



Annexation Policy

Effective Date: January 17, 2023
Type of Action: Adopted by Council Resolution No. 2023-008

Purpose

The purpose of this annexation policy is to identify a process that the Town of Marana will use in making annexation decisions. By employing a prescribed process and specified criteria, the Mayor and Council will obtain the pertinent information to determine whether an annexation is in the best long-term interest of the Town of Marana.

The implementation of this policy will enable the Mayor and Council and Town staff to make decisions that will ultimately result in the efficient delivery of urban services, as well as protect the health and safety of Marana residents. Further, it will allow for the logical extension of Marana's corporate boundaries through annexation of county islands and appropriate adjacent lands.

Although Arizona Revised Statutes govern the annexation process, each entity has its own particular approach to evaluating annexation proposals. The criteria, policies, and procedures described in this document represent the Town of Marana's methodology.

Foundational Documents

The Make Marana General Plan 2040 identifies annexation as an area of focus for the Land Use Element. The plan emphasizes directing annexation in a strategic manner, balancing and managing growth, while promoting economic development (pg. 2-6). This document aligns with the General Plan Goal BE-13-1 "Develop and consider adoption of a comprehensive annexation policy to guide consideration and evaluation of annexation proposals, including analysis of the short- and long-term costs and benefits, financial impacts, and economic development benefits represented by the proposal" (pg. 2-48).

The Marana Strategic Plan 5 Focus Area of Proactive Public Services focuses on fostering an open atmosphere that embraces change, creativity, innovation and calculated risk, and maintains the Town's high quality customer service. The Focus Area

includes the goal of prioritizing infrastructure and maintenance that supports new growth and development in a proactive and sustainable manner, with a strategy of studying the short- and long-term benefits and financial impacts of annexation to inform a Town-wide annexation policy and strategy.

Arizona State Law

For any proposed annexation, a determination must be made regarding whether the proposed area meets Arizona's legal requirements for annexation. Arizona Revised Statutes (A.R.S.) § 9-471 provides the procedures and criteria for extending the corporate boundaries of a town or city.

Some of the key provisions of state law include the following:

- The territory to be annexed must adjoin the boundary of the annexing town for at least 300 feet. This provision does not apply if the territory considered for annexation is surrounded by the annexing town on at least three sides.
- The size and shape of the parcel to be annexed must be a minimum of 200 feet in width at all points, exclusive of rights-of-way and roadways. The length of the parcel is measured from where the territory adjoins the annexing town to the furthest point of the parcel, and cannot be more than twice the maximum width of the annexed territory. These length and width requirements do not apply if the territory considered for annexation is surrounded by the annexing town on at least three sides.
- A town may annex only unincorporated territory.
- A town cannot annex territory if the annexation will result in the creation of a county island.

Criteria for Evaluating Annexations

In any annexation decision, the practical consequences and costs of providing services to the proposed annexation area must be considered. While the annexation of new territory may mean additional state-shared revenue, the additional revenue to be gained must be considered in light of the necessary expenditures to provide services to the annexed area.

The Town will evaluate the following criteria to determine whether it is beneficial to annex an area either at the time of evaluation, or at some point in the future:

1. Ability of the Town to provide basic services to the annexed area in a timely manner, with acceptable revenue-to-cost ratio.¹

¹ A.R.S. § 9-471 requires the annexing town to have an approved plan, policy, or procedure to provide the annexed territory with appropriate levels of infrastructure and services to serve anticipated new development within ten years after the date when the annexation becomes final.

2. Long-term desirability of the proposed annexation area for purposes of community development and economic growth.
3. Ability of the Town to regulate the types of land uses allowed in the annexed area.²
4. Compatibility of the annexation with the General Plan.
5. Whether the annexation area is located in Marana's Planning Area Boundary.

Policy Considerations

The Town will review, at a minimum, the following policy considerations in every annexation proposal:

1. The ability to minimize any short-term subsidies and maximize the long-term benefits of annexation through careful determination of which areas should be annexed and the optimum timing for annexation and development.
2. Whether developed county residential subdivisions should be required to upgrade their infrastructure and facilities through the use of improvement districts or other means prior to annexation.
3. Whether a pre-annexation agreement to specify the infrastructure needs for the development and the schedule for development of the annexed lands should be used.
4. Whether the annexation applicant should be required to bring all roadways adjacent to the annexation territory to Town standards.
5. Whether the annexation will require the Town to extend infrastructure or community services outside of corporate limits.
6. The historical, ecological, and community importance of the annexation area and any potential impacts on community character.
7. Whether and when the Town should initiate discussion with adjoining parcels to encourage group annexation.

Financial Impact Analysis

The Town may require an annexation applicant to submit a financial impact analysis as part of the application submittal. The level of detail and contents of the financial impact

² A.R.S. § 9-471 requires an annexing town to adopt zoning classifications that permit densities and uses not greater than those permitted by the county immediately before annexation.

analysis will vary with the intensity or complexity of the proposed or existing use of the land.

The purposes of the analysis are:

- To analyze the potential financial impacts of annexation on Town facilities and services
- To estimate revenues from local sales taxes, state-shared revenues, and other fees
- To assess short- and long-term capital improvement projects needed to serve the area

The financial impact analysis must develop growth projections, assess market issues, measure existing demand for county services, and project future costs of service. Each financial impact analysis will be uniquely developed for the potential annexation area based upon the current or proposed use on the property.