

SUN CITY WEST...



FINE FACILITIES,



FABULOUS FRIENDSHIPS

W

GOVERNANCE OF SUN CITY WEST AFTER
DEL WEBB COMMUNITIES, INC.
COMPLETES ITS RESIDENTIAL
CONSTRUCTION PROGRAM

FINAL REPORT OF THE
GOVERNANCE COMMITTEE
TO THE BOARD OF DIRECTORS OF
THE SUN CITY WEST
PROPERTY OWNERS AND RESIDENTS
ASSOCIATION

October, 1988

TABLE OF CONTENTS

	<u>PAGE</u>
EXECUTIVE SUMMARY	1
BACKGROUND	1
PHASE THREE SPECIAL STUDY COMMITTEE ACTIVITIES	
PURPOSES	2
MEMBERSHIP	2
PLANNING ACTIVITIES	2
RESULTS OF OPTIONS INVESTIGATIONS	
OPTIONS FOUND NOT VIABLE	
Option 2, Annexation	4
Option 3, Special Legislative Districts	4
Option 4, Homeowners Association	5
OPTIONS NOW CONSIDERED FEASIBLE	
Option 1, Remain As-Is	6
- Reasons to Prefer County Government	7
- Reasons to Not Choose County Government	7
Option 5, Incorporation	9
- The Incorporation Process	9
- Steps Needed to Incorporate a Community	9
- Acts of Governance Needed after Incorporation	11
- Reasons to Prefer Self-Government by Incorporation	12
- Reasons Not to Choose Self-Government by Incorporation	13
WHAT CAN WE CONCLUDE?	14
RECOMMENDATIONS	15
APPENDIX A -- COMMUNITY MANAGEMENT OPTIONS PRESENTATION	
APPENDIX B -- MUNICIPAL INCORPORATION IN ARIZONA, PUBLICATION OF THE LEAGUE OF ARIZONA CITIES AND TOWNS	
APPENDIX C -- BUDGET PROPOSAL FOR SUN CITY WEST (INCORPORATED) FISCAL YEAR 1991 PRESENTATION	

EXECUTIVE SUMMARY
FOR THE REPORT OF THE GOVERNANCE COMMITTEE:
GOVERNANCE OF SUN CITY WEST AFTER DEL WEBB COMMUNITIES, INC.
COMPLETES ITS RESIDENTIAL CONSTRUCTION PROGRAM

The Governance Committee of the Sun City West Property Owners and Residents Association, Inc. (PCRA) was established in 1987 to lead a Special Joint Study Committee having broad representation of community agencies. The objectives of this Special Study Committee were:

- Study the pros and cons of all alternative forms of governance for Sun City West.
- Communicate the benefits and drawbacks of each form to all homeowners/residents.
- Have Sun City West homeowners/residents determine on a timely basis - the form of governance preferred by the majority.

This report completes the third phase of a study of Sun City West governance which began in the spring of 1985.

In the first phase, a subcommittee of the PCRA Planning Committee defined five options for community management after Del Webb Communities, Inc. left the community. These options were: Remain As-Is, Annexation, Special Legislative Districts, Merger of PCRA and the Recreation Centers of Sun City West, Inc. and Incorporation. The first phase report "Options Available for Sun City West after Devco", by Ernest J. Edison, concluded that Annexation and Special Legislative Districts should not be considered further. Study of the PCRA-Recreation Centers merger option was recommended and the Remain As-Is and Incorporation options were considered additional possible solutions.

It was concluded by a Special PCRA-Recreation Centers Joint Study Committee that the merger option was not feasible because of the difficulties of combining two completely different agencies. A memorandum report recommended that the Special Joint Study Committee be given new direction and broad representation of all interested community groups to study all alternatives for self-government again.

In phase one Annexation was ruled out because neither Surprise, the only incorporated community contiguous to us, nor our own residents would want to unite. Special Legislative Districts, under Arizona laws, are not allowed to exist for the purpose of providing a full range of municipal services. Police, street and highway maintenance and utility services cannot be provided by such districts. As already mentioned, Merger of PCRA and the Recreation Centers would require many difficult, divisive steps of unknown legality which have never been performed in the past.

Options now viable are Remain As-Is and Incorporation. The Special Study Committee set the ground-rule that residents want no more services than they receive at present and will replace by volunteer efforts any services not provided by the option being evaluated.

Remain As-Is really means to take no action to be self-governing, to accept any changes resulting from government by Maricopa County and to make up for loss of Del Webb Communities help by volunteer efforts. Change will be inevitable. Reasons for preferring this option and for not choosing County government instead of self-government are given in this report.

Incorporation was examined under these guidelines:

1. Incorporated Sun City West would be governed under a charter adopted by vote of the residents.
2. City services needed would be provided by entering into contracts with agencies qualified to provide them. Sun City West would be a "Contract City".
3. Only those services now provided by Maricopa County and Del Webb Communities, Inc. would become municipally-supported services. Residents would continue to pay for private services which they are paying for now.

The report considers The Incorporation Process, Steps Needed to Incorporate a Community, Acts of Governance Needed after Incorporation, Reasons to Prefer Self-Government by Incorporation and Reasons Not to Choose Self-Government by Incorporation.

CONCLUSIONS

Remain As-Is cannot produce the result it promises. Taking no action to control change won't prevent change.

Incorporation gives local control of change at the expense of being responsible for acting and risking doing something wrong.

Self-government by local residents is more likely to have our interests at heart than government by lawmakers and officials who live and work miles away from us.

Shared revenues and local fees and franchises will provide enough funds to give better control of planning, zoning, transportation, architecture and landscape, law enforcement, street and highway maintenance and lifestyle. New local taxes are not necessary.

BACKGROUND:

The report which follows completes the third phase of an activity which was initiated in the spring of 1985.

In the first phase, a subcommittee of the Sun City West Property Owners and Residents Association (PORA) Planning Committee was established to begin planning for the transition from control by the community developer, Del Webb Communities, Inc., to some other controlling body. The transition timing will be determined by the completion of the residential building component of the Sun City West Master Plan Update approved by the Maricopa County Board of Supervisors in November, 1984. The timeframe assumed for the transition is 1992 to 1994. This assumption is probably over-generous. Housing market conditions at present and current efforts to take over ownership of Del Webb Communities, Inc, make it possible that transition from the developer to another controlling body may be required on very short notice. The need to be prepared for transition on a crash basis is urgent. Preparation should be done now.

The first-phase Planning subcommittee defined five options for post-developer community control:

1. Remain As-Is, that is, be governed by the Maricopa County Board of Supervisors with liaison to the Supervisors through volunteer community organizations and individuals.
2. Seek annexation to an adjacent incorporated community.
3. Establish one or several special governmental districts, like the Sun City West Fire District or Street Lighting District, to provide all necessary government services.
4. Organize, by merger of PORA and the Recreation Centers of Sun City West, Inc., a single association with membership required of all homeowners and residents and having authority to provide needed government services.
5. Under the laws and procedures of the State of Arizona become an incorporated City with power of self-government by qualified electors.

These five options were carefully examined and findings were reported to the public in the report "Options Available for Sun City West after Devco" by Ernest J, Edison.

The second phase, initiated by motions of the Board of PORA and the Recreation Centers Advisory Board, was establishment of a Special Joint Study Committee to evaluate the potential for using Option 4 as the means of providing necessary governmental service to the community. Investigation by this Committee for more than a year led to a memorandum report in

Our residents should be asked to choose home rule, which we can control, instead of County rule, which will be increasingly difficult for us to influence as the County grows.

RECOMMENDATIONS

- The Governance Committee recommends to the FORA Board:
- that this report be presented to the membership,
 - that the membership be asked to vote to initiate a petition for an incorporation election,
 - and that the guidelines that Sun City West be a Charter, Contract City, providing only those services Maricopa County and Del Webb Communities now provide to supplement services residents already pay for directly, be included in the petition.

June, 1987 concluding that Option 4 was not viable and recommending that the Special Joint Study Committee be given new direction to provide for studies of all other alternatives for self-government and that Committee membership be expanded to include other community group representatives.

The report which follows gives the final results of the activities of this third phase Special Study Committee.

PHASE THREE SPECIAL STUDY COMMITTEE ACTIVITIES:

Purposes

The objectives of the Special Study Committee with broadened membership were defined as:

- Thorough study of the pros and cons of all alternative forms of governance for Sun City West.
- Communication of the benefits and drawbacks of each form to all homeowners/residents.
- Having Sun City West homeowners/residents determine - on a timely basis - the form of governance preferred by the majority.

Membership

The members of the Phase Three Special Study Committee were:
Larry McIntyre, PORA and Advisory Board, Chairman
Alice Bolster, AARP
Ernest Edison, PORA
Marshall Garth, PORA
Elaine McCraith, AAUW and PORA
Jack O'Connor, Advisory Board
Allen Powell, PORA
Bob Siegel, PORA
Al Spanjer, PORA
Phil Vision, PORA and Advisory Board

Planning Activities

The members listed organized as a Steering Committee to arrange and present a series of Seminars and Workshops so that the general public could become informed about the work and results of the two earlier phases of governance studies and introduce new questions and directions for further work.

Meetings with heads of community organizations were held in August and October, 1987 to get leadership reactions to the planned format and material for the Seminars and Workshops. Several public meetings were needed to cover all of the aspects of future governance. It was decided that the first meeting on October 29, 1987 would cover Options 1 through 4.

Later seminars and workshops would consider different aspects of Option 5, Incorporation, in hopes of answering concerns of residents.

In preparation for a December Seminar on the topic "Should Sun City West Incorporate?" the Steering Committee met with Les Merydith, President of Citizens for Self Government of Sun City and Tom Baudek, City Manager of Paradise Valley to expand knowledge about the process and results of incorporation.

The Should We Incorporate? Seminar included handouts and visual aids briefly reviewing Options 1 through 5 and recapitulating discussions of the October Workshops. These handouts and visual aids are included as Appendix A of this report.

It became obvious at this time that few residents were attending all of the Workshops and Seminars. At each one, questions and comments went back to items previously presented. Synopses of information once covered or omissions of such information, on the supposition that it had already been transferred to those in attendance, left the attendees confused or angry that they were not getting a complete picture of every Option considered by the Study Committee since its 1985 inception. In addition, the total number of persons who had attended any or all of our public meetings was an extremely small percentage of the total population of Sun City West. New audiences were also reached by invited presentations by Steering Committee members at scheduled meetings of clubs and other groups, but even these meetings did little to increase the percentage of informed persons among our population.

The Steering Committee decided at this time to organize into seven subcommittees and to man them with additional volunteers. Each subcommittee was to cover a single topic to provide input for this report. The topical assignments were:

- Communications
- Contract Services
- Environmental {Lifestyle}
- Financial
- Legal
- Planning
- Transportation

Five of these subcommittees did become active and provided information which is incorporated into this report. Brief reports from each subcommittee have been given to the residents at public meetings.

RESULTS OF OPTION INVESTIGATIONS:

Options Found Not Viable

In our first phase report Ernest Edison concluded that Option 2, Annexation, and Option 3, Special Districts, could not provide practical means of self-government for Sun City West.

Annexation is a process by which residents or property owners of an unincorporated area adjacent to a town or city can become integrated into that town or city. Both the unincorporated area residents and owners and the incorporated community governing body must have majority votes favoring the annexation. The annexation process is initiated in the unincorporated area by a petition signed by both the majority of property owners in number and a majority of property owners in assessed value of property being annexed. The petition, containing a legal description of the unincorporated property to be annexed with an enumeration of the properties in it by ownerships and by assessed values, is submitted to the governing body, the council, of the contiguous incorporated town or city. That council in turn must frame and adopt an ordinance accepting the petition and enabling the annexation. In usual circumstances, both parties have mutual interests in annexation. For the "Boot" area contiguous to northwest Phoenix, the most recent annexation at the time of this report, Boot residents wanted to have economical and more-effective fire, police and utility services from the City of Phoenix. The Phoenix City Council wanted the annexation for the additional revenue provided and for the future potential of additional annexations nearby.

In our case, annexation would have to be to the Town of Surprise which is now the only incorporated community contiguous to Sun City West. Surprise, by earlier annexations, effectively blocks any other town or city from accepting an annexation petition from our homeowners. There is no other ownership in numbers or in value which can exceed the vote of homeowners needed to present a petition to Surprise. Furthermore, it is extremely doubtful that the Surprise Town Council would vote to accept the petition of a community in which the number of registered voters is ten times as great as that of its own present roster of electors. It was concluded, therefore, that an annexation wanted by neither party should not be looked to as a possibility for future governance of Sun City West.

Special Legislative Districts were looked at in terms of having a single district with the ability to serve all municipal functions in Sun City West. Arizona law provides

for two kinds of Special Districts, Independent or Dependent, for narrowly defined purposes. Sun City West has a District of each kind.

The Sun City West Fire District is an Independent Special District, that is, it has many of the characteristics of an incorporated community. Resident electors of Sun City West vote for the Fire District Board members. The Board has the power to set the budget for both capital and operating expenses, it can and has purchased property, entered into an operating contract and controls operations through actions of the Board at open public meetings. Until this fiscal year it has been recipient of shared revenue support from Maricopa County. Unlike towns and cities its tax rate is set by the County Assessor, who also collects the taxes and disburses them to the Fire District.

The Sun City West Street Lighting District is a Dependent Special District, that is, it is a District of Maricopa County under control of the Board of Supervisors, established in order to supply a special service in a limited area, in this case, street lighting in Sun City West under a contract between the County and Arizona Public Service. The County Assessor determines the tax levy needed to provide the lighting service and collects it from the residents as a separate item on the County tax bill.

Under present Arizona law, Special Districts cannot be used to provide general municipal services which are available to unincorporated areas from the County. Among general municipal services, planning and zoning, utility services, highway and street construction and maintenance, law enforcement, clinics and hospitals, for example, may not be provided by independent special districts. These restrictions eliminate most of the things needed in Sun City West and led to the conclusion that use of special districts was an impractical option for Self-Government after Del Webb Communities, Inc. completes its residential building program.

The second phase Special Joint Study Committee examined in detail means by which Option 4, a Homeowners Association, might be organized to provide the community services being provided by the voluntary membership Sun City West Property Owners and Residents Association, the mandatory membership Recreation Centers of Sun City West And the private for-profit company, Del Webb Communities, Inc. It became evident that there is no specified legal procedure by which a voluntary membership association and a mandatory membership association can be merged. It would apparently require that each party adopt at separate membership meetings a common set of Articles of Incorporation and in addition each homeowner would have to agree to continue obligations under sales

contracts and covenants by filing appropriate legal documents with the County Clerk. It was further uncertain how covenants between Del Webb Communities, Inc. and commercial property owners would be transferred to a Homeowners Association.

Finally, the duties and responsibilities of the Association would require expanded support and staff, yet it could not carry out a number of important functions such as planning and zoning control, architectural control, determining police protection levels needed, having representation on intergovernment groups and reducing tax burdens on residents. Staff salaries would require an additional membership assessment of about \$20 to \$30 per home per year with no offsetting income from services provided.

The second phase joint special study committee recommended that further consideration of Option 4 be dropped and that an expanded committee having broader community membership look at all potential alternatives for future self-government.

OPTIONS NOW CONSIDERED FEASIBLE:

The third phase of this investigation of alternatives for self-government of Sun City West after the developer relinquishes control and support of the community found only one Option, 5, which would provide true self-government by the residents of Sun City West. The alternative remaining Option, 1, is not to remain as-is, but is to accept government by the Maricopa County Board of Supervisors under whatever rules and procedures that Board or any successor County-wide governing body may be required to enforce in the future.

In looking further at Options 1 and 5 it has been taken as a ground rule that residents are completely willing to accept the present level of County Highway Department and Sheriff's Department services and regulations from their future governing body. Residents are also assumed willing to replace Del Webb Communities services and funding with volunteer efforts if they cannot be funded by the government body chosen.

Remain As-Is

To truly Remain As-Is would impose two impossible conditions on our future in Sun City West.

- That there could be no future changes in the operations of Maricopa County which affect us.

- That Del Webb Communities, Inc. remain in Sun City West permanently, providing the subsidies, services and influence it has exercised, until the end of time.

We believe that no one actually expects no changes in our community in the future. Remain As-Is really means to take no action to be self-governing, to accept whatever changes come as a result of government by Maricopa County and to make up for the lost help of Del Webb Communities, Inc. by volunteer organizations and efforts. Change here will be inevitable.

Reasons to Prefer County Government

There are a number of reasons which are cited to choose County Government for Sun City West.

- Maricopa County provides known services which are acceptable. There is no need to have another layer of government to do the same things.
- An addition of a local government will cause taxes to go up. Revenue-sharing between the State and incorporated cities and towns can be withdrawn unilaterally and, besides, it is insufficient to support local government. Local property taxes will be required.
- Local government will lead to corrupt, self-serving political leaders and indifferent bureaucrats.
- There are positive, constructive, effective communications between community volunteer organizations and County officials.
- Volunteers substituted for paid employees within the community, such as the Posse and Prides, reduce our cost of government.
- County officials can be counted on for special attention to resolve problems here.
- Because our residents are very active in supporting the majority political party we can get State Legislators and County Supervisors to adopt laws and ordinances which we want when such action is necessary.
- In any case, County officials will consider what is best for us.
- Choosing not to change to local self-government will prevent changes in our lifestyle, such as loss of senior overlay zoning, loss of private control of the Recreation Centers and mandated public housing projects.
- Because Sun City West will be fully developed according to the Master Plan, we will have little reason to be concerned with zoning changes when Del Webb Communities, Inc. leaves the community.

Reasons to Not Choose County Government

There are also a number of reasons why County Government may not be the best choice for Sun City West.

- Maricopa County services to Sun City West cannot include

those now provided by Del Webb Communities, Inc. which we like, such as enforcement of our Master Plan, control of architectural uniformity, control of zoning to standards higher than the County Zoning Regulations permit, enforcement of signage controls more stringent than Zoning Regulations permit, special maintenance of common areas, extra street cleaning, maintenance of drainage canals, and funding of community events, for example.

- Revenue-sharing between the State and counties, cities and towns is an Arizona practice of many years standing. It might be changed by legislative action, but those legislators voting for change would have to expect violent reaction from voters living in incorporated communities.

- County Government can have corrupt, self-serving politicians and indifferent bureaucrats. In fact they are more likely in large government remote from the voter than in small local government.

- It is a fact that people volunteer to work under governments of cities as well as counties.

- In recent months State Legislators and County Supervisors have given us special attention we would prefer not to have. There is a general feeling that we are avoiding our fair share of the cost of government, that services intended for rural areas shouldn't go to affluent urbanized developed communities. Ways to make us pay extra are being found.

- Lifestyle can be better assured continuance by a local government that must try to respond to its own limited electorate than by a remote and probably unconcerned government in which we are a minority of a minority of the voters.

- When Del Webb Communities, Inc. completes residential building in accordance with its Master Plan there will be over 100 acres of undeveloped commercial land in the community. About 70 acres is in the heart of the city, the rest are two neighborhood shopping centers and scattered small corner sites. Rezoning requests or alternative permitted uses are certainly in our future. Are we better off with control in the County Administration Building than in one in Sun City West? Moreover, those of us who came here from aging communities are aware of redevelopment projects to get more money out of areas where governmental neglect of standards maintenance has led to deterioration of neighborhoods.

- The County Government you see now may not be the one you will get in the future. Two possible future government changes are to adopt County Home Rule or, less likely, to convert to Metropolitan Government. County Home Rule would make it possible that existing restrictions on special taxes to compensate for high service demands for non-rural communities in the County could be set aside.

Looking at the pros and cons just cited, it is difficult to

sense the basis for passionate resistance and the continual repetition of clearly false arguments by those residents who favor the option of remaining as-is. One surmise is that many people have a sense of freedom from restraints of government because it is remote from Sun City West and there is little evident intrusion into our lives. A second surmise is that absence of a local government responds to the feeling of retired people that their turn to be free of life's responsibilities has come.

Incorporation

Our fifth Option is to use the process which the State of Arizona has legislated and funded since Territorial days to allow areas where sufficient population and population density exist to become independent, self-governing cities or towns. Consideration by the Steering Committee led to the following guidelines for discussions of Incorporation with residents at public meetings.

1. Incorporated Sun City West would be governed under a charter adopted by vote of the residents.
2. City services needed would be provided by entering into contracts with agencies qualified to provide them. Sun City West would be a "Contract City".
3. Only those services now provided by Maricopa County and Del Webb Communities, Inc. would become municipally-supported services. Residents would continue to pay for private services which they are paying for now.

The Incorporation Process

As was mentioned above, the entire incorporation process is detailed in State law. A complete, detailed, authoritative presentation of all the facts about the process, in layman's language, has been published by the League of Arizona Cities and Towns. At our Committee meetings and public Workshops and Seminars this publication, "Municipal Incorporation in Arizona" was made available and many copies were picked up by residents. "Municipal Incorporation in Arizona" is included in its entirety in this report as Appendix B. The discussion which follows integrates the information obtained and organized by the subcommittees of the Governance Committee of FORA since January, 1988, as presented to our residents at public meetings.

Steps Needed to Incorporate a Community

1. The incorporation process would be started by the constitution of a Committee or Association of Sun City West

qualified electors organized for the purpose of carrying through that process. The Committee or Association would proceed to carry out all the steps which follow.

2. Prepare a petition with a map and legal description of the proposed incorporation boundaries. The petition, map and legal description should be submitted to the Head of the Maricopa County Registration and Election Department for review and unofficial approval. After any needed corrections, additions and clarifications the petition could then be submitted and given official approval, a process requiring about one week.

3. During the petition preparation process, discussions would be initiated with the governing officials of every incorporated community within six miles of the defined boundaries of Sun City West to obtain from them official resolutions of assent to incorporation of Sun City West. Resolutions of Assent will be required from El Mirage, Glendale, Peoria, Surprise and Youngtown in our case.

4. After petition approval, the Committee will have 180 days or less to obtain valid signatures of no less than ten (10) percent of the registered voters living within the area proposed for incorporation. The Resolutions of Assent must also be secured during the 180 day period in order to file them and the signed petitions with the Clerk of the Maricopa County Board of Supervisors for verification that a minimum number of valid signatures has been obtained. The Board is allowed up to 60 days to research, verify, accept and approve the petition.

5. In the event that there are valid signatures of two-thirds of the qualified electors of the petitioning area submitted on the petitions, it is mandatory for the Board of Supervisors to declare the community incorporated.

6. In the event that the petitions have less than two-thirds but more than ten percent of qualified elector signatures, the Board calls an election on the question of incorporation. The actual election must be held not later than 120 days after the filing of the petition. Only qualified electors living in the area proposed for incorporation may vote at the election.

7. If a majority of the qualified electors voting at the election favor incorporation, the Board of Supervisors must declare the community incorporated. If the community turns down incorporation, another election cannot be held for one year.

8. When the Board of Supervisors approves incorporation it

also appoints seven persons from the community to serve as the first city council. This appointed council must meet within twenty days to elect a mayor from its membership. The appointed council serves until a new council is elected in May following the incorporation.

9. The Arizona Constitution provides that an incorporated city of more than 3,500 population may become a CHARTER CITY. The objective of the CHARTER CITY designation is to give a greater degree of self-determination to residents. Sun City West should vote to become a CHARTER CITY. A petition signed by 25% of the qualified electors, as determined by the preceding municipal election, is required to hold a charter election at city expense. That election, to decide for or against having a charter, also elects a Board of Freeholders (property owners), if having a charter is favored. The Board of Freeholders must frame a charter within 90 days. The proposed charter must be ratified by a majority vote in another election and approved by signature of the Governor of Arizona.

Acts of Governance Needed after Incorporation

Until July 1 after incorporation, Maricopa County will continue to provide services to Sun City West. During that period a number of actions will have to be taken by the City Council.

1. The present Sun City West Master Plan Update of November, 1984 should be adopted as the City's Master Plan.
2. The Maricopa County Zoning Ordinances should also be adopted, subject to review and revision as needed to conform them to the Master Plan
3. Pending receipt of income due to incorporated cities under State laws, borrowing by warrants should be arranged if necessary.
4. A charter should be drawn up and adopted by a city-wide vote of electors.
5. Necessary administrative staff should be recruited and hired.
6. Necessary contracts for law enforcement and street and drainage canal maintenance services from Maricopa County should be drawn up and negotiated.
7. The Sun City West Property Owners and Residents Association should continue in operation as a voluntary membership association providing its present services to

residents of the community. Because it is a private corporation, the Recreation Centers of Sun City West, Inc. will be unaffected by incorporation.

8. Many services and subsidies from Del Webb Communities, Inc. to voluntary organizations of Sun City West such as the Posse, Prides, Community Fund grants and services such as enforcement of deed restrictions on commercial property, signage regulations, architectural design and landscaping control, promotional events to support resale of homes in the community and so on should be examined and action planned as needed.

9. As an incorporated city, our community will receive a share of State Lottery funds to support public transportation of our residents. Discussion of contract services with appropriate providers, the Regional Public Transportation Authority, El Mirage-Surprise Dial-a-Ride, Sun Cities Area Transit and taxi and van services should be undertaken to maximize cost-effectiveness for our residents.

10. An income and expense budget should be prepared and presented at public hearings prior to adoption in accordance with our city charter. As has been discussed already, this budget will deal only with providing and administering those services and subsidies now provided to Sun City West by Maricopa County and Del Webb Communities, Inc. It will govern city expenditures as of July 1 following incorporation.

Reasons to Prefer Self-Government by Incorporation

- Incorporation to become a Charter City operating by contract services will place those who legislate, enforce and administer our ordinances and services inside our community under our direct observation and influence instead of in downtown Phoenix and other locations scattered over Maricopa County. Our officials will be dependent on our votes alone. They cannot view us as less than one percent of the constituents who elect them and therefore of negligible importance.

- Planning, zoning, commercial deed restriction enforcement and architectural control can be to our present standards rather than to less-strict county ordinances. We can keep our present Master Plan instead of having it become ineffective as soon as the developer completes residential construction.

- Sun City West will have the possibility of protecting the community from adverse adjacent development through the annexation process.

- We ourselves, through self-government, can better protect our lifestyle than can remote authorities who have only vague knowledge of how we want to live in this community and who can ignore our wishes because they owe us practically nothing for their election or appointment.

- A very intensive study, by the PORA Finance subcommittee, of projected income and expense of incorporated Sun City West, Appendix C, shows that operation as a contract service, Charter City performing only the services now provided by Maricopa County and Del Webb Communities, Inc. will lead to building up a substantial reserve fund after all the bills have been paid each year.

Reasons Not to Choose Self-Government by Incorporation

The reasons which have been given previously for preferring County government are cited as reasons not to choose incorporation. Those reasons are summarized here and several more are added.

- Maricopa County gives known, acceptable services. Another layer of government isn't needed.

- Local government means higher taxes. Shared revenues can be withdrawn and are sure to be insufficient to support local government anyhow. Local property taxes will be required.

- Political leaders will be corrupt and self-serving, bureaucrats will be indifferent.

- Communications with County officials now are positive, constructive and effective.

- County officials give special attention to our problems.

- Volunteers (Posse, Prides) instead of paid employees reduce our cost of government.

- State Legislators and County Supervisors will act as we want because we are active supporters of the majority party.

- County officials choose to do what is best for us.

- Local self-government will change our lifestyle. We will lose senior overlay zoning, our Recreation Centers will have to be opened to the public, public housing projects will be mandated, our community will be opened to outsiders.

- We don't need zoning or architectural control because Sun City West will have been completed according to the Master Plan when Del Webb Communities, Inc. leaves.

- Accepting funding from the State means that the State will control us.
- An incorporated city will be more likely to be a target for liability suits than an unincorporated area.
- People who favor incorporation are only looking for soft political jobs for themselves.
- Now is perfect - why change?

What Can We Conclude?

Sun City West residents have a choice between two Options.

Option 1 cannot produce the result it promises and its supporters claim they expect, to Remain As-Is. There is absolutely no way that taking no action to better control change will prevent change from happening.

Option 5 can produce local control of change but is seen as carrying with it the baggage of responsibility for action and the risk of doing something wrong, thus making things worse instead of better.

Looked at dispassionately, self-government has a better chance of keeping Sun City West closer to As-Is than county government does, because it can do the things that the developer is now doing which make the As-Is of Sun City West. Who will better have our interests at heart, a council and administration within our city walls, elected by and responsible only to we residents of Sun City West or Legislators, Supervisors and administrators in offices miles away, elected by and responsible to millions of other people with wants and needs entirely different from ours?

The studies of the FORA Governance Committee have clearly shown that an incorporated Sun City West can be funded by shared revenue and local income from fees and franchises. They have shown that better control of planning, zoning, transportation, architecture and landscape, law enforcement, street maintenance and all the factors which make up our lifestyle can be achieved through self-government. On the down side, they have shown that a level of responsibility and restraint will have to be exercised which is greater than is now required of Sun City West residents!

Our conclusion is that home rule, which we can control, will be better for us than county rule, which will be increasingly difficult for us to influence. Our residents should be asked to make the choice.

Recommendations

The PORA Governance Committee recommends:

- That the PORA Board vote to have this report presented to its membership.
- That the membership should be asked to vote to initiate a petition for incorporation and to have an election on that issue.
- That Incorporated Sun City West be defined in the petition as subject to the following conditions:

1. Incorporated Sun City West would be governed under a charter adopted by vote of the residents.

2. City services needed would be provided by entering into contracts with agencies qualified to provide them. Sun City West would be a "Contract City".

3. Only those services now provided by Maricopa County and Del Webb Communities, Inc. would become municipally-supported services. Residents would continue to pay for private services which they are paying for now.

THESE ARE HEADINGS USED IN THE SLIDE PRESENTATION

COMMUNITY MANAGEMENT OPTIONS

APPENDIX A

- NO ACTION
- ANNEXATION
- SPECIAL DISTRICTS
- MEMBERSHIP ASS'N
- INCORPORATION

HOW IS PERFECT

ANY CHANGES

MODE

ISSUE

responsibility
expenses
utility rates

1

COMMUNITY MANAGEMENT OPTIONS

2

WHY CHANGE?

MORE

- Expenses
- Responsibility

less

- Quality Lifestyle

NOW IS PERFECT

3

- NO ACTION
- ANNEXATION
- SPECIAL DISTRICTS
- MEMBERSHIP ASS'N
- INCORPORATION

?

TAKE NO ACTION

1. CONTRACTED SERVICES REMAIN AS IS
2. VOLUNTARY SERVICES REMAIN AS IS
3. COMUNITY FURNITURE STAYS AS NOW
INSTALLED
4. COUNTY SERVICES CAN CHANGE
5. WEBB SERVICES GONE -- OR REPLACED AT
OUR EXPENSE
6. LIFESTYLE CANT STAY "AS-IS"

VOLUNTARY SERVICES REMAIN AS IS

PRIDES, POSSE, LENDING HANDS,
PORA, SERVICE CLUBS, ETC.

CONTRACTED SERVICES WE PAY
FOR WILL REMAIN

REC CENTER, GOLF COURSES,
BOWLING, TRASH PICKUP, SUNDOME
HOSPITAL, SHOPPING CENTERS,
UTILITIES, ETC.

FOR YOUR INFORMATION
OPTIONS CONSIDERED AND STUDIED IN DEPTH

A small committee made up of equal representation of the PORA and Recreation Center Board of Directors studied the available options to Sun City West residents after Del Webb leaves. After a year of research, their conclusions were made public last spring.

The options studied and conclusions reached were:

1. Do Nothing - continue as-is with PORA & Rec Centers.

This is possible, but would still require a number of changes because of the withdrawal of Webb's financial support, planning and leadership guidance.

2. Annexation by another incorporated city.

This is not an acceptable option in the foreseeable future of SCW.

3. Special legislative districts.

Not feasible under current Arizona laws.

4. Combination of PORA and the Recreation Centers.

An initial study indicated this was a possibility for SCW, but a more detailed study showed this was not a viable option.

5. Incorporation.

No conclusions reached other than this option is a possibility and needs more study and community input.

A Steering Committee and other community residents are continuing the study of Incorporation. Hopefully these workshops will bring in a large number of interested people who will become involved with us in seeking answers to all the questions and concerns.

If you have been involved in municipal government or know of others who have expertise in government fiscal operations, planning, zoning, deed restrictions, architectural control, public safety, city administration, maintenance operations, public transportation, health, welfare, education, and communications - please contact the PORA office at 584-4288 and volunteer your/their services.

WEBB SERVICES GONE --
OR REPLACED AT RESIDENT'S EXPENSE:

ZONING CONTROL, ARCHITECTURAL CONTROL,
REC CENTERS SUBSIDY, FREE USE OF
BUILDINGS AND SERVICES FOR COMMUNITY
PROJECTS - ARIZONA CLASSIC, CONCERTS IN
THE PARK, ARTS AND CRAFTS FAIR, HEALTH
AND FITNESS WEEK, FIREWORKS, BIRTHDAY
PARTY, GARAGE SALE, ETC.
(NO MORE FREE LUNCH)

COMMUNITY FURNITURE WILL REMAIN AS
INSTALLED

WE HAVE OUR:

STREETS, SIDEWALKS, WALLS, MEDIANS,
STORM DRAINAGE, SANITARY SEWERS,
TRAFFIC LIGHTS, STOP SIGNS, ETC.

BUT:

AGEING MAY MAKE CHANGES OR
REPLACEMENT UNAVOIDABLE!

COUNTY SERVICES CAN BE CHANGED --
THEY ARE CONTROLLED BY THE
BOARD OF SUPERVISORS

LAW ENFORCEMENT, COURTS, ZONING
CONTROL, STREET CLEANING AND
MAINTENANCE, DISASTER EMERGENCY
CONTROL, TRAFFIC SIGNS AND
SIGNALS, TAX ASSESSMENT AND COLLECTION
ETC.

ORGANIZATIONS CONTROLLING SUN CITY WEST

SCW FUNCTION	NOW	FUTURE OPTIONS		
		NO ACTION	OWNERS ASSN	INCORPORATION
PLANNING/ZONING	1. W 2. MC	MC	MC	R
RESIDENTIAL DEED RESTRICTIONS	PORA	PORA	PORA	R
COMMERCIAL DEED RESTRICTIONS	1. W 2. PORA	NONE	?	R
ARCHITECTURAL CONTROL	W	NONE	NONE	R
LAW ENFORCEMENT	MC	MC	MC	R
STREET/HIGHWAY MAINTENANCE	1. MC 2. W	MC	MC	R
STORM/WATER DRAINAGE	1. MC 2. W	MC	MC	R
STREET LIGHTS	MC/SD	MC/SD	MC/SD	R
FIRE PROTECTION	R/SD	R/SD	R/SD	R/SD
PARKS AND RECREATION	RC	RC	RC	RC

W = WEBB

MC = MARICOPA COUNTY

R = RESIDENTS

SD = SPECIAL DISTRICT

RC = RECREATION CENTERS

LIFESTYLE CANT STAY "AS-IS"

OUR LIFESTYLE NOW IS:

COMMUNITY APPEARANCE -- MASTER PLAN,
ZONING CONTROL, ARCHITECTURAL CONTROL
RESORT-TYPE RECREATION -- ALL
FACILITIES PLANNED AND PROVIDED
HOBBIES, CRAFTS, ARTS -- EVERYTHING
MADE AVAILABLE
ACTIVE AND PASSIVE ENTERTAINMENT --
LIBRARY, SUNDOME, SOCIAL HALL, CLUB
ROOMS, COMMUNITY AFFAIRS THROUGHOUT
THE YEAR
PEOPLE SHARING INTERESTS AND
ACTIVITIES -- EVERYTHING FOR EVERYONE
WHO WANTS TO BE A DOER

WHO WILL BE OUR BENEFACTOR AFTER
THE COMMUNITY IS BUILT-OUT?

FINANCIAL PROJECTIONS FOR AN INCORPORATED SUN CITY WEST

All figures are based on a population of 20,000 or about 75% of the population at buildout, when SCW will have 26,000 to 27,000 people.

SERVICE COSTS/TAXES

Living in an unincorporated community, SCW residents individually contract and pay for services that are included in the taxes of many incorporated cities and towns. Using actual costs of a typical homeowner, they are:

Water and Sewer	\$180
Parks/Recreation - Couple	178
Trash Removal - Quarterly	90

Included in Maricopa County taxes are payments for:

Fire Protection	56
Street Lights	40

Public Safety from the Sheriff's Office and road maintenance is paid for in Maricopa County taxes and provided by the county - SCW services cost the county \$758,712 last year.

This typical homeowner pays \$362 in Maricopa County taxes and is billed a total of \$810 in contract services and taxes. Those payments: taxes (\$362) and services (\$448) will remain the same whether or not Sun City West should incorporate. Neither he nor you will have any control over these costs.

REVENUES

Should Sun City West incorporate, the city would receive \$190.62 (actual '87 to incorporated cities) from the state for every resident.

The revenue figures below were prepared by The League of Arizona Cities and Towns in March 1987 and obtained from these various sources:

State sales and income tax based on 87-88 estimates of the Arizona Department of Revenue.

Highway User Revenue based on 87-88 estimates by the Arizona Department of Transportation.

Vehicle License Tax estimate based on actual collections.

Transportation Assistance Fund estimate based on sharing \$23 million - the maximum distributed to cities and towns by state law.

<u>REVENUE SOURCES</u>	<u>PER CAPITA</u>	<u>20,000 POPULATION</u>
Sales Tax	\$ 54.67	\$1,093,400
Income Tax	53.71	1,074,200
Highway User Revenue Fund	59.88	1,197,600
Vehicle License Tax	13.34	266,800
Local Transportation Assist.	<u>9.02</u>	<u>180,400</u>
Total	\$190.62	\$3,812,400

Other Revenue:

Franchises, building permits & licenses,
liquor licenses, traffic fines

Total	<u>50,320</u>
Total	\$3,862,720

RISK OF LIABILITY SUITS

RANK:

1. BARS (HIGH RISK)
2. LIQUOR STORES
3. CHILD CARE CENTERS
- *
8. DOCTORS
9. LAWYERS
- *
12. SMALL BUSINESSES
13. NON-PROFIT ENTITIES
- *
16. CITIES (LOWER RISK)
- *
19. FIRE DISTRICTS

SOURCES:

COLORADO INSURANCE COM.
INSURANCE INFO. INST.
NATL. ASSN. OF INS. COM.

FINANCIAL SLIDES - SCW INCORPORATION STUDY

FINANCIAL PROJECTIONS
INCORPORATED SUN CITY WEST
20,000

2.	Unincorporated		Incorporated
	\$180	Water and Sewer	\$180
	178	Parks/Recreation (couple)	178
	<u>90</u>	Trash Removal (quarterly)	<u>90</u>
	\$448		\$448

3.		TAXES	
	Unincorporated		Incorporated
	\$362		\$362
		Fire Protection	\$56
		Street Lights	40

4.		RETURNED TO SCW	
	Unincorporated		\$ 0.00
	Incorporated		190.62
		Pay/County - Household	362.04
		Receive/State - Couple	381.24

5.		REVENUE INFORMATION	
	1.	League of Arizona Cities	3/87
	2.	State Taxes/Revenue Dep't	87/88 est.
	3.	Highway User	87/88 est.
	4.	Vehicle License Tax	Actual
	5.	Transportation Assistance	Shared

6.		REVENUES	PER CAPITA
		State Sales Taxes	\$ 54.67
		State Income Tax	53.71
		Highway User Fund	59.88
		License Tax	13.34
		Transportation Assistance	<u>9.02</u>
		Total	\$190.62

7.		REVENUES	20,000 POP.
		State Sales Taxes	\$1,093,400
		State Income Tax	1,074,200
		Highway User Fund	1,197,600
		Vehicle License	266,800
		Transportation Assistance	<u>180,400</u>
		Total	\$3,812,400

8.		STATE REVENUE	\$3,812,400
		OTHER REVENUE	<u>50,320*</u>
		Total	\$3,862,720

* 1/8 County Revenue '86-Sun City

EXPENSES

The expenses for an incorporated Sun City West are taken from a League of Women Voters study conducted for Sun City in 1983. Those expenses have been multiplied by 4% and multiplied once again by four percent. To be sure that enough money has been allocated for expenses, the steering committee has not deducted any funds from the Sun City projections even though the projected 20,000 population figure for Sun City West is about 40% of the people living in our neighboring community.

Only the people can decide how much service, facilities, equipment and depth of personnel they want, but the study of a budget process must start somewhere. This model budget can be pared or expanded as the community chooses.

The only extra services that an incorporated Sun City West would need versus an unincorporated area are Public Safety and Road Maintenance and Rebuilding, both contracted from the county.

Public Safety \$ 815,000
Street Repair, Rebuilding 1,351,200

A Sheriff's vehicle covering SCW 24 hours a day, 365 days a year costs \$294,000. Maricopa County would be used for street repair. Sun City projections are used here, yet we only have about 65 percent of the area of SC - 14 square miles to 9 in Sun City West.

Other budget items: Facilities and Equipment

Initial Equipment \$ 25,000
Telephone Installation 1,800
Telephone Billings 5,400
Office Supplies 6,800
Printing, Copying 7,500
Insurance 200,000
Postage 4,400
City Hall/Court 78,000
Legal Services 72,000
Election 27,000
Association Memberships 8,500
Planning/Zoning 28,000
Total of Services/Facilities/Equipment \$2,621,900

Personnel (Salaries/Benefits)

City Manager \$ 52,000
Assistant Manager 41,000
City Clerk 22,000
Treasurer 42,000
Englineer 40,000
Magistrate 45,000
Clerical Staff 94,000
Mayor and Council - Expenses 38,000
Total \$ 374,000

\$2,995,900

REVENUE \$3,862,720
EXPENSES 2,995,900

RESERVE FUND \$ 866,820

EXPENSES

League Women Voters Study
For Sun City - 1982

Multipled by 42
Multipled by 42

ALL SERVICES PROVIDED
EXCEPT

PUBLIC SAFETY
STREET REPAIR/REBUILT

FACILITIES/EQUIPMENT

Initial Equipment \$15,000
Telephone 1,500
Office Supplies 8,500
Telephone Bill 2,500
Printing/Copying 1,500

FACILITIES/EQUIPMENT

Insurance
Postage
City Bail Bonds
Legal Services
Electricity
Asst's Wages
Printing/Printing

APPENDIX B

FACILITIES/EQUIPMENT/SERVICES

\$2,517,900

PERSONNEL/SALARIES/BENEFITS

City Manager 522,000
Asst. Manager 41,000
City Clerk 22,000
Treasurer 42,000

PERSONNEL/SALARIES/BENEFITS

Engineer 840,000
Magistrate 42,000
Clerical Staff 94,000
Mayor/Council Expenses 28,000

\$314,000

TOTAL EXPENSES

Sun City Projection

\$2,517,900
314,000
\$2,831,900

FACILITIES/EQUIPMENT

Total

INCOME VS EXPENSES

20,000

\$2,851,720
2,831,900

Income
Expenses

9.

EXPENSES

League Women Voters Study
For Sun City - 1983

Multiplied by 4%
Multiplied by 4%

10.

ALL SERVICES PROVIDED
EXCEPT

PUBLIC SAFETY: \$ 815,000
STREET REPAIR/REBUILD 1,351,200

11.

FACILITIES/EQUIPMENT

Initial Equipment \$25,000
Telephone 1,800
Office Supplies 6,800
Telephone Bill 5,400
Printing/Copying 7,500

12.

FACILITIES/EQUIPMENT

Insurance \$200,000
Postage 4,400
City Hall/Court 78,000
Legal Services 72,000
Election 27,000
Ass'n Memberships 8,500
Planning/Zoning 28,000

13.

FACILITIES/EQUIPMENT/SERVICES

\$2,621,900

14.

PERSONNEL/SALARIES/BENEFITS

City Manager \$52,000
Ass't Manager 41,000
City Clerk 22,000
Treasurer 42,000

15.

PERSONNEL/SALARIES/BENEFITS

Engineer \$40,000
Magistrate 45,000
Clerical Staff 94,000
Mayor/Council Expenses 38,000

\$374,000

16.

TOTAL EXPENSES
Sun City Projection

Facilities/Equipment \$2,621,900
Personnel 374,000
Total \$2,995,900

17.

INCOME VS EXPENSES
20,000

Income \$3,862,720
Expenses 2,995,900
Reserve Fund \$ 866,820

This is a booklet a copy of which is in the Master File.
The cover is as identified on the other side of this page.

Municipal

INCORPORATION

In Arizona



October, 1986

This is a copy of which is in the Header File.
The cover is as identified on the other side of this page.

APPENDIX C

Municipal

INCORPORATION

in Arizona



October 1880

THIS IS A BUDGET FOR SUN CITY WEST (INCORPORATED) BEGINNING IN JULY, 1990. THIS ASSUMES 18,500 "REC CARD" HOLDERS WHICH EQUATES TO 14,800 "FULL TIME" RESIDENTS.

("000" OMITTED)
FOR THE FISCAL YEAR
BEGINNING JULY 1, 1990

REVENUES:	GENERAL FUND	HIGHWAY AND STREET	TRANSPOR TATION PROJECTS
	-----	-----	-----
distributions from the state and the county:			
HIGHWAY USERS REVENUE			
#FUND-\$66.9		\$990	
#STATE SALES TAX-\$60.5	\$895		
#INCOME TAX-\$58.6	867		
#VEHICLE LICENSE-\$13.8	204		
#LOTTERY-\$8.6			\$127
from other sources			
FRANCHISE TAX	355		
BUILDING PERMITS	338		
LIQUOR LICENSES	13		
TRAFFIC FINES	12		
#BUSINESS LICENSES	8		
INTEREST FROM HWY RESERVE		14	
TOTAL REVENUE AVAILABLE #	\$2,692	\$1,004	\$127
EXPENSES:			
#STREETS		586	
LAW ENFORCEMENT	622		
BUILDING INSPECTION	253		
INSURANCE	140		
MAYOR & COUNCIL-EXPENSES	50		
SPECIAL EVENTS	57		
AUDITOR	12		
ELECTIONS	5		
ZONING & DEED RESTRICTIONS	18		
TRAVEL	10		
NEWS LINE	49		
TRANSPORTATION			131
# TOTAL	\$1,216	\$586	\$131

89
~~89~~ 1,933

SALARIES AND WAGES:

·CITY MANAGER	\$56,500
·ATTORNEY	54,000
·ACCOUNTANT	39,800

· ENGINEER	34,300	
· CITY CLERK	31,100	
MAGISTRATE	15,000	
SECRETARIES	105,500	
& CLERKS (5)		
FICA, PENSIONS	71,300	
ETC.		
TOTAL	\$407,500	\$408

GENERAL OFFICE EXPENSES:

RENT	\$70,600	
OFFICE SUPPL.	21,200	
JANITOR SERV.	13,900	
TELEPHONE	8,800	
PRINTING	8,100	
BOOKS AND EDUC	5,900	
POSTAGE	5,400	
EQPT RENTAL	600	
ELECT & WATER	6,000	
TOTAL	\$140,500	\$140

TOTAL EXPENSE BY CATEGORY #	\$1,764	\$586	\$131
PROVIDING SURPLUSES: #	928	418	0
	127	179	

NOTE: THERE ARE "GETTING STARTED" COSTS

TELEPHONE EQUIPMENT	\$6,000
CENSUS	50,000
FURNITURE & OFFICE EQPT	27,300
#SHORT TERM INTEREST	6,000
#COMPUTORS	50,000
# TOTAL	139,300

928
418
1,346

SO THE NET (CASH FLOW) SURPLUS #	\$789	+	119	=	97
			\$418	=	\$1,207

REVISED SEPTEMBER 22, 1988
RCGRAY