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June 9, 2017

Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

Re: Docket No. WS-00000A-17-0094

Arizona Corporation Commission

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Dear Chairman and Commissioners:

I am the Principal and Designated Broker of CRA, a real estate brokerage representing numerous development clients throughout Maricopa and Pinal Counties. We are concerned about recent developments pertaining to extensions of time for Certificates of Convenience and Necessity (CC&N).

Securing a water and wastewater utility provider for property is one of the many obligations a landowner must meet in order to secure the approvals and permitting necessary to make property developable. The development community relies upon CC&Ns, and any extensions of time for CC&Ns, as an integral part of maintaining in place the entitlements that make property developable, and the land value that goes along with it.

Impairment of existing CC&Ns in undeveloped areas would put any developer wishing to restart development back to square-one when it comes to securing water and wastewater utility service, and the subsequent entitlements. This would hamper economic development within the state by adding significant cost and time to secure the required CC&N approvals and subsequent permits, quite simply adding more regulation and red-tape to an already complicated and lengthy process. Additionally, it could result in significant litigation between buyers and sellers who purchased and sold property assuming the value of the CC&N and other entitlements were in place and would not need to be obtained a second time at significant cost; and potentially under new rules and regulations which may also alter the CC&N and entitlements themselves. Such litigation would also slow down and hamper economic development.

The Commission has previously implemented a common sense solution to the issue of CC&Ns covering undeveloped land, by granting multi-year extensions of time on compliance deadlines. I would urge the Commission to continue this practice.

Regards,

Michael Martindale