

November 9, 2023

MEMORANDUM TO: Honorable Mayor and City Council

THROUGH: Charles P. Potucek, City Manager
Victoria Yarbrough, Assistant City Manager
Matt McLachlan, AICP, Community Development Director

FROM: Blake Fisher
Planner I

SUBJECT: REQUEST FOR AGENDA ITEM PLACEMENT
Resolution 2023-082, Acceptance of Pre-annexation Agreement
for Parcel # 106-71-181A
Resolution 2023-083, Acceptance of Pre-annexation Agreement
for Parcel # 106-70-111
Resolution 2023-084, Acceptance of Pre-annexation Agreement
for Parcel # 106-71-159
Resolution 2023-085, Acceptance of Pre-annexation Agreement
for Parcel # 106-70-132

BACKGROUND

In 2008, the Mayor and City Council adopted an annexation policy and map to guide future decisions on changes to the City's corporate boundary (*Resolution 2008-149*). The goal of the policy is "to provide for an effective distribution of City services and the incorporation of quality, urban development standards" and thus to "proactively pursue and continuously process annexations throughout the year". Areas defined for future annexation via the Long-Term Annexation Map (as referenced from *Resolution 2008-149*) specifically include "Enclave" areas, which are to be sought via Proactive Annexation.

Over the course of the past year, staff has been in contact with property owners located within the Fry Townsite, an enclave area, who A) were undecided or indicated favorable interest during the City's 2019 annexation attempt or B) have newly purchased property in the area and have not yet been surveyed to measure interest in annexation. This was performed via a mass-mailing that included information concerning potential benefits of annexation, as well as details on how to sign a pre-annexation agreement for their respective properties.

Through these contacts, staff secured four signed Pre-Annexation Agreements covering four tax parcels. The most common reasons cited by property owners for signing the agreements were potential property tax savings and the ability to utilize City sewer and sanitation service.

PARCEL	ACRES	ZONING (COUNTY)	CURRENT USE
106-71-181A	0.39	<i>MANUFACTURED HOME - 72</i>	Single-family residential home
106-70-111	0.52	<i>GENERAL BUSINESS</i>	<i>My Little Playhouse, Flora Factory, Black Rose Tattoos, and ~5,000 square feet of commercial vacancy</i>
106-71-159	0.34	<i>MANUFACTURED HOME - 72</i>	Single-family residential home
106-70-132	0.16	<i>GENERAL BUSINESS</i>	Vacant manufactured home and storage building
TOTAL	1.41		

Location maps of the subject properties are included within “Exhibit A” for each pre-annexation agreement.

FINANCIAL IMPACT

This proposal includes the acceptance of pre-annexation agreements which may be utilized by the City in future annexation attempts but carry no inherent financial impact in and of themselves.

Attachment: Resolution 2023-082, Pre-Annexation Agreement for APN # 106-71-181A
Pre-Annexation Agreement including Exhibits A & B

Resolution 2023-083, Pre-Annexation Agreement for APN # 106-70-111
Pre-Annexation Agreement including Exhibits A & B

Resolution 2023-084, Pre-Annexation Agreement for APN # 106-71-159
Pre-Annexation Agreement including Exhibits A & B

Resolution 2023-085, Pre-Annexation Agreement for APN # 106-70-132
Pre-Annexation Agreement including Exhibits A & B

RESOLUTION 2023-083

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA; AUTHORIZING THE MAYOR TO EXECUTE A PRE-ANNEXATION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SIERRA VISTA AND THE PERRYMAN DAVID P LIVING TRUST, PROPERTY OWNER, CONCERNING PROPERTY LOCATED AT PARCEL # 106-70-111, AND AUTHORIZING DIRECTION TO THE CITY MANAGER, CITY CLERK, CITY ATTORNEY, OR THEIR DULY AUTHORIZED OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, the City of Sierra Vista and David Perryman, the authorized signer for the parcel numbered 106-70-111, have reached a Pre-Annexation Agreement attached as Exhibit "A" and "B" to this Resolution and incorporated by reference, for the property whose locations and boundaries are shown on the map attached within Exhibit "A" to the Pre-Annexation Agreement; and

WHEREAS, the execution of this Pre-Annexation Agreement is in the best interest of the City of Sierra Vista.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1

The Pre-Annexation Agreement between the City of Sierra Vista and the Perryman David P Living Trust, attached as Exhibit "A" and "B" to this Resolution, is authorized and approved.

SECTION 2

The Mayor is authorized and directed to execute the Pre-Annexation Agreement for and on behalf of the City of Sierra Vista and the City Clerk is authorized and directed to attest the same.

SECTION 3

The City Manager, City Clerk, City Attorney, or their duly authorized officers and agents are hereby authorized and directed to take all steps necessary to carry out the purposes and intent of this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA THIS 9TH DAY OF NOVEMBER 2023.

CLEA MCCAA II
Mayor

APPROVED AS TO FORM:

ATTEST:

NATHAN WILLIAMS
City Attorney

JILL ADAMS
City Clerk

PREPARED BY:

BLAKE FISHER
Planner I

EXHIBIT A

PRE-ANNEXATION AGREEMENT BETWEEN
THE CITY OF SIERRA VISTA AND PERRYMAN DAVID P LIVING TRUST

This Pre-Annexation Agreement (hereinafter, the "Agreement") is made and entered into as of (date) April 25, 2023, by and between the City of Sierra Vista, Arizona, a municipal corporation organized under the laws of the State of Arizona (hereinafter, the "City") and PERRYMAN DAVID P LIVING TRUST (hereinafter, the "Owner").

RECITALS:

A. Owner beneficially owns certain real property, currently located in an unincorporated area of Cochise County:

APN#	SITE ADDRESS	COUNTY ZONING	COMPATIBLE CITY ZONE	LEGAL DESCRIPTION
106-70-111	689 E Fry Blvd 691 E Fry Blvd 697 E Fry Blvd 699 E Fry Blvd	GB	GC	FIRST ADDN TO FRY LOTS 24 25 26 27 28 BLK 7

B. All property is located in portions of Section 34, Township 21 South, Range 20 East, of the Gila River and Salt River Base and Meridian, and more particularly described in Exhibit A attached hereto and made part hereof (hereinafter, the "Property").

C. City and Owner desire that the Property be annexed into the corporate limits of the City and be developed as an integral part of the City and in accordance with VISTA 2030, the existing comprehensive plan for the City.

D. City and Owner have determined that entering into this Agreement will be in the best interest of the City, the public, and the Owner; will be proper and legal exercise of City power; will promote orderly development of the Property and the surrounding area; will promote the health, safety and welfare and economy of the community in general; and meets the economic development goals of the City.

E. The City and the Owner are entering into this Agreement pursuant to the provisions of A.R.S. §9-500.05 in order to facilitate the annexation and development of the Property by providing for, among other things:

1. Establishment of the terms for annexation of the Property into the City.

AGREEMENT

In consideration of the foregoing premises, the mutual covenants and promises in this Agreement and the intent to legally bind City and Owner, the following is agreed:

1. **Annexation Consent.** Owner hereby consents to annexation of the Property into the City of Sierra Vista pursuant to A.R.S. § 9-471. This consent to annex the Property into the City shall operate as a covenant and shall run with the land and bind each of Owner's heirs, executors, administrators, successors and assigns to the Property.
2. **Durable Special Power of Attorney.** To facilitate annexation of the Property in a manner convenient to the City, Owner shall execute, simultaneously with the execution of this Agreement, a durable special power of attorney, attached and incorporated herein as Exhibit B, designating the City Clerk with the irrevocable power to sign and execute, on behalf of the Owner, any lawful annexation petition or other annexation document for the purpose of annexing the Property into the City of Sierra Vista. Any successor(s) to Owner shall execute a similar annexation petition or documents necessary to accomplish the annexation.
3. **Applicable Zoning.** Pursuant to A.R.S. §9-471(L), upon annexation, the City shall adopt a City zoning classification for the Property that permits densities and uses no greater than those permitted by the existing Cochise County zoning (the "Original City Zoning").
4. **City Wastewater Services.** The City agrees to provide wastewater services to Owner, should Owner so choose in the future, in the event that all required improvements are made as part of the sewer connection permitting process, as detailed by the City engineering department. If Owner, in his sole discretion, decides to connect to City sewer in the future, Owner shall bear all costs associated with said connection.
5. **Private Property Rights Development Act.** By signing this Agreement, Owner agrees to waive claims for diminution in value under the Private Property Rights Development Act in connection with annexation of the Property as well as for any claim for diminution in value as a result of any subsequent rezoning of the Property by the City.
6. **Entire Agreement.** This agreement sets forth the entire understanding between the parties concerning the subject matter of this agreement and incorporates all prior negotiations and understandings. There are no covenants, promises, agreements, conditions or understandings, either oral or written, between the parties relating to the subject matter of this agreement other than those set forth herein. No modification or amendment of this agreement shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto.
7. **Negotiated Effort.** The parties agree that this Agreement represents the negotiated joint efforts of the parties. In the event a court of competent jurisdiction finds ambiguity, this Agreement shall not be construed against either party in favor of a non-drafting party.
8. **Authority.** All persons executing this document for City and Owner have all necessary and legal authority to enter into this Agreement for their respective corporations and the individual(s) executing this Agreement on behalf of their respective parties are authorized and empowered to bind the party on whose behalf such individual is signing.

9. **Covenants Running with the Land.** This Agreement is made as part of a common scheme or plan for the development of the Property and a "Development Agreement" as defined in A.R.S. §9-500.05 and all rights and obligations hereunder subject to the provisions of Paragraph 3 contained herein shall be considered to run with the land and benefit and burden all owners of all or any portion of the Property, including owners who acquire title to any portion of the Property subsequent to the execution and recording of this Agreement. Nothing in this Agreement shall be construed as creating a partnership between Owner and the City.
10. **Governing Venue.** The laws of the State of Arizona shall govern this agreement and, in the event of a dispute, venue shall be in Cochise County, Arizona.
11. **Attorneys' Fees.** Should litigation be necessary to enforce any term or provision of this Contract, or to collect any damages claimed or portion of the amount payable under this Agreement, then all litigation and collection expenses, witness fees, court costs, and attorneys' fees will be paid to the prevailing party.
12. **Mediation.** If a dispute arises out of or relates to the Agreement or this Amendment, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute through mediation before resorting to arbitration, litigation or some other dispute resolution procedure. In the event that the parties cannot agree upon the selection of a mediator within seven (7) days, either party may request the presiding judge of the Superior Court of Cochise County to assign a mediator from a list of mediators maintained by the Arizona Municipal Risk Retention Pool.
13. **Notices.** Any notice required pursuant to the provisions of this Agreement shall be in writing and be sent by certified mail to the following addresses until notice of change of address is given and shall be deemed received on the fifth business day following deposit in the United States Mail.

City Clerk
 City of Sierra Vista
 1011 N. Coronado Drive
 Sierra Vista, AZ 85635

Owner: PERRYMAN DAVID P LIVING TRUST
3157 E KEELING RD
HEREFORD, AZ 85615

14. **Non-Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court or competent jurisdiction, such holding shall not invalidate or render unenforceable all other provisions hereof.
15. **Amendments, Modifications and Waivers.** This Agreement may not be amended, none of its terms may be modified and none of the provisions or any of its terms may be waived without the written consent of the parties hereto.
16. **Applicable Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Arizona.
17. **Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or Section of this Agreement.

18. **Additional Documents and Acts.** The parties hereto shall execute, acknowledge, if applicable, and deliver such additional documents and do such other acts as may be reasonably required to fully implement the intent of this Agreement.
19. **Execution in Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.
20. **Term.** The term of this Agreement shall commence on the date of execution by both parties hereto.

PROPERTY OWNER NAME:

By: _____
Signature

David Perryman

DAVID PERRYMAN
Print Name

OWNER
Title

CITY OF SIERRA VISTA:

By: _____

Clea McCaa, Mayor

STATE OF ARIZONA)
) ss
County of Cochise)

This instrument was acknowledged before me
this ____ day of _____, 20__, by

Notary Public

My commission expires:

APPROVAL AS TO FORM:

By: _____
NATHAN WILLIAMS, City Attorney

ATTEST:

By: _____
JILL ADAMS, City Clerk

STATE OF ARIZONA)
) ss.
County of Cochise)

This instrument was acknowledged before me
this 25th day of April, 2023, by

[Signature]

Notary Public
My commission expires:

02-18-27



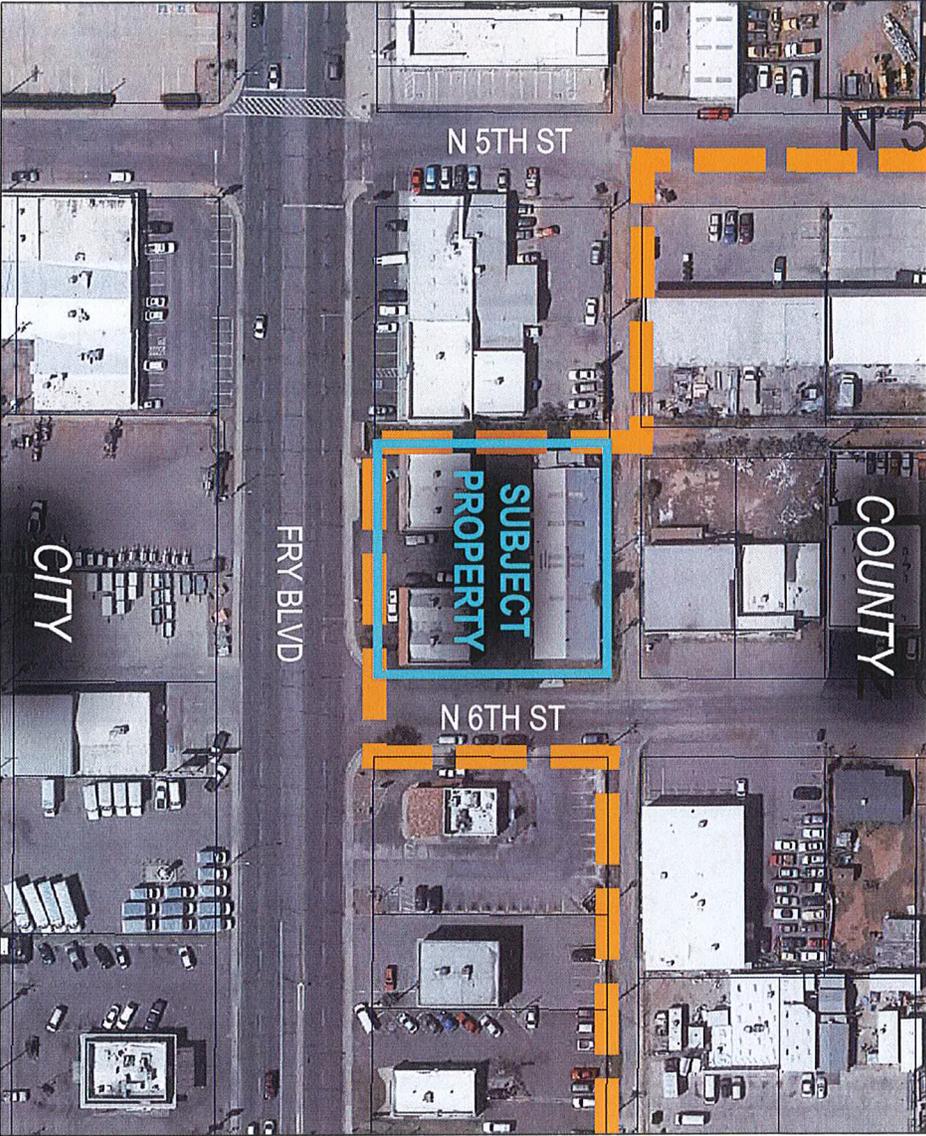


Exhibit A (map)

EXHIBIT B

DURABLE SPECIAL POWER OF ATTORNEY

PERRYMAN DAVID P LIVING TRUST is the owner of the following real Property:

APN#	SITE ADDRESS	COUNTY ZONING	COMPATIBLE CITY ZONE	LEGAL DESCRIPTION
106-70-111	689 E Fry Blvd 691 E Fry Blvd 697 E Fry Blvd 699 E Fry Blvd	GB	GC	FIRST ADDN TO FRY LOTS 24 25 26 27 28 BLK 7

I hereby appoint the CITY CLERK of the City of Sierra Vista, Arizona as its true and lawful Attorney for it and in its name, place, and stead, with full authority and full powers of substitution, to do and execute any or all of the following acts, deeds and things, relating to or in any way connected with the following described matter **AND NO OTHER**:

To execute all **ANNEXATION** documents, including, but not limited to, petitions, waivers, notices, grant all approvals or consents, and to do every act or perform everything necessary to authorize and achieve the **ANNEXATION** of the above described Property into the boundaries and limits of the City of Sierra Vista, County of Cochise, State of Arizona. It is the express intention and desire that said Property be annexed to the City of Sierra Vista.

(CONTINUED ON NEXT PAGE)

I further certify that I have all necessary and legal authority to enter into this Durable Special Power of Attorney.

THIS SPECIAL POWER OF ATTORNEY SHALL NOT BE AFFECTED BY MY DISABILITY.

IN WITNESS WHEREOF, I have hereunto set my hand, this 25th day of April, 2023

By: David Perryman
Print Name: DAVID P. PERRYMAN

STATE OF ARIZONA)
)ss
COUNTY OF COCHISE)

On this April 25, 2023, before me, David P Perryman, a Notary Public in and for the County of Cochise, State of AZ, on this day personally appeared David P. Perryman to be the person whose name is subscribed to within this instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]

NOTARY PUBLIC



My Commission Expires: 02-18-27