

Impact Analysis Supporting Data

Attachment A

Amended and Restated Rocking K Development Agreement

F. ANN RODRIGUEZ, RECORDER
Recorded By: JCC
DEPUTY RECORDER
305

P0230
PIMA CO CLERK OF THE BOARD
PICKUP



SEQUENCE : 20113251226
NO. PAGES : 16
AAG 11/21/2011 18:00
PICK UP
AMOUNT PAID: \$0.00

When Recorded Return to:
Pima County Development Services Department
Attn: Janet Emel
Public Works Building, 2nd Floor
201 North Stone Avenue
Tucson, AZ 85701

AMENDED AND RESTATED ROCKING K DEVELOPMENT AGREEMENT

THIS AMENDED AND RESTATED ROCKING K DEVELOPMENT AGREEMENT (the "Agreement") by and between the COUNTY OF PIMA, ARIZONA, a body politic of the State of Arizona (the "County") and ROCKING K DEVELOPMENT CO., an Arizona corporation ("Developer") (collectively, "the Parties"), is entered into this ____ day of _____, 201__.

RECITALS

A. Rocking K Development Co. is the developer of that certain master planned community commonly known as Rocking K (the "Property"), which is generally located south of Saguaro National Park and surrounds the Old Spanish Trail in Pima County, Arizona, and is depicted on Exhibit A attached hereto and incorporated by this reference. The Property consists of approximately 4,500 acres of real property that is currently built or planned for residential and mixed-use development.

B. The Pima County Board of Supervisors approved the Rocking K Specific Plan, Co23-90-1, (the "Specific Plan") by Ordinance No. 1990-129 on December 18, 1990 and the First Amendment to Rocking K Specific Plan, Co23-96-2, by Ordinance 1997-69 on September 16, 1997.

C. The Rocking K Phase One Development Agreement (the "Development Agreement") was recorded on February 18, 1992 in Docket 9228, Page 558, and subsequently rerecorded at Docket 9230, Page 896 to provide for obligations and phasing for infrastructure for the Specific Plan. The First Amendment to the Development Agreement (the "Amended Development Agreement") was recorded on December 17, 1996 in Docket 10443, Page 2194, to adjust boundaries, modify land uses and infrastructure plans accordingly.

D. The Specific Plan and the Development Agreement require the Developer to construct certain off-site roadway improvements, including the extension of Valencia Road from Houghton to Old Spanish Trail and improvements to Old Spanish Trail (the "Valencia Road

Improvements”). The Development Agreement requires the Developer to phase and sequence the construction of the Valencia Road Improvements based upon the number of Equivalent Dwelling Units (“EDUs”) on the Property as it is developed.

E. On April 8, 2003, the County adopted amended Roadway Development Impact Fees by Ordinance 2003-40 (the “**Roadway Impact Fees**”) pursuant to A.R.S. § 11-1102. The Property is included in the Roadway Impact Fees’ Rincon Valley Benefit Area (the “**Rincon Valley Benefit Area**”). The Rincon Valley Benefit Area Plan identifies the Valencia Road Improvements and certain portions of the Off-Site Roadway Improvements (defined below) as projects eligible for expenditure of Roadway Impact Fees.

F. On January 15, 2008, the Parties entered into the Rocking K Development Agreement (Valencia Road Improvements) (the “**Valencia Road Development Agreement**”) recorded on January 22, 2008 in Sequence 20080140926. The purpose of the Valencia Road Development Agreement was to establish the scope of work for the Valencia Road Improvements and identify the mechanisms by which the funding of the portion of the Valencia Road Improvements located in the County would be implemented.

G. The Developer has submitted and the County has approved an Off-Site Improvement Analysis for Rocking K prepared by Psomas (Project No. 7ROC100101) dated February 2011 (the “**Traffic Report**”). A copy of the Traffic Report and the County approval letter is on file in the Rocking K Specific Plan File, Co23-96-2, in the Development Services Department. The Traffic Report details all of the off-site roadway improvements that are required to be constructed by Developer in connection with the development of the Property, which include but are not limited to the Valencia Road Improvements (the “**Off-Site Roadway Improvements**”). The Traffic Report also contains certain required phasing, sequencing and dwelling unit triggers for the construction of the Off-Site Roadway Improvements which are based upon actual traffic and safety needs and which differ than those currently set forth in the Development Agreement, the amended Development Agreement and the Valencia Road Development Agreement.

H. The Parties desire to enter into this Amended and Restated Rocking K Development Agreement to establish the scope of work for the Off-Site Improvements and the revised phasing, sequencing and dwelling unit triggers for the construction of the Off-Site Roadway Improvements as set forth in the Traffic Report and identify the mechanisms by which the funding of the portion of the Off-Site Roadway Improvements located in the County will be implemented.

I. The Parties acknowledge that performance by Developer under this Agreement effectuates only a portion of the public improvements identified and required by the Specific Plan and does not serve to satisfy all the requirements of the Specific Plan.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises, terms, covenants and conditions set forth herein, the Parties hereto state, confirm and agree as follows:

Impact Analysis Supporting Data

Attachment B

Letter of Support from Diamond Ventures

DIAMOND VENTURES

Donald R. Diamond
Chairman

July 29, 2015

C.H. Huckelberry
County Administrator
County Administrator's Office
Pima County Governmental Center
130 W. Congress, Floor 10
Tucson, Arizona 85701-1317

Re: Valencia Road

Dear Mr. Huckelberry:

As you know, Pima County and the owner of the Rocking K are parties to that certain Amended and Restated Rocking K Development Agreement recorded November 21, 2011 (the "Development Agreement"). Among other things, the Development Agreement requires the owner of the Rocking K to design and construct Valencia Road from Houghton Road to Old Spanish Trail. The Agreement provides for impact fee credits/reimbursements for the cost of such work.

As the developer, we will be funding the Valencia Road construction in connection with the development of the Rocking K. The City of Tucson and the County's cooperation with the de-annexation of Valencia Road advances and promotes our collective regional interest in constructing this key east/west arterial. The extension of Valencia Road is supported by Davis-Monthan Air Force Base, the University of Arizona Science and Technology Park, Southern Arizona Home Builders Association, Vail School District, the Rincon Valley Fire District, the Tucson Metro Chamber and Sun Corridor, Inc.

Pursuant to state legislation, the City has already adopted an ordinance approving the de-annexation. We fully support the County's acceptance of such de-annexation to complete the process. We appreciate the County's assistance with this important regional matter.

Sincerely,

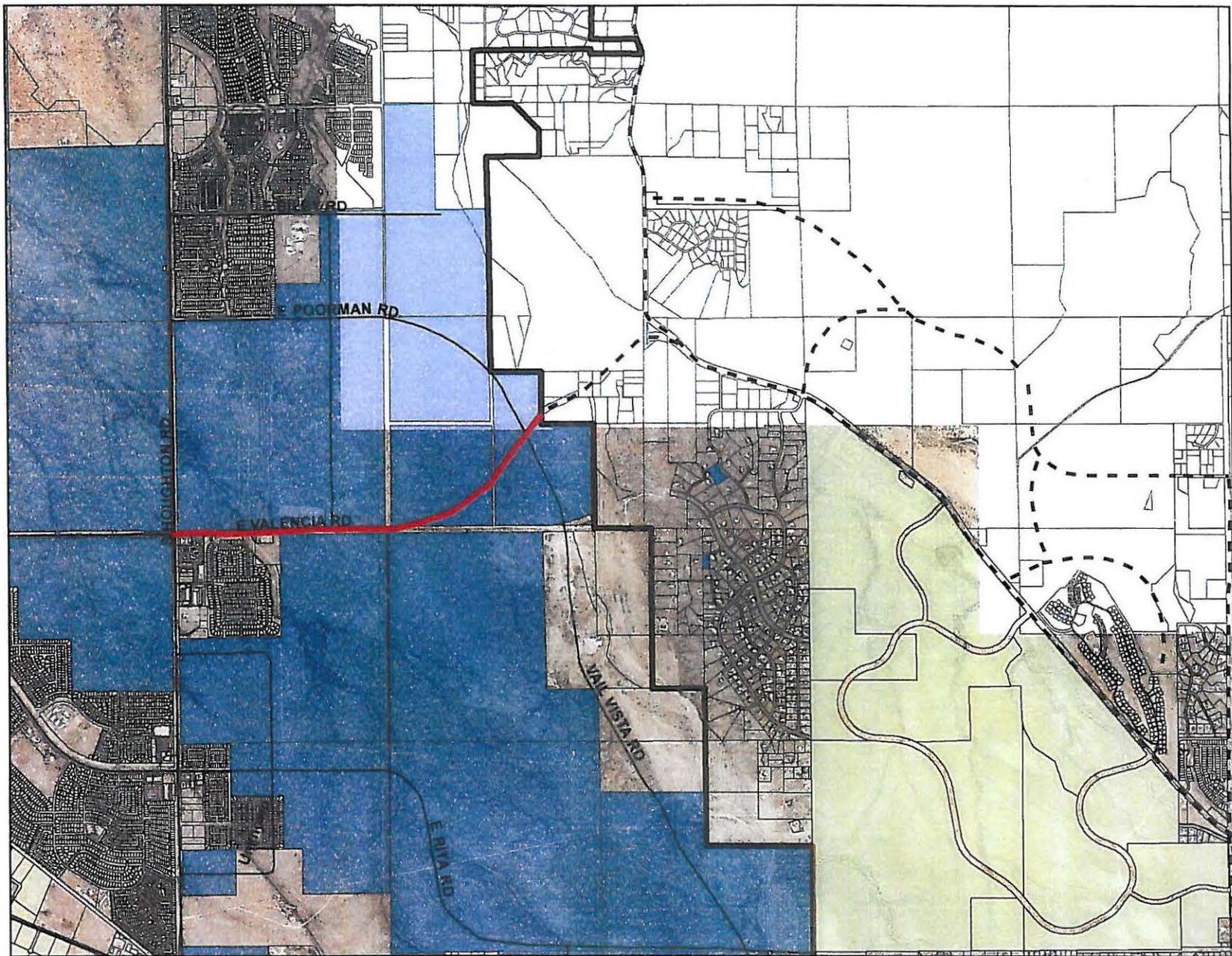


Donald R. Diamond

Impact Analysis Supporting Data

Attachment C

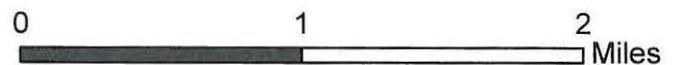
Letters of Support from Community Leaders



Ownership

- State Land
- Rocking K

- Potential De-annexation
- City of Tucson Major Streets and Routes
- Pima County Major Streets and Routes
- City of Tucson Limits





COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER
130 W. CONGRESS, FLOOR 10, TUCSON, AZ 85701-1317
(520) 724-8661 FAX (520) 724-8171

C.H. HUCKELBERRY
County Administrator

March 23, 2015

Mr. Donald Diamond
Diamond Ventures, Inc.
2200 E. River Road, Suite 115
Tucson, Arizona 85718

Re: **Valencia Road Extension - Houghton Road to Old Spanish Trail**

Dear Mr. Diamond:

Based on our recent discussion, the County is prepared to advance the construction of Valencia Road from Houghton Road to Old Spanish Trail using a financing mechanism that repays any cost associated with constructing the facility using impact fees from the Rocking K development.

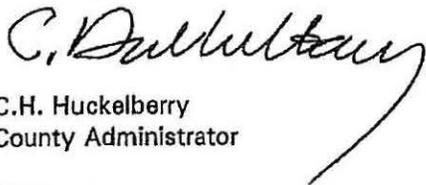
As you know, State law precludes the County from using any of its transportation impact fees for streets and highways other than those located in the unincorporated area of the County. A significant portion, perhaps 60 percent, of the Valencia Road extension from Houghton Road to Old Spanish Trail now lies in the City of Tucson and, hence would be ineligible for the use of County impact fees from the Rocking K development. However, if the City of Tucson were to de-annex the right of way so the entire length of the Valencia Road extension were in the unincorporated area of Pima County, the County could finance the entire improvement by using impact fees from the Rocking K development as a basis of repayment.

As we have discussed, there are no County funds, General Funds or County Highway User Revenue Funds, available for this purpose. I also understand there are no Regional Transportation funds available. Hence, the only viable funding mechanism for this roadway extension in the short term is the development and financing mechanism outlined previously.

Mr. Donald Diamond
Re: **Valencia Road Extension - Houghton Road to Old Spanish Trail**
March 23, 2015
Page 2

If the City of Tucson de-annexes the right of way and does not annex it during the repayment period, which I envision to be no longer than 10 years, then this highway improvement can be financed using dedicated impact fees from the Rocking K development.

Sincerely,



C.H. Huckelberry
County Administrator

CHH/anc

- c: John Bernal, Deputy County Administrator for Public Works
Nanette Slusser, Assistant County Administrator for Public Works Policy
Tom Burke, Director, Finance and Risk Management
Priscilla Cornello, Director, Department of Transportation
Priscilla Storm, Vice President, Diamond Ventures, Inc.

9-471.03. Return of certain land to county: procedures

A. Notwithstanding any other law, territory may be deannexed, severed and returned to the county by a city or town if the territory is a county owned park, a park operated on public lands by a county as part of a management agreement or land owned by a flood control district.

B. Notwithstanding any other law, a public right-of-way that is partially located within a city or town and partially located within the unincorporated area of a county may be deannexed and severed from the city or town and returned to the county.

C. The governing body of a city or town that intends to return the territory or public right-of-way to a county shall set forth by ordinance the legal description of the territory or public right-of-way and shall declare the deannexation and return of the territory or public right-of-way contingent on the fulfillment of the conditions of this section.

D. The board of supervisors that intends to receive the territory or public right-of-way shall set a public hearing to determine if the public interest is served. The determination must include an analysis of the impacts of the requested deannexation.

E. If the board of supervisors that intends to receive the territory or public right-of-way determines that the public interest is served by receiving the territory or public right-of-way, the board of supervisors shall set forth by ordinance the legal description of the territory or public right-of-way and shall declare the return of the territory or public right-of-way contingent on fulfillment of the conditions of this section.

F. The board of supervisors shall set a public hearing not less than thirty nor more than sixty days after the date the ordinance is filed. The board of supervisors shall notify by certified mail each owner of real property subject to taxation adjacent to the territory or public right-of-way that is proposed to be deannexed at least twenty days before the hearing. On the holding of the public hearing, the board of supervisors may order that the territory or public right-of-way be returned as specified in the ordinance authorized by the city or town.



CITY OF
TUCSON

CITY OF TUCSON
RECEIVED

MEMORANDUM 15 APR 23 A9:14

OFFICE OF THE
CITY CLERK

TO: City Clerk

FROM: Shirley C. Scott
Council Member, Ward IV

RE: Future Agenda Item
Mayor & Council Meeting
May 19, 2015

DATE: April 21, 2015

I would like to request that the following agenda item be placed on the May 19, 2015 agenda for Mayor and Council. This item is a legal mechanism to allow the portion of Valencia Rd. east of Houghton Rd. in the City's Ward 4 to be improved through coordination with Pima County, at no cost to the City, consistent with Arizona Revised Statutes 9.471.

This has been in discussion for several months with PAG, RTA, Pima County and City of Tucson planning and transportation departments. I hosted a meeting at my Ward office with City staff and Stakeholders. Last spring, HB2330 was passed by the legislature. It allowed a mechanism for City County coordination on roadway development and maintenance as the whole state tries to find regional solutions for our roadway infrastructure.

This road has 100% complete construction plans which have been reviewed by City of Tucson and Pima County transportation departments. It includes an important public safety element in the bank stabilization of the Pantano Wash in the City of Tucson.

Congresswoman Gabrielle Giffords supported accelerating construction of this roadway and submitted a small appropriation in 2010 to get it started.

This eastern section of Valencia is on the PAG 5-year TIP, and on the 2014 designated PAG Regionally Significant Corridors.

Numerous letters of support have been written for accelerating the construction of Valencia road east of Houghton - Department of Interior for Saguaro National Park east, Vail School District, U of A Science and Tech Park, Davis Monthan Air Force Base among others.

This would pave Valencia Rd. "end to end" from Ryan Airfield to Saguaro National Park East. Valencia Rd. is an economic corridor in the City, and this would provide the first major piece of infrastructure to serve the large sections of annexed and planned State land along Houghton Rd. in the City.

cc: Honorable Mayor and Council
Martha Durkin, Interim City Manager
Mike Rankin, City Attorney
Chris Kaselemis
Nicole Ewing-Gavin