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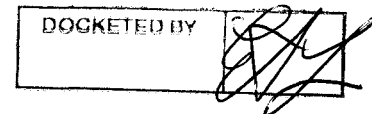
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September 8, 2015

Arizona Corporation Commission
DOCKETED

SEP 10 2015

Environmental Planning Group
4141 North 32nd Street, Suite 102
Phoenix, AZ 85018
Attention: Mickey Siegel, Project Manager

ORIGINAL

Re: SunZia Southwest Transmission Project
ACC Docket No. L-00000YY-15-0318-00171

Dear Mr. Siegel:

I am writing this letter on behalf of Robson Ranch Mountains, LLC ("Robson") in response to your August 12, 2015 letter concerning the SunZia Southwest Transmission Project. As I discussed with Tony De Luca of your company and as I explained in my letter dated August 13, 2012, to the Bureau of Land Management, New Mexico State Office, a portion of the BLM's preferred routing for the proposed SunZia Southwest Transmission Lines goes right through SaddleBrooke Ranch, which is a master planned active adult community. SaddleBrooke Ranch is located north of Oracle Junction in Pinal County, Arizona, between Arizona Highway 77 and Arizona State Highway 79. An aerial photo of the area at issue is attached. The BLM's proposed route in this area is part of the sub-route identified in the BLM's draft environmental impact statement for this project as sub-route 4C2c.

As the developer of SaddleBrooke Ranch, Robson has already invested tens of millions of dollars in the community. The SaddleBrooke Ranch property encompasses more than 2500 acres and upon build-out will include more than 5,000 homes. The vast majority of the SaddleBrooke Ranch property, including the portion of SaddleBrooke Ranch that the BLM-preferred route crosses, has been zoned, is subject to a planned area development overlay district, and is subject to a Phased Protected Development Right Plan with Pinal County.

SaddleBrooke Ranch currently includes, among other things, a sales and design center with 11 furnished models, an 18-hole championship golf course with putting green and driving range, an extensive pickleball complex with 24 courts, a fitness center and spa with over 40,000 square feet that include indoor and outdoor swimming pools, men's and women's hair salons, massage rooms, aerobics and yoga facilities, a learning center, a creative arts room, billiards, and lighted tennis courts. In addition, a Robson affiliate has invested millions of dollars to construct a wastewater treatment facility that treats raw sewage to drinking water standards for recharge to the aquifer and for golf course irrigation. Construction of a large clubhouse is imminent, as is a new Creative Arts Center. Land development work for these new amenities is underway, and vertical construction should begin within a few months. The master plan provides for additional amenities and facilities, including golf and homes, in the vicinity of the area that would be

traversed by the BLM-preferred SunZia route. And, of course, there are hundreds of people living in SaddleBrooke Ranch who have invested significant amounts in their homes for their retirement years.

The addition of two 500 kv transmission lines in the northerly portion of SaddleBrooke Ranch has the potential to significantly affect and impair future development of the project. We understand the general need for appropriate infrastructure to support future development and we support efforts to meet that need. Affiliates of Robson have cooperated fully in the past in the location of electric transmission lines through other Robson Resort Communities when necessary and where appropriate. This, however, is a different case. Without commenting on the vast majority of the BLM's preferred route, there are relatively small adjustments that could be made to the route in the vicinity of SaddleBrooke Ranch that would have significant and positive effects for SaddleBrooke Ranch and for Pinal County.

We understand that there are many considerations and interests the BLM must balance when choosing a route. However, the BLM appears not to have given sufficient consideration to the effect of its preferred route on the SaddleBrooke Ranch master plan, the huge investment being placed at risk by Robson in this project, and the employment considerations relating to SaddleBrooke Ranch. Because of our belief in the long-term potential of the SaddleBrooke Ranch location, as demonstrated by the success of the SaddleBrooke community, which is approximately 7 miles from SaddleBrooke Ranch, Robson made a huge investment in SaddleBrooke Ranch even as other homebuilders were closing shop. Studies performed in the past by the Center for Business Research at the Arizona State University College of Business and by the Center for Economic Development and Research at the University of North Texas have confirmed the tremendous economic benefits of a Robson Resort Community for the local economy. The study prepared by ASU in June, 2000 of the economic contributions of SaddleBrooke and SaddleBrooke Ranch estimates that the combined effects of spending for consumer goods and services by households in these two projects upon build-out and the ongoing operations of the homeowners' associations will generate \$1.9 billion in expenditures and \$1 billion in earnings *per year* in 1999 dollars, and support 27,500 jobs. This is in addition to all of the direct construction and other jobs during the course of development.

The zoning for the entire SaddleBrooke Ranch master plan is vested by virtue of the golf course, streets, infrastructure, amenities and homes already constructed in the community. Zoning vests for the entire master plan because a developer would never start a project as massive as SaddleBrooke Ranch without some assurance of the ability of completing it. For similar reasons, we believe it is incorrect to think of real property within the SaddleBrooke Ranch master plan as "undeveloped" in the same sense as the neighboring State land and agricultural land. Development has not yet reached the location of the BLM-preferred route in SaddleBrooke Ranch, but the location is part of a large and ongoing construction and development project in accordance with a master plan.

A relatively small adjustment in the routing in the vicinity of SaddleBrooke Ranch, taking the line to the north of SaddleBrooke Ranch before converging with the BLM-preferred route could have a tremendous economic effect, not only for Robson, but also for the County. An example of just one potential change that could have tremendous advantages is indicated in pink in the second attachment to this letter. This change would not have any effect on the route in the

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vicinity of the San Pedro River. This adjustment would affect only a very small portion of sub-route 4C2c, meaning that the vast majority of sub-route 4C2c could remain the same. We would appreciate the opportunity to work with the BLM, Pinal County and others to effect this minor modification. Of course, the SunZia-preferred route, as well as many sub-routes in Route Group 4, would avoid SaddleBrooke Ranch entirely.

Sincerely,



Peter M. Gerstman

cc: Edward J. Robson
Pinal County Board of Supervisors
Arizona Corporation Commission
Arizona Power Plant and Transmission Line Siting Committee



Google earth



