass
 Parcel B - Granite Vista
 Parcel C - Marbella Ranch



Population & State Shared Revenue

- Population of Arizona Cities *

1.	Phoenix	1,485,751
2.	Tucson	525,154
3.	Mesa	450,310
4.	Chandler	246,197
5.	Glendale	231,109
6.	Gilbert	227,603
7.	Scottsdale	222,213
8.	Tempe	165,158
9.	Peoria	160,552
10.	Surprise	121,629

*Data provided by the Office of Employment & Population Statistics, Arizona Department of Administration



Economic Impact Analysis

- Third Party Verification
- We retained Applied Economics to conduct an analysis which identified impacts on the MPA
- Updated study focused on revenues and expenditures
- There will be a net cost to the city as the residential develops first followed by the commercial and industrial development that is revenue positive.
- Revenue impact annually to Glendale finds that at a 25 year build out scenario in the MPA that the City would realize positive annual revenue of \$1.8 million
- Annexation could result in an estimated population increase of approximately 50,800

Conclusion

- Each department reviews annexation requests as it relates to the ability of providing services
- Departmental evaluations include level and cost of service. Contracted services can be evaluated for each annexation request
- Third party economic impact analyses are now required to be submitted with larger annexation requests
- Applied Economics has prepared an updated study
- Commercial development generates revenue for municipalities, residential development is necessary to support it regardless of jurisdiction
- The benefit of annexing residential properties is the opportunity to increase population. This does requires on-going municipal investment such as costs associated with providing services

Conclusion (cont.)

- Construction of the Loop 303 is nearing completion and the initial phase of Northern Parkway opened last year
- This infrastructure, coupled with available rail service, makes this portion of the MPA attractive for new growth
- This is the last growth frontier for Glendale
- If residential properties are not annexed, the City's population will likely remain steady and other cities will surpass Glendale resulting in a loss of state shared revenue
- Costs will be incurred in order to provide services once property is annexed
- Staff from each discipline involved in annexation is available today to answer questions



Next Steps & Recommendation

- Staff is seeking guidance from Council on how to proceed with future annexation requests in the MPA

- Options are as follows:
 - a) Consider the annexation of any property in the MPA upon the request of the property owner
 - b) Annex just the properties included in the PADA

- Edits to the annexation policy as discussed in January and any suggested edits today will be completed in 2014

- Annexation requests will be scheduled for public hearings and ordinance adoptions at a future voting meeting

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