



MEMORANDUM

DRAFT

Date: June 29, 2000

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Canoa Ranch**

I. Background

On March 16, 2000, I forwarded a Canoa Ranch Conservation Proposal to the Board. The Board directed the County Attorney to perform a legal analysis and staff to apprise stakeholders of the conservation proposal. Such has occurred. The County Attorney, through development of a series of agreements with the landowner, can enforce the concepts outlined in the Canoa Ranch Conservation Proposal, specifically creation and funding of the Historic Canoa Ranch Endowment Fund and the subsequent purchase, donation, dedication, and preservation of 81 percent of Canoa Ranch in a natural state. The attached report further elaborates the conservation proposal, discusses the process to inform stakeholders and solicit viable alternatives, and provides a number of other documents related to the Canoa Ranch Conservation Proposal.

II. Public Hearing Processes, Comprehensive Plan Amendment, and Rezoning Not Altered

I have heard a number of comments related to the Canoa Ranch Conservation Proposal attempting to preempt the public hearing Comprehensive Plan Amendment and rezoning processes via settlement of litigation filed against Pima County by the landowner. The conservation proposal does not do this. What it does do is establish a basic framework wherein the owner would agree to a number of extraordinary conditions if the Comprehensive Plan Amendment and rezoning were approved by the Board. The legal documents discussed in the attached report related to settlement agreement, development agreement, and collection agreement, all put in place legally enforceable systems to ensure that the Canoa Ranch Conservation Proposal can be carried out over time and survive legal challenge. These documents do nothing to alter the present required public hearing process for a Comprehensive Plan Amendment and rezoning of the property to carry out the Canoa Ranch Conservation Proposal.

III. Preservation of Original Stated Values Associated with Canoa Ranch Development

Canoa Ranch development discussions have occurred since 1996. A number of development options have been proposed. Some have been approved and some have been rejected. Canoa Ranch is not a viable commercial cattle ranching operation and as long as the ranch is privately owned, some or all of the ranch will be developed in the future.

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It is appropriate to measure the present Canoa Ranch Conservation Proposal with the values most commonly stated by opponents to past development proposals and compare how well the conservation proposal matches and/or protects those values.

In order of importance, the most commonly stated values or reasons to oppose Canoa Ranch development were:

- Historic Ranch Preservation - All historic ranch structures are preserved and the endowment will ensure future protection, restoration and interpretation is permanently funded.
- Protection of Archaeological Resources - Almost all known archaeological and cultural features are protected for future interpretation. Any feature possibly disturbed by development will receive appropriate recovery and documentation prior to disturbance. A permanent archaeological and cultural trust can be established through the endowment fund.
- Open Space Preservation - 81 percent of the property remains as natural open space, and a full 86 percent remains unimpacted by residential or commercial buildings.
- Definition of Urban Boundary - The south and east urban boundary is defined for the upper Santa Cruz planning area.
- Light Pollution is Minimized - The Whipple Observatory of the Smithsonian Institute has no objection to the Canoa Ranch Conservation Proposal.

While there may have been other objections to Canoa Ranch development, these are the concerns most often stated. Important community values that would be lost through other development proposals are now retained. The Canoa Ranch Conservation Proposal maximizes the benefits of protecting these stated values with the least impact, allowing only 14 percent of the property to be developed, and creates open space on the balance of the property - 86 percent of Canoa Ranch, with a total of 81 percent remaining as natural open space.

IV. Canoa Ranch Conservation Proposal Sets Higher Standards for Future Development

A comparative analysis contained in the attached report indicates that the Canoa Ranch Conservation Proposal, if approved by the Board, would become the largest single natural open space contributing development ever approved in Pima County. Of 20 recent major land use proposals, the Canoa Ranch Conservation Proposal will result ultimately in 81 percent of the property being set aside as natural open space. The next largest natural open space set-aside for a major development is Sabino Springs at 26 percent. Therefore, the Canoa Ranch Conservation Proposal sets aside almost three times as much natural open space as Sabino Springs and five times more than Rocking K.

Financial exactions from major developments is also not a particularly new concept. What is new is actually collecting these exactions when agreed to. Also included in the attached report are the estimated fees and/or exactions received from the 20 developments studied. At \$50.7 million, Canoa Ranch fees and/or exactions are significantly higher than any other previously approved by the County. Rancho Vistoso, through the Bridge Financing Agreement with Pima County, was to have contributed \$27.6 million to Pima County for significant public infrastructure investment, primarily in bridges into the Ranch Vistoso area. However, these fees were negated when the property was annexed by the Town of Oro Valley. Very few fees were ever collected from Rancho Vistoso. The Starr Pass Resort agreement, at \$19.1 million, does have a development agreement and fee exaction that survives annexation. Almost all other development and/or impact fees identified with the other projects can be avoided simply through annexation. Therefore, developers do have the opportunity to escape previously agreed upon fees simply through annexation. This flaw has been corrected in the Canoa Ranch Conservation Proposal and will be corrected in all future rezonings since I will be recommending that the Board require, as a condition of rezoning approval, that a development agreement be entered into that is legally enforceable and all development impact fees and other fees agreed to by the developer be collected by the County, even if the property is subsequently annexed by another jurisdiction.

V. Taxpayer at Substantial Financial Risk Through Condemnation

Acquisition of Canoa Ranch absent the Canoa Ranch Conservation Proposal holds a great deal of risk for the taxpayer. A previous appraisal performed by Pima County obtained an estimated value of \$10.5 million. This appraisal is now several years old. The landowners recently (April 2000) obtained an appraisal that has a value in the range of \$12,000 per acre. A survey of 21 property sales in the area in 1999 and 2000 indicated that the range in value of Canoa Ranch comparable sales ranged from \$815 to \$10,400 per acre, with an average price per acre of \$5,205 for 21 sales.

Recent fair market transactions in May and June of this year on parcels of the same approximate size as a four acre Suburban Homestead (SH) lot indicate an average selling price of such lots at \$8,000 per acre. Clearly, following through on condemnation of Canoa Ranch places the taxpayers of Pima County at great financial risk. Given the changing market conditions for this property, as well as the available Canoa Ranch Conservation Proposal, I would recommend that the Board not condemn Canoa Ranch as originally proposed.

VI. Wildcat Development is Becoming a Realistic Alternative for the Owner

It has often been stated that Fairfield will not allow the property to be split into 38 acre parcels as is now allowed under State law. Those parcels can be subsequently split to the minimum existing Suburban Homestead (SH) zoning lot size of 4.1 acres. Given the high level of present restriction on development of the property, which through the Canoa Ranch Conservation Proposal would allow only 14 percent of the total property to be developed, the present owner could choose to have the property disposed of as quickly as possible for whatever return is

available. This method of disposal will undoubtedly lead to wildcat development, which has serious implications regarding the future property tax base for the school district and Pima County in general. The attached report also contains a comparative fiscal analysis on regulated versus unregulated development alternatives. Clearly, allowing unregulated or wildcat development on Canoa Ranch will essentially destroy the cultural and archaeological resources, result in almost no continuous open space being preserved, and will significantly undermine the tax base. The impacts of wildcat development need no further discussion. However, such is the most likely and yet undesirable development alternative for the property if this proposal is rejected.

VII. Refinement During Public Hearing Process

A number of other minor suggestions have been made such as one alternative that would combine the two commercial areas east of Interstate 19 to increase the buffer around the ranch. Another would perhaps lessen the size and extent of the recreational vehicle park development. All of these modifications would be considered minor adjustments to the existing conservation proposal and are the proper discussion for refinement through the public hearing process. It is possible for these issues to be addressed in the public hearing process, both before the Planning and Zoning Commission as well as the Board of Supervisors.

VIII. Recommendation

Based on the attached report I would recommend that the Board:

1. Refer to the Planning and Zoning Commission for public hearing a Comprehensive Plan Amendment that reflects the general nature of the Canoa Ranch Conservation Proposal.
2. Upon approval of the Comprehensive Plan Amendment, the Board also refer to the Planning and Zoning rezoning of those properties specifically identified in the Canoa Ranch proposal for those purposes so identified in the proposal.
3. Discontinue any effort to condemn the entire Canoa Ranch.
4. Direct the County Attorney to complete all necessary agreements to create legally enforceable agreements between the property owner and Pima County regarding the development, protection, and preservation of open space, and the creation of the Historic Canoa Ranch Endowment Fund.
5. Concurrently, with final rezoning approval by the Board, initiate those actions necessary to:
A) initiate the conservation proposal, which includes execution of the settlement agreement, development agreement, and collection agreement, B) establish the Historic Canoa Ranch Endowment Fund, C) accept the donation of 1,482 acres of the Santa Cruz River and Madera Wash, D) purchase approximately 1,200 acres of the 3,178 acres to be acquired by the County, and E) accept a conservation easement for the balance of property to be acquired.



Report, Comment, and Analysis of the Canoa Ranch Conservation Proposal

I. Background

On March 21, 2000, the Board directed the County Attorney to conduct a legal analysis of the Canoa Ranch Conservation proposal outlined in the March 16, 2000 memorandum entitled *Canoa Ranch Condemnation and Other Options* (Attachment 1). The Board also directed staff to arrange meetings for stakeholders so that interested parties could be briefed on the settlement and land use proposal and have an opportunity to present formal reactions and input to the proposal (Attachment 2). The County Attorney's Office has completed its review of the March 16, 2000 proposal and meetings were held to brief stakeholders (Attachment 3) and receive formal responses (Attachment 4). Specific responses to the contributions from stakeholders are found at Attachment 5. Articles and editorials about the Canoa Ranch Conservation Proposal and stakeholder meetings are found at Attachment 6. A summary of the Canoa Ranch Conservation Proposal from April 10, 2000 is found at Attachment 7, and an appraisal of the property is found at Attachment 8. This report provides a brief analysis of the legal and financial feasibility of the March 16, 2000 proposal, as well as a comparative analysis of (1) the conservation value, (2) the level of cultural resource protection, and (3) the fiscal impact of the proposal as measured against other development projects and against the various alternatives that might be exercised by the landowner. Finally, the memorandum outlines options for Board action, and it provides a description of the process that would be followed to carry out each of the various options.

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This land use proposal, if completed, marks a dramatically different view of future zoning and urban development practices in Pima County. The proposal places more mitigation and conservation burdens on the owner or developer and significantly less financial burden on future Pima County taxpayers than any development proposal approved in Pima County previously.

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II. Legal Issues and Enforceability

On November 16, 1999, staff was directed to prepare Resolutions of Condemnation for Canoa Ranch. Fairfield Homes, Inc., the property owner, then filed suit against Pima County for inverse eminent domain. In order to provide additional options for the Board, a settlement agreement was created in the form of the Canoa Ranch Conservation Proposal. The County Attorney's Office has reviewed the Proposal and developed legal processes to enforce the concepts found in the Canoa Ranch Conservation Proposal. Described in general terms below, these legal documents are the Canoa Ranch Settlement Agreement, the Canoa Ranch Development Agreement, and a Collection Agreement.

A. Review of Major Points of the Canoa Ranch Conservation Proposal The major points of the Canoa Ranch Conservation Proposal can be summarized as follows:

1. Land Use

- **Of the total 5,954 acres:**
 - 3,178 acres would be purchased by Pima County;
 - 1,482 acres would be donated to Pima County by the developer; and
 - 1,294 acres would be rezoned, with 158 of these acres dedicated to the County.

- **Of the 3,178 acres purchased by Pima County:**
 - 25 acres is the historic ranch property and buildings to be acquired at appraised value;
 - 3,153 acres is undeveloped property east of the freeway, acquired for \$5,000 per acre.

- **Of the 1,482 acres that would be donated to Pima County by the developer:**
 - 1,356 acres is Santa Cruz River floodplain land; and
 - 126 acres is Madera Wash floodplain land.

- **Of the 1,294 acres that would be rezoned:**
 - 158 acres of wash would be dedicated to Pima County as a condition of rezoning; and
 - 1,136 acres would be developed for residential, commercial, and golf course use.

- **Of the 158 acres of wash dedicated to Pima County as a condition of rezoning:**
 - 88 acres is the Escondito Wash on the west side of the Santa Cruz River; and
 - 70 acres is other wash and riparian areas on the west side of the river.

- **Of the 1,136 acres developed for residential, commercial and golf course use:**
 - 840 acres would be CR-5/GC to accommodate 2,000 units surrounded by a golf course;
 - 96 acres would be CB-2 and TR, creating a village center to the west of the river;
 - 100 acres would be CB-2, and 100 acres would be TH, also to the east of I-19.

This proposal would result in 81 percent, or 4,818 acres of the property, being committed to natural open space status. Factoring in open space created by the golf course and floodplains to be dedicated within proposed developed areas, over 5,100 acres, or approximately 86 percent of the landscape is not impacted by residential or commercial buildings.

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2. Funding In order to provide funding for Pima County to purchase 3,153 acres:

- A Historic Canoa Ranch Endowment Fund would be established to fund:
 - acquisition, protection and enhancement of property;
 - restoration, maintenance and operation of historic buildings; and
 - investigation and interpretation of archaeological features on acquired land.

- Funds would derived from the developed land through these means:
 - the developer pays a transportation impact fee of \$1,162.50 per residential unit;
 - the developer would agree to a fee of 2 percent on all commercial transactions;
 - the developer would agree to a 2 percent surcharge on each recreational space rental;
 - if groundwater is pumped to irrigate golf facilities, a \$100 per acre foot fee is assessed; until agreement is reached to construct a wastewater facility to use reclaimed water.

- Assumptions underlying the analysis of impact fees include:
 - the developer will close 200 units per year for the first ten years of the project;
 - impact fees of \$232,400 to \$232,500 per year will be generated for Pima County;
 - the total fee collected would be approximately \$2.3 million.

- Assumptions underlying the analysis of the commercial fee include:
 - annual commercial sales revenue will begin in year 3 at \$15 million and rise to \$131.6 million per year by the 25th year of the project;
 - annual revenue generated from golf will begin in year 2 at \$1.5 million and rise to \$8.6 million by per year the 25th year of the project;
 - annual revenue from the recreational vehicle/ resort area will begin in year 3 at \$.5 million, and rise to \$2.9 million per year by the 25th year of the project;
 - total annual sales revenue will begin at \$1.5 million in year 2, and rise to \$143 million per year by the 25th year of the project; and
 - the 2 percent fee that would go to Pima County from this aggregate revenue base would begin at \$30,000 in year 2, and rise to \$2.9 million by the 25th year of the project.

- Combining the projected benefit from impact and commercial fees, Pima County would:
 - collect \$232,500 in year 1 of the project, for a cumulative benefit of the same amount;
 - collect \$1.24 million in year 5, for a cumulative benefit by that time of \$3.3 million;
 - collect \$2.4 million in year 10, for a cumulative benefit by that time of \$13.1 million;
 - collect \$2.4 million in year 15, for a cumulative benefit by that time of \$24.4 million;
 - collect \$2.6 million in year 20, for a cumulative benefit by that time of \$36.9 million;
 - collect \$2.9 million in year 25, for a cumulative benefit by that time of \$50.7 million.
 - Even if all growth in revenue remains flat from the 9th to the 25th year of the project, an estimated cumulative benefit of \$42 million would be realized for Pima County.

As a fail safe to the fiscal projections the developer would agree to an additional fee equal to 1 percent of the value of each residential unit sold after year five, if the funding mechanisms described above do not generate \$12 million in the first 10 years for Pima County. If \$2 million in fees is not collected at the end of year four, the 1 percent residential fee would be implemented at the beginning of year 5 and remain in effect for the duration of the agreement.

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B. Legal Issues that were Reviewed

The County Attorney's Office reviewed the legal issues surrounding the funding aspects of the proposal, and the zoning process itself. Agreements that reflect three concepts are proposed to establish the terms of the Canoa Ranch Conservation Proposal between Pima County and the developer: a settlement agreement; a development agreement; and a collection agreement.

C. Concept of the Settlement Agreement

Under the concept of the settlement agreement:

- Pima County would initiate a comprehensive plan amendment and rezoning.
- The developer, as a condition precedent to the settlement agreement and development agreement, would be granted protected development rights by a phased protected development right plan.
- The County, as a condition precedent to the settlement agreement and development agreement, would acquire 4,818 acres of the subject property through purchase (3,178 acres), donation by the developer (1,482 acres), and dedication (158 acres).
- Upon signing of the development agreement, a down payment of \$6 million would be funded, the rezoning would be approved, and the lawsuit by filed by the developer would be dismissed with prejudice. Upon payment of the downpayment, property of this value will be transferred to Pima County from the 3,178 acres to be purchased.

D. Concept of the Development Agreement

- Pima County would purchase 3,153 acres for not more than \$5,000 per acre, subject to appraisal, and 25 acres including the historic ranch for fair market value.
- The developer would donate 1,356 acres of the Santa Cruz River and 126 acres of the Madera Wash to the Pima County Flood Control District. The donation would occur at the time rezoning approval is obtained from Pima County for the 1,294 acres to be rezoned.
- The Historic Canoa Ranch Endowment Fund would be created.
- Approximately 1,294 acres would be rezoned, and the developer would dedicate 158 acres to Pima County and retain and develop the remaining 1,136 acres.
- Pima County would initiate a comprehensive plan amendment and rezoning of the Fairfield Canoa Ranch with general terms for the proposed rezoning incorporated by reference, conduct all public hearings as required for the plan amendment and rezoning, and if approved, the Plan would reflect the understandings and restrictions found in the Canoa Ranch Conservation Proposal (Attachment 7) and allow calculations for native plant and hillside protection based on total acreage of project.

E. Concept of Collection Agreement

The collection and distribution of funds would be detailed. Terms would include:

- The Canoa Ranch Endowment Association, a non-profit corporation, would be created to act as the Endowment manager, to collect funds. The Board of Directors of the Association would contain at least two members of the Canoa Ranch Park Foundation described below.
- The County would establish a Canoa Ranch Park Foundation to receive funds. This Foundation would have a Board of Directors appointed by the Board of Supervisors.
- Enforcement of the endowment fund obligations would be strictly construed as contractually agreed upon, and obligations would be binding upon successors and assigns of the developer, and constitute covenants that run with the land.
- Every contract and lease involving property developed under these agreements would include the requirements of the Endowment Fund Fee.
- Annexation or incorporation of the area would not affect the collection of fees for the benefit of the fund.

III. Financial Feasibility

With only 19 percent of the property available for commercial and residential purposes, and given the alignment of incentives between the ability of the development project to generate revenue and the ability of the County to acquire natural open space with fees from that revenue, it becomes important to understand the source and percent contribution of each revenue stream.

A. Revenue Sources

1. West Side of I-19 Under the Canoa Ranch Conservation Proposal, there are two plan areas on the west side of I-19: a Residential and Golf Plan Area, and a Village Center Plan Area. The Residential and Golf Plan Area includes 840 acres, proposed for zoning of CR-5 and GC. The Village Center Plan Area includes 96 acres proposed for zoning of CB-2, TR, and GC.

- **Revenue from residential land use:** Funds generated from a \$1,162 impact fee on each of the 2,000 residential units would create an estimated \$232,500 per year for Pima County for the first ten years of the project. This assumes that 200 units will be closed each year. The total benefit to Pima County would be on the order of **\$2,325,000**.
- **Revenue from golf course land use:** Funds generated from a 2 percent fee on golf course revenue range from \$30,000 in year two, to \$62,424 in year five, to \$128,669 in year ten, to \$173,171 in year twenty-five. The total benefit in fees to Pima County would be on the order of **\$3,019,083**.

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- Revenue from commercial land use to the west of I-19: Fifty-three acres within the Village Center Plan area would be zoned CB-2 under the proposal. This is about 1/3 of the land that would be zoned CB-2. Assuming that 1/3 of the projected commercial revenue came from this node, then the total benefit to Pima County in fees would be on the order of \$14.8 million.

2. East Side of I-19. Under the Canoa Ranch Conservation Proposal, there are two plan areas on the east side of I-19: an Recreational Vehicle Resort Plan Area, and an I-19 Interchange Commercial Plan Area. The Recreational Vehicle Resort Plan Area includes 100 acres, proposed for zoning of TH. The Commercial Plan Area includes 100 acres proposed for CB-2.

- Revenue from recreational vehicle/resort land use: Funds generated from a two percent fee on each of the 800 recreational vehicle units would begin in the third year of the project. The total benefit to Pima County over the 25 year time horizon of the Canoa Ranch Conservation Proposal would be on the order of \$1,031,895.
- Revenue from commercial land use to the east of I-19: One hundred acres within the I-19 Interchange Commercial Plan Area would be zoned CB-2 under the proposal. This is about 2/3 of the land that would be zoned CB-2. Assuming that 2/3 of the projected commercial revenue came from this area, then the total benefit to Pima County in fees would be on the order of \$29.5 million.

B. Analysis of Land Use and Fiscal Benefit under the Conservation Proposal

Exclusive of any property tax benefits that would result for Pima County or other taxing jurisdictions such as the Sahuarita Unified School District, from the Canoa project, these benefits would result from the various land uses under the Proposal:

- 196 acres of CB-2 and TR would result in fees to Pima County of \$44.3 million.
- 840 acres of CR-5 and GC would result in impact and commercial fees of \$5.3 million.
- 100 acres of TH would result in fees of \$1 million.

Viewed another way, before property tax benefits, under the Canoa Ranch Conservation Proposal:

- CB-2 and TR land uses generate \$225,993 per acre for Pima County
- CR-5 and GC land uses generate \$6,362 per acre for Pima County
- TH land use generates \$10,319 per acre for Pima County.

The recreational vehicle/ resort land use will generate more revenue than residential uses. Commercial uses generate over 21 times the recreational vehicle use, and over 35 times the residential uses. These uses are interdependent, however. Residential and recreational uses create the volume that sustains the commercial use. Finally, it should be noted that the average acre of developed land in the proposal will generate \$44,542 for the Canoa Ranch Conservation Proposal, before any measure is made of the property tax benefit. The near \$45,000 per acre benefit of 19 percent of the landscape will create the conservation opportunities (acquisition, restoration, maintenance, and interpretation) on the remaining 81 percent.

C. Summary of Land Use Source for Historic Canoa Ranch Endowment Fund

| CANOA RANCH CONSERVATION PROPOSAL -- FEE BENEFIT TO PIMA COUNTY BY LAND USE TYPE (25 YEAR TOTAL) | | | |
|---|-----------------------------------|----------------------------------|-------------------------|
| TYPE OF LAND USE | TOTAL ACRES | REVENUE GENERATED | REVENUE PER ACRE |
| CB-2, TR (General business;transitional) | 196 acres (3.3% of landscape) | \$44.3 million (88% of total) | \$225,993 per acre |
| TH (Recreational Vehicle/ Resort) | 100 acres (1.7% of landscape) | \$1 million (2% of total) | \$10,319 per acre |
| CR-5, GC (Residential; golf course) | 840 acres (14% of landscape) | \$5.3 million (10% of total) | \$6,362 per acre |
| Average of developed land | 1,136 acres (19% of landscape) | \$50.6 million | \$44,542 per acre |

D. Risk of Loss Shifts to Developer

If the funding mechanisms described above do not generate \$12 million in the first 10 years for Pima County, then under the Canoa Ranch Conservation Proposal, the developer would agree to an additional fee equal to 1 percent of the value of each residential unit sold after year five. It is estimated that 1000 units will be sold in years six through ten of the project. This provision could provide an estimated \$2.5 million in fees for the County.

Taxpayer risk is further reduced by having the developer execute a conservation easement over those lands scheduled to be purchased (3,153 acres) when the necessary comprehensive plan and zoning amendments are approved by the Board. This would assure the land remains in open space if the developer were to default or the project fails to generate sufficient revenues to purchase the lands identified for acquisition.

In addition, for the initial payment of \$6 million by the County lands, identified by the County equal to this value would be transferred to the County in fee simple (approximately 1,200 acres).

Finally, those initial monies in excess of bond funds identified for Canoa Ranch, \$2.5 million (\$6 million less \$3.5 million), are to be paid back first from the Historic Canoa Ranch Endowment Fund. As a final safeguard to ensure that sufficient funds are available to accomplish the purposes of the Historic Canoa Ranch Endowment fund, the 25 year time period of the fund would not begin until the fund has accumulated \$1 million.

E. Taxpayer Risk for Purchase of Canoa Ranch Open Space

As a point of comparison, the acquisition of land from the owner in the absence of this kind of cooperation holds a great deal of risk for the taxpayer. A previous appraisal performed by Pima County obtained an estimated value of \$10.5 million. The landowners appraisal obtained an approximate value of \$36 million. Value in the \$12,000 per acre range was obtained by an April 15, 2000 appraisal by Bruce Greenberg, Inc. (Attachment 8), assuming the sale of 4.13 acre RH parcels divided by lot splitting. At \$12,000 per acre, this value per acre amount almost doubles the value of acreage for parcels in nearby Elephant Head, as reflected by County records, but the \$12,000 per acre estimate obtained by Mr. Greenberg is below the average full cash value for an average acre of unplatted land in the urbanizing areas of Pima County, which according to County records is around \$14,839.

A survey performed by County staff of recent lot sales in the vicinity of Canoa Ranch found a range of per acre prices from \$815 to \$10,400, with an average price per acre of \$5,205 for 21 sales.

Stated simply, the original County appraisal of \$10.5 million is likely to be low. The landowner has agreed to sell Pima County property at \$5,000 per acre, which precludes the risk of incurring costs at two or three times this rate through the appraisal process. In addition, the funding to purchase this land is also generated by the Canoa Ranch Conservation Proposal. This option creates the lowest risk to the taxpayer.

IV. Comparative Fiscal Analysis -- Unregulated Development versus Regulated Alternatives

The previous section of this report described how the Canoa Ranch Conservation Proposal aligns the economic incentives of the developer with the County's goals for open space and historic preservation. A set of interdependent land uses that provide a mix of residential, commercial and recreation uses, combine to allow a development footprint of less than one-fifth of the project area to fund the acquisition and protection of the remaining four-fifths of the 5,954 acre landscape.

This section of the report will discuss the consequences of failure to reach some agreement through the regulated development process that is in the best interest of both the developer and the County.

Much has been written about the negative consequences of wildcat subdividing on natural, cultural, and fiscal resources. Much has been stated about not allowing development on Canoa Ranch -- with some suggesting that the County should refuse to allow any development and that alternatives are available. If reasonable development alternatives are not approved the property will undoubtedly become wildcat development.

A brief analysis is provided of the comparative impact of allowing the Canoa Ranch area to be developed in an unregulated way as opposed to the regulated alternative presented by the Canoa Ranch Conservation Proposal.

A. Impact of Alternatives on Available Open Space

1. Natural Open Space

Regulated alternative: Under the Canoa Ranch Conservation Proposal, 4,818 acres or 81 percent of the entire 5,954 acre property would remain natural open space. The open space commitment is reached in the following way:

- 1356 acres of the Santa Cruz River is donated
- 126 acres of the Madera Wash is donated
- 88 acres of the Escondito Wash is dedicated as a condition of rezoning
- 70 acres of other washes on the west side of I-19 are dedicated
- 3,178 acres are purchased by Pima County, including 25 acres of the historic ranch
- 4,818 acres total are committed to natural open space

Unregulated alternative: Under the alternative of unregulated development, there is no way to ensure that any acreage would be reserved as natural open space. The current RH zoning would lead to a development footprint that covers the entire property. Under existing codes over half of the property could be completely graded with removal of significant natural resources. Therefore, as opposed to a scenario that balances clustering with open space within the project area, the unregulated alternative would split out the entire 5,954 acres.

2. Functional Open Space

RH zoning allows up to 66 percent of the lot to be graded, so the maximum functional open space that could be assured under the unregulated alternative would be 34 percent. This does not compare favorably with the 86 percent combined natural and functional open space alternative offered by the Canoa Ranch Conservation Proposal.

B. Impact of Alternatives on Cultural Resources

Regulated alternative: Under the regulated development alternative, a cultural resources management plan would be in place to provide a strategy for protecting and mitigating impacts to cultural resources. Federal, state and county regulations guide regulated projects by professional standards. The Canoa Ranch Conservation Proposal includes this level of protection and goes far beyond. By avoiding all impact to the area east of the Santa Cruz River, the highest resource value lands will be protected. The historic ranch site itself will be protected. And funding will be provided to restore, maintain, and interpret these resources.

Unregulated alternative: Under the unregulated development alternative, there is no point of control for cultural resource protection except in the extreme case where State law is triggered only when human remains are found. In this case, consultation within 10 days and repatriation of remains at government expense will take place.

C. Impact of Alternatives on Natural Resources

Regulated alternative: Under the regulated development alternative, the project receives federal attention through Clean Water Act permitting, which must be issued in compliance with Endangered Species Act considerations. The project area itself has been evaluated by agency and private sector biologists. As is the case with cultural resource protection, the Canoa Ranch Conservation Proposal includes regulatory standards and goes far beyond those by leaving 81 percent of the highest resource land in the project area untouched by development.

Unregulated alternative: Under the unregulated development alternative, there is no federal nexus to ensure endangered species compliance, and in fact aerial photography of the wildcat subdivisions that surround the Canoa project area demonstrate that the major and minor washes and riparian areas are encroached upon and dissected by residents of unregulated development areas.

D. Impact of Alternatives on Fiscal Resources

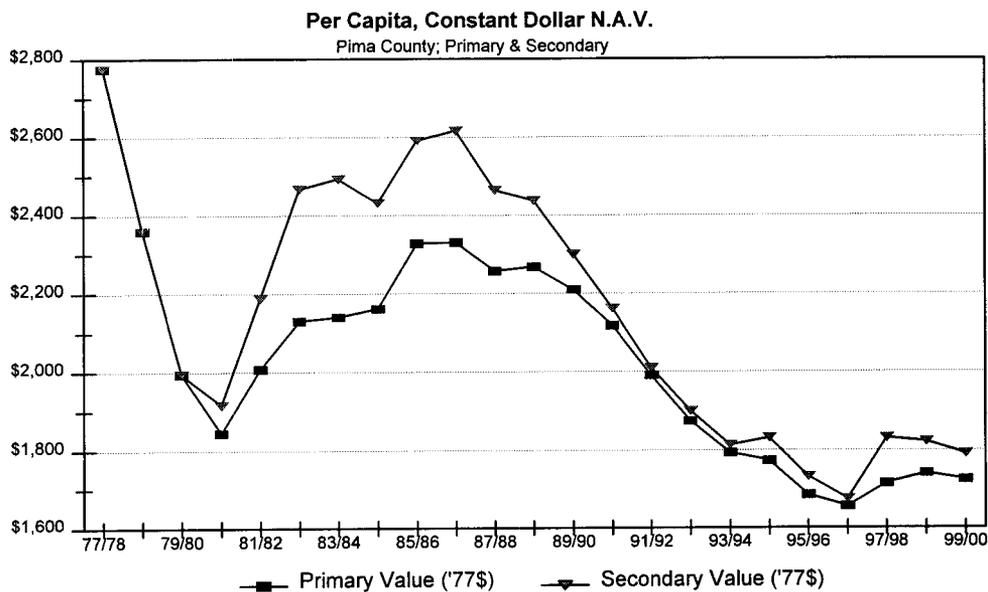
Regulated alternative: Under the regulated development alternative, the project is subject to development guidelines that require infrastructure investments by the developer, not at taxpayers expense, that ultimately benefit the tax base. In general, platted development in Green Valley achieves some of the highest full cash value per acre averages of anywhere in Eastern Pima County. A platted acre of land in Green Valley averages \$213,191 per acre, which surpasses the Catalina Foothills average of \$190,407. This is true because Green Valley supports a market for mixed use development that is typically not found in other urbanizing areas. In addition, the demographics of Green Valley residents create a lower demand for services than is found in densely developed areas of Northwest Tucson. The Canoa Ranch Conservation Proposal includes infrastructure built to County standards, but the roads will remain in private ownership, eliminating that service demand on the County. The Proposed development is also age restricted, which is a predictor of a lower service demand, particularly for school districts, which get the benefit of an increased tax base but have no children to educate as a result of an age-restricted development.

Unregulated alternative: Under the unregulated development alternative, the absence of regulatory standards creates an infrastructure deficit that permanently undervalues the tax base. Wildcat areas also accommodate population growth, and so a service demand is created for government services. Prior studies have indicated that an infrastructure deficit on the order of \$35 to \$55 million per year is accumulating given the pace of wildcat development. A regional comparison shows that within the urbanizing portions of Pima County, which contain the highest percentage of land that has been developed, the full cash value of an acre of land that has not gone through the regulated process is \$14,839, while the full cash value of regulated development in the urbanizing areas is \$193,458, more than 13 times greater.

| REGIONAL COMPARISON OF VALUE OF PLATTED AND UNPLATTED LAND | | |
|---|--|--|
| Land Unit within Pima County | Unplatted -- Full Cash Value Per Acre | Platted -- Full Cash Value Per Acre |
| All of Pima County (5,808,337 acres) | \$1,515 | \$ 154,802 |
| Eastern Pima County (2,443,144 acres) | \$ 3,560 | \$ 159,011 |
| Urbanizing Areas of Pima County (468,089 acres) | \$14,839 | \$ 193,458 |
| Green Valley Area | \$4,390 | \$213,191 |

The basic reason for this disparity is that unregulated development offers little in the way of sewers and roads, and the major housing type in unregulated areas has a valuation method which assumes depreciation over time, but improvements account for most of the tax base. While only 164,670 acres within the 5.9 million acre land base of Pima County have gone through the regulated process, the improved full cash value of Pima County accounts for 64 percent of its total value.

Reflected in the chart below is the fact that there has been a dramatic fall in the per capita, constant dollar value of the tax base. Since 1977-78 there has been a 38 percent drop in the primary property tax value and a 36 percent drop in secondary value. To compensate, the tax rate is increased with regulated development subsidizing unregulated development.



Canoa Ranch Conservation Proposal

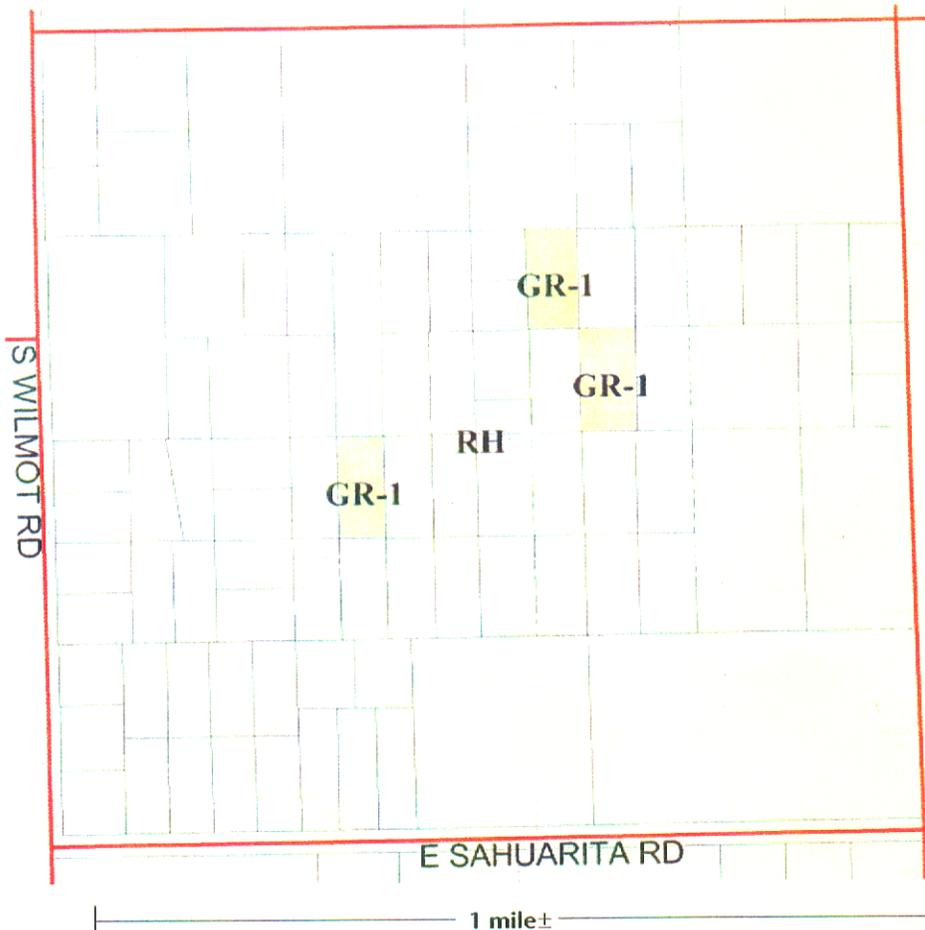
June 29, 2000

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Regulated Versus Unregulated Development in Green Valley -- Actual Taxes Paid

The chart below compares and contrasts unregulated and regulated land uses to show the various fiscal consequences that could result from the Canoa land use decision. Two unregulated areas in the vicinity of Green Valley are described, including Elephant Head, which abuts the Canoa land base. Four mixed use sections of Green Valley are also described. And finally, a section of land from Tucson is shown for comparison, since it has elements in common with the Canoa Ranch Conservation Proposal, such as residential densities, commercial, and golf course uses. Increased density and mixed use in the regulated areas increases the tax base benefit, but as the maps and aerials of these sections show, clustered development with greater functional open space areas can have the highest benefit to the tax base.

| COMPARISON OF TAXES PAID BY REGULATED AND UNREGULATED SECTIONS OF LAND IN GREEN VALLEY AND IN A TUCSON DEVELOPMENT AREA SIMILAR TO THE PROJECT PROPOSED IN THE CANOA RANCH CONSERVATION PROPOSAL | | | |
|---|---------------------------------|------------------------------------|---|
| Section of Land and Land Uses | Full Cash Value Per Acre | Total Taxes Paid by Section | Tax Value of Land -- Expressed by Revenue per Acre |
| Sahuarita Road Unregulated development GR-1, RH | \$4,709 | \$18,033 | \$26 / acre |
| Elephant Head, Dove Way Unregulated development RH | \$6,464 | \$19,546 | \$30 / acre |
| Continental Rd. and I-19 Regulated, low density CR-2, SH, CR-1, CR-3, CB, TR | \$108,622 | \$541,624 | \$841 / acre |
| San Ignacio and I-19 Regulated, mixed use urban CR-2&3, SH, TH, CMH-1, CB TR | \$167,137 | \$681,426 | \$1,070 / acre |
| Esperanza Blvd. and I-19 Regulated, med-intensity urban CR-3&4, CB-2, TR, RH | \$169,056 | \$716,756 | \$1,100 / acre |
| South of Esperanza Blvd. and I-19 Regulated, urban mixed CR-3&5, CB-1&2, TR, RH | \$237,705 | \$927,100 | \$1,440 / acre |
| La Paloma Regulated, residential and GC CR-4&5, CR-1, CB-1, TR | \$250,329 | \$1,349,984 | \$2,174 / acre |



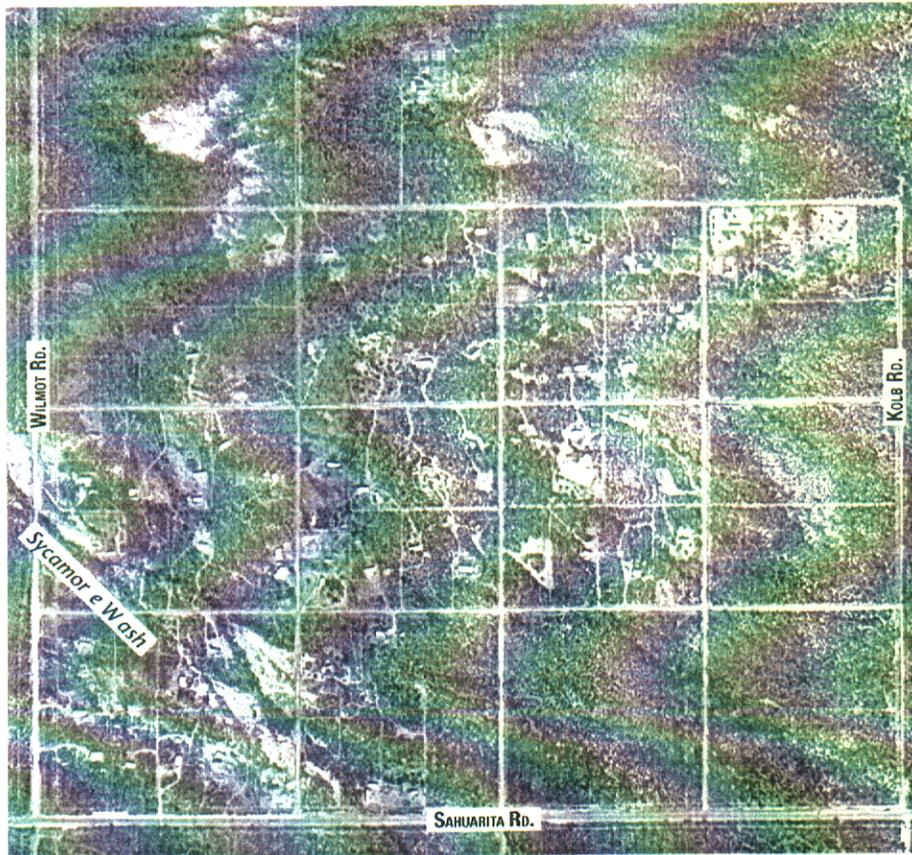
FULL CASH VALUE/
ACRE = \$4,709
(URBAN AV = \$61,250)

TOTAL TAXES PAID BY
SECTION = \$18,033

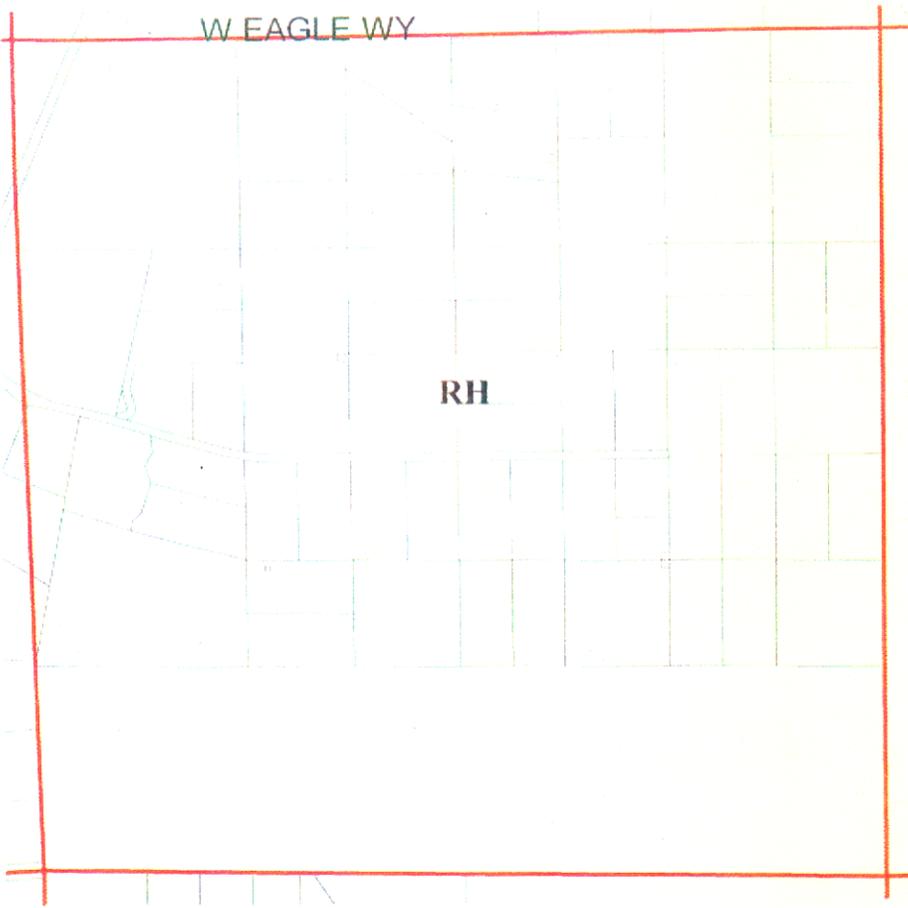
REVENUE/ACRE = \$26
(URBAN AV = \$410)



1" = 1200 ±'



Rural
Upper Santa Cruz
T17S R15E Section 07



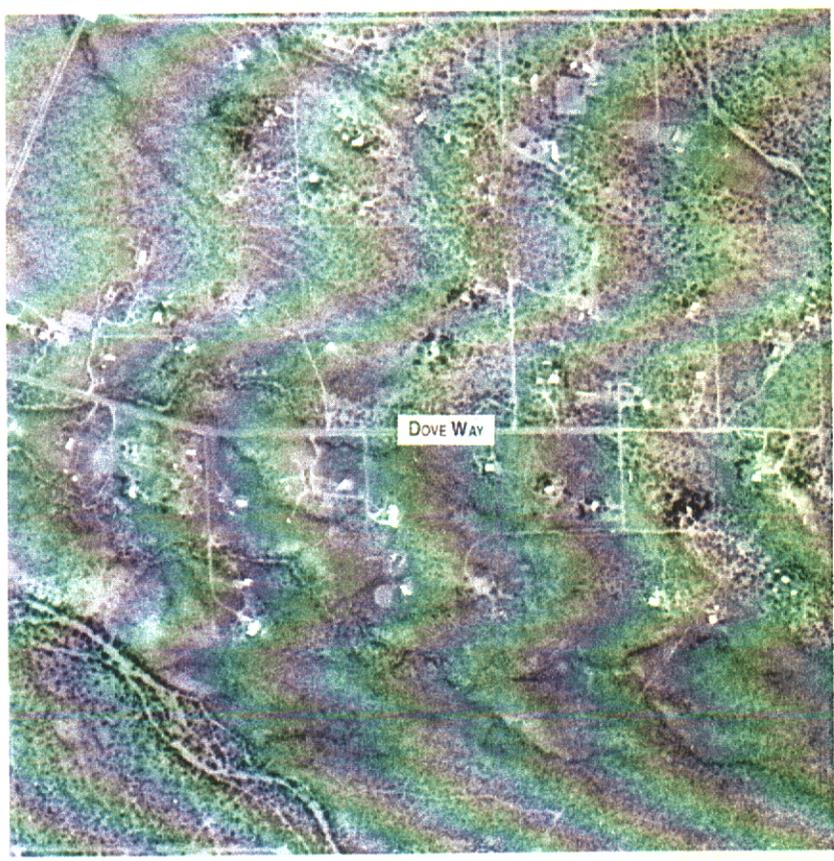
FULL CASH VALUE/
 ACRE = \$6,464
 (URBAN AV = \$61,250)

TOTAL TAXES PAID BY
 SECTION = \$19,546

REVENUE/ACRE = \$30
 (URBAN AV = \$410)

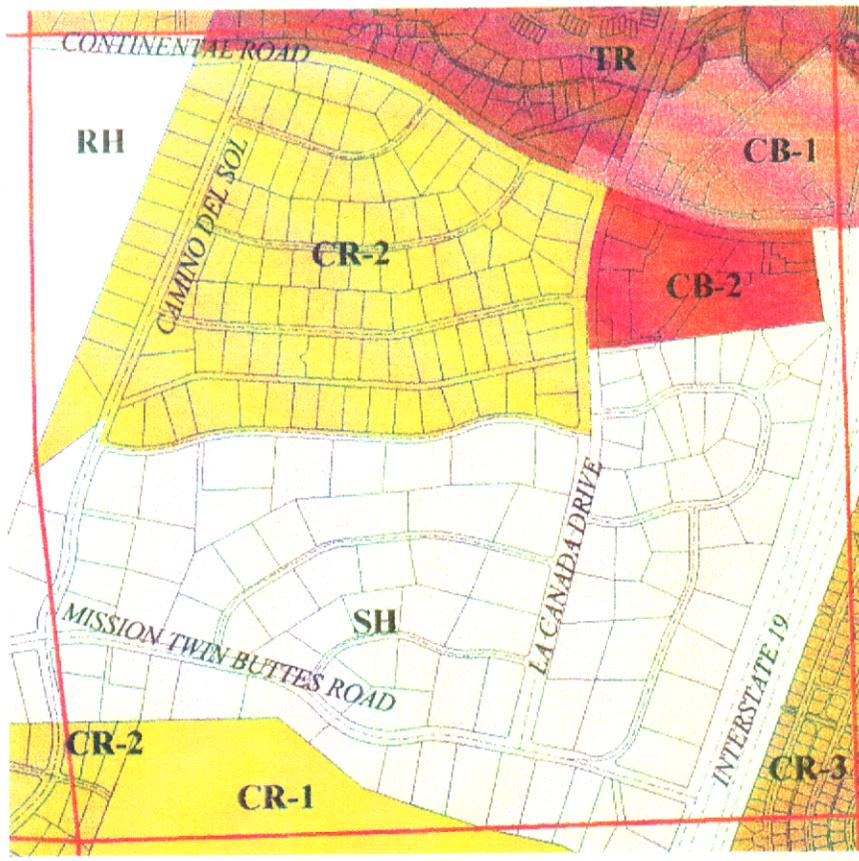


1" = 1200 ±'



LANDISCOR Aerial Photo 3/99

**Rural Community
 Upper Santa Cruz
 T19S R13E Section 27**



FULL CASH VALUE/
ACRE = \$108,622
(URBAN AV = \$61,250)

TOTAL TAXES PAID BY
SECTION = \$541,624

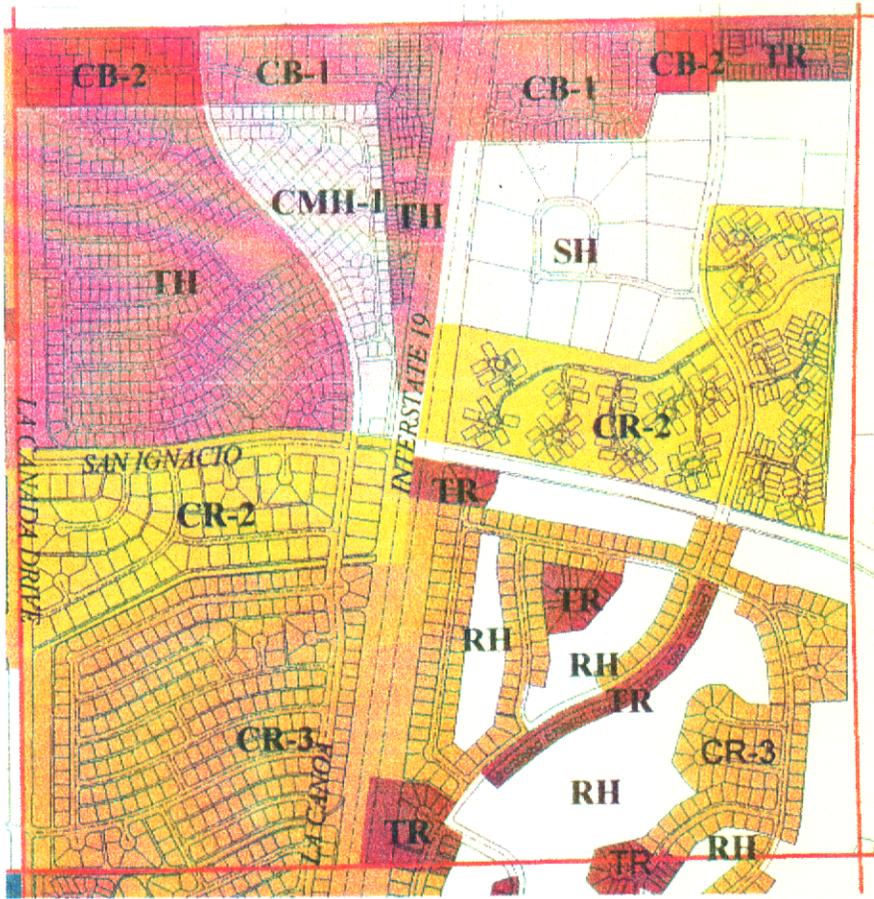
REVENUE/ACRE = \$841
(URBAN AV = \$410)

N
1"=1200 ±'



LANDISCOR Aerial Photo 3/99

Low Density Residential – Plat
Upper Santa Cruz
T18S R13E Section 22



FULL CASH VALUE/
ACRE = \$167,137
(URBAN AV = \$61,250)

TOTAL TAXES PAID BY
SECTION = \$681,426

REVENUE/ACRE = \$1,070
(URBAN AV = \$410)



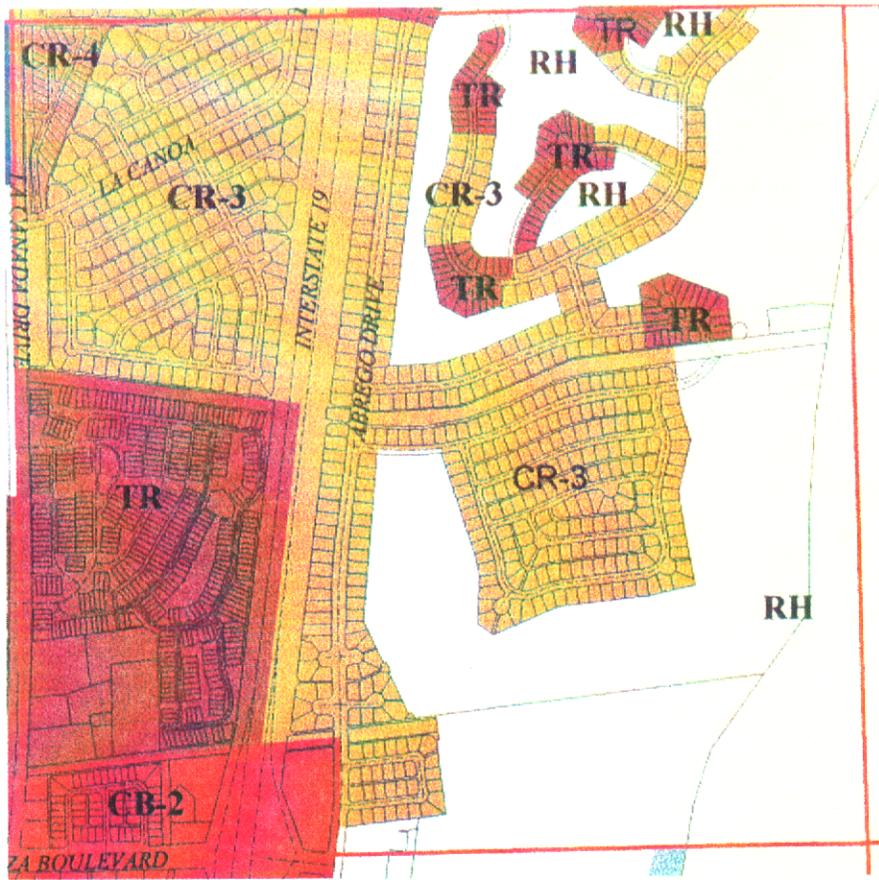
1"=1200 ±'

1 mile ±



LANDISCOR Aerial Photo 3/99

Urban Mixed
Upper Santa Cruz
T18S R13E Section 2



FULL CASH VALUE/
ACRE = \$169,056
(URBAN AV = \$61,250)

TOTAL TAXES PAID BY
SECTION = \$716,756

REVENUE/ACRE = \$1,100
(URBAN AV = \$410)

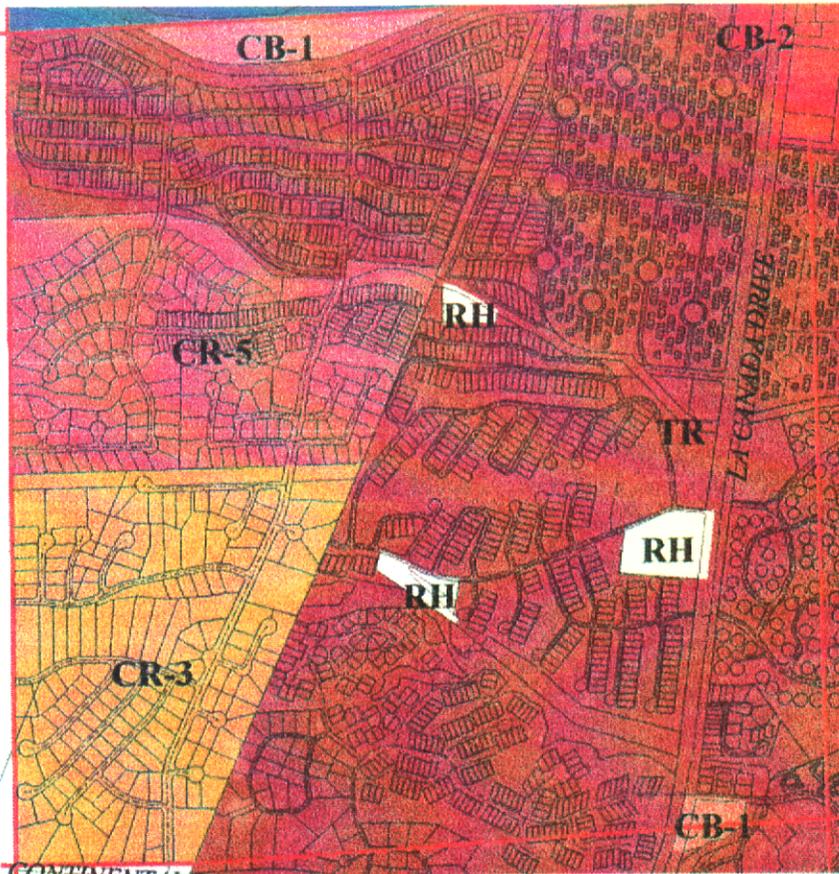


1"=1200 ±'



LANDISCOR Aerial Photo 3/99

**Medium Intensity Urban
Upper Santa Cruz
T18S R13E Section 11**



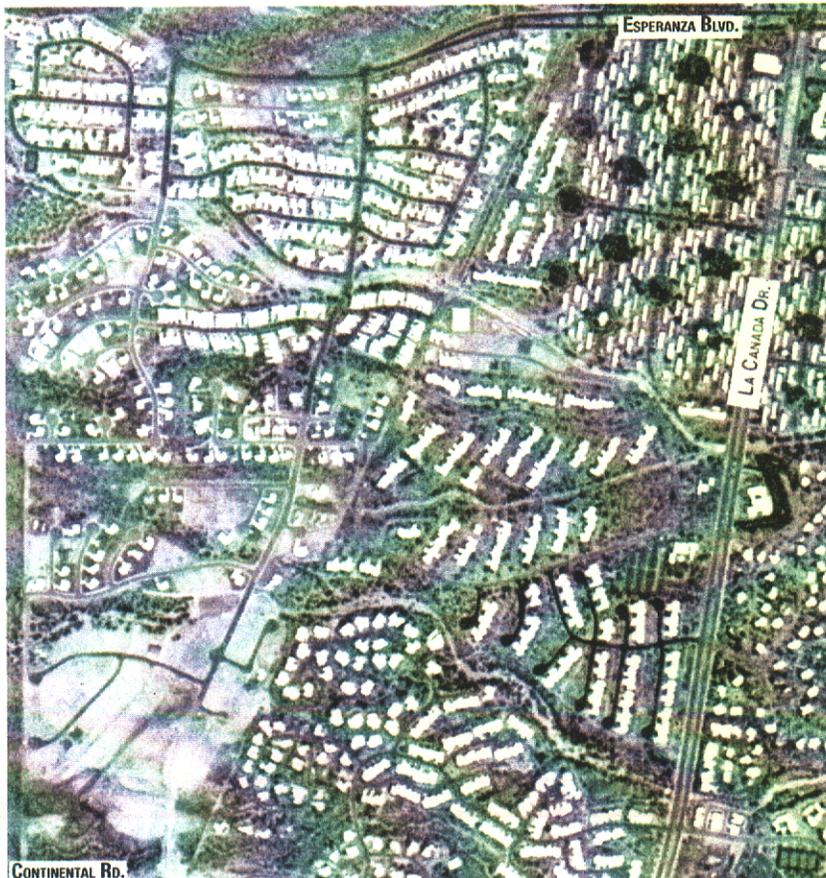
FULL CASH VALUE/
ACRE = \$237,705
(URBAN AV = \$61,250)

TOTAL TAXES PAID BY
SECTION = \$927,100

REVENUE/ACRE = \$1,440
(URBAN PLATTED AV =
\$410)

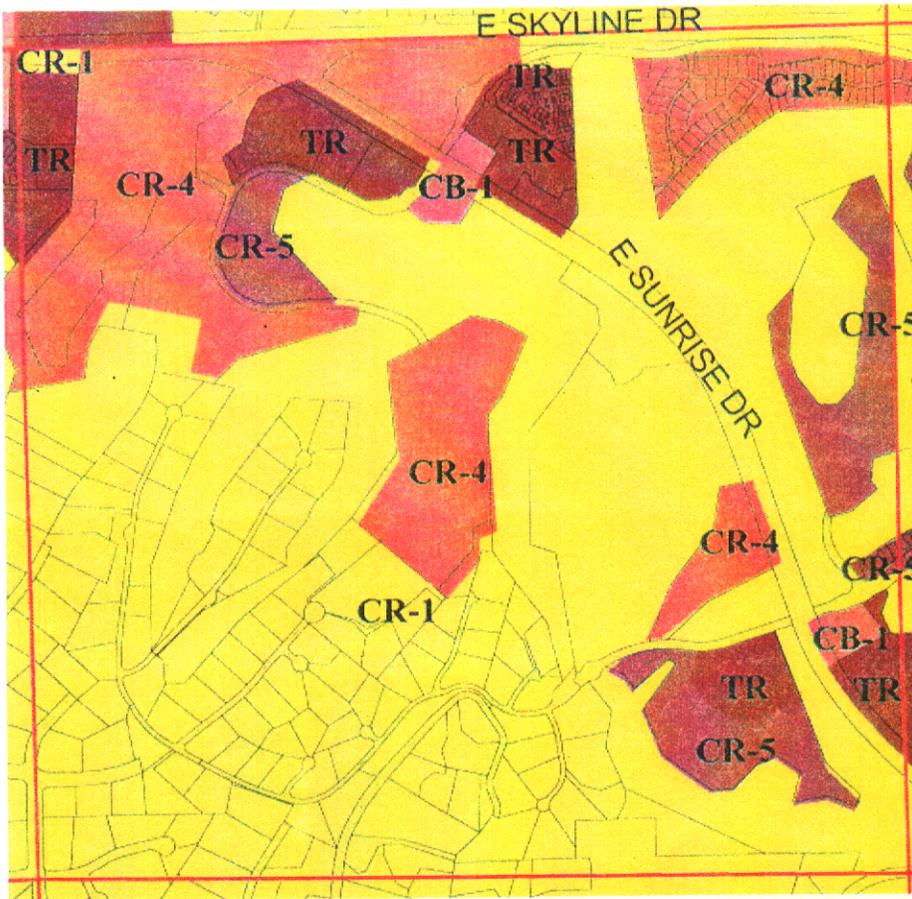


1"=1200 ±'



LANDISCOR Aerial Photo 3/99

Urban Mixed
Upper Santa Cruz
T18S R13E Section 15



FULL CASH VALUE/
ACRE = \$250,329
(URBAN AV = \$61,250)

TOTAL TAXES PAID BY
SECTION = \$1,349,984

REVENUE/ACRE = \$2,174
(URBAN PLATTED AV = \$410)



1" = 1200 ±'



LANDISCOR Aerial Photo 3/99

Medium Intensity Urban
Middle Santa Cruz
T13S R14E Section 09

V. Comparative Natural Resource Analysis -- 20 Major Regulated Development Projects

This section compares a number of development projects that have gone through the regulated process to assess how the Canoa Ranch Conservation Proposal compares to past projects in terms of:

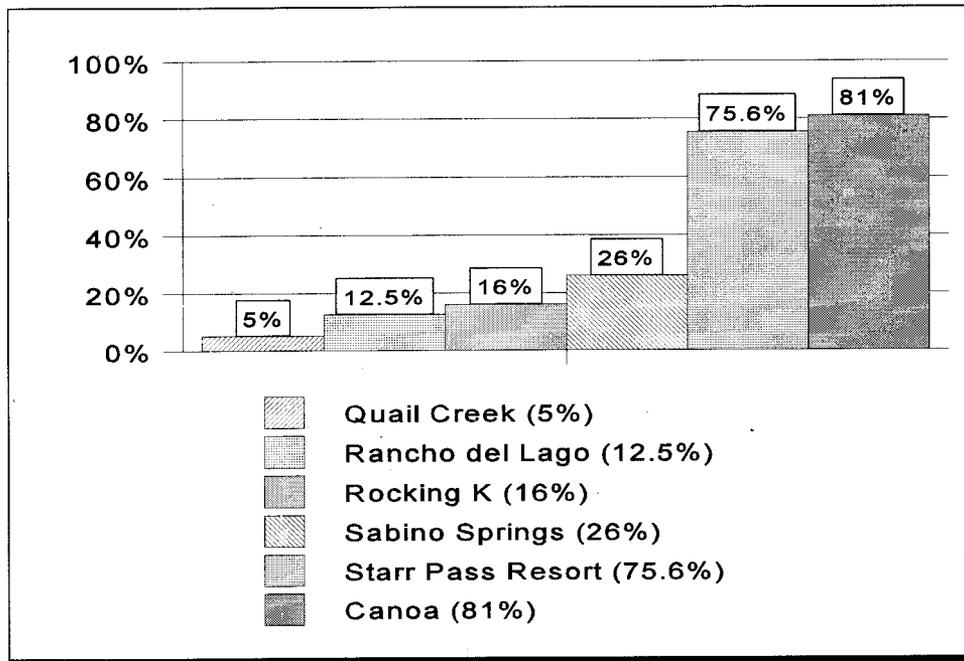
- Percent of natural open space found in major development projects
- Natural open space commitment beyond floodplain in major development projects
- Percent of total open space (natural and functional) found in major development projects
- The scale of projects as reflected in the number of units in major rezonings
- Gross density and site density in major projects, as an indication of clustering
- Fees generated for Pima County by major development projects

A. Percent of Natural Open Space in Major Development Projects

A review of the files of 20 major development projects show that a natural open space commitment of the magnitude found in the Canoa Ranch Conservation Proposal has not been achieved in a regulated development project before. Most projects have no record of natural open space. The files of 4 projects indicated that natural open space commitments existed as part of a larger open space plan that involved functional open space uses too. Three of the four projects on the chart below have percentage natural open space commitments ranging from 12.5 to 75.6 percent. These natural open space areas tend to correspond with floodplain and riparian areas -- areas that cannot be developed anyway. The Canoa Ranch Conservation Proposal not only eclipses other development projects in the total percent of natural open space

(81 percent), it is unique in that 53 percent of the total project area (3178 of 5954 acres) is natural open space that is not floodplain or riparian in nature.

PERCENT NATURAL OPEN SPACE



The Canoa Ranch Conservation Proposal is the first time a major rezoning has included an offer to retire over half the developable land for conservation purposes.

B. Percent of Open Space (natural open space, functional open space and golf course acreage)

According to the files of 20 major development projects, total open space commitments, which include floodplain, golf course, and functional areas, range from 1.3 percent of a 2,310 acre project to 86 percent of a 5,954 acre project, which is the Canoa Ranch Conservation Proposal itself. The average open space area within these major development projects is around 40 percent; the mid-point is around 30 percent. The Canoa Ranch Conservation Proposal more than doubles the average, and nearly triples the acreage in projects found at the mid-point of the curve, such as Civano.

| PROJECT | PERCENT OF OPEN SPACE (Low to High) |
|------------------------------|-------------------------------------|
| 1. Continental Ranch | 1.3 % * |
| 2. Rita Ranch | 3.3 % |
| 3. Agua Dulce | 24.2 % |
| 4. Madera Reserve, Phase I | 27.1 % |
| 5. Rocking K | 29.8 % |
| 6. La Paloma Estates | 30.0 % |
| 7. La Paloma Ridge Estates | 30.0 % |
| 8. Rancho del Lago | 30.2 % |
| 9. Civano | 30.6 % |
| 10. Dove Mountain | 30.9 % ** |
| 11. Quail Creek | 32.6 % |
| 12. Rancho Vistoso | 37.8 % |
| 13. Madera Reserve, Phase II | 42.9 % |
| 14. Silverado Hills | 43.0 % |
| 15. Ventana Canyon | 46.5 % |
| 16. Sabino Springs | 65.3 % |
| 17. Madera Foothills Estate | 66.6 % |
| 18. Starr Pass Hotel/ Resort | 75.6 % |
| 19. Coyote Creek | 75.7 % |
| 20. Canoa | 86.0 % |
| AVERAGE | 40.5 % |

* Open space calculation reflects the file notation that the 2,310 acre site was graded, including riparian habitat. As a condition of the Section 404 permit, 400 acres of floodplain were revegetated.

** The file did not include data on mitigation acreage for Endangered Species protection so that acreage is not factored into this data set.

C. Scale of Projects -- Comparison of Number of Units

In order to gain perspective on the scale of the major development projects reviewed for this analysis, the number of units proposed by each project is listed below, from the smallest project with 76 units, to the largest project with 13,862 units.

The Canoa Ranch Conservation Proposal would involve 2000 units, making it a project that falls short of the average by over 1350 units.

| PROJECT | NUMBER OF UNITS (Low to High) |
|-----------------------------|-------------------------------|
| 1. La Paloma Estates | 76 |
| 2. Madera Foothills Estates | 86 |
| 3. La Paloma Ridge Estates | 87 |
| 4. Madera Reserve, Phase I | 153 |
| 5. Madera Reserve, Phase II | 159 |
| 6. Agua Dulce | 440 |
| 7. Coyote Creek | 450 |
| 8. Sabino Springs | 516 |
| 9. Starr Pass Hotel/Resort | 575 |
| 10. Silverado Hills | 895 |
| 11. Civano | 900 - 1,000 |
| 12. Ventana Canyon | 1,440 |
| 13. Canoa | 2,000 |
| 14. Quail Creek | 5,000 |
| 15. Rancho del Lago | 5,500 |
| 16. Rocking K | 5,670 |
| 17. Dove Mountain | 9,159* |
| 18. Continental Ranch | 9,434 |
| 19. Rita Ranch | 10,780 |
| 20. Rancho Vistoso | 13,862 |
| AVERAGE | 3359 |

 * The file indicated that in April 2000, the Marana Council voted on a proposal from the developer to reduce the number of dwelling units from 13,362 to 9,159.

D. Comparison of Units Per Acre by Project Site

The density of a development project can be understood in terms of the overall size of the footprint on the landscape, or the specific impact on the developed areas. Sometimes, the overall density and the site density are the same. This is true when open space percentages for the project are low. Coincidentally, the two projects that record the lowest open space percentages -- Continental Ranch and Rita Ranch -- also record the highest densities. In these instances, gross and site density are more nearly equivalent. In contrast, when open space percentages are high, site densities can also be high, without creating a detrimental impact to natural resource considerations. While cluster developments are often discussed as a way to conserve open space, they have not found favor in local land use decision making, mostly because the administrative process for approval is too complex and burdensome. Green Valley projects and a few projects in Tucson have shown that there is a market for density when the surrounding landscape is open and attractive. The chart below reflects gross density.

| PROJECT | UNITS PER ACRE (Listed from lowest impact to highest impact, given entire project site) |
|-----------------------------|--|
| 1. Madera Foothills Estates | 0.24 units per acre |
| 2. Canoa | 0.33 units per acre |
| 3. Coyote Creek | 0.5 units per acre |
| 4. La Paloma Estates | 0.7 units per acre |
| 5. Madera Reserve, Phase II | 0.8 units per acre |
| 6. Madera Reserve, Phase I | 0.9 units per acre |
| 7. Agua Dulce | 1.0 units per acre |
| 8. Civano | 1.1 -1.2 units per acre |
| 9. La Paloma Ridge Estates | 1.1 units per acre |
| 10. Sabino Springs | 1.2 units per acre |
| 11. Rocking K | 1.3 units per acre |
| 12. Ventana Canyon | 1.5 units per acre |
| 13. Dove Mountain | 1.6 units per acre |
| 14. Rancho Vistoso | 1.8 units per acre |
| 15. Silverado Hills | 1.9 units per acre |
| 16. Starr Pass Hotel/Resort | 2.9 units per acre |
| 17. Rancho del Lago | 3.5 units per acre |
| 18. Quail Creek | 3.8 units per acre |
| 19. Continental Ranch | 4.0 units per acre |
| 20. Rita Ranch | 8.2 units per acre |
| AVERAGE | 1.9 units per acre |

E. Estimated Fees Generated by the Project for Pima County

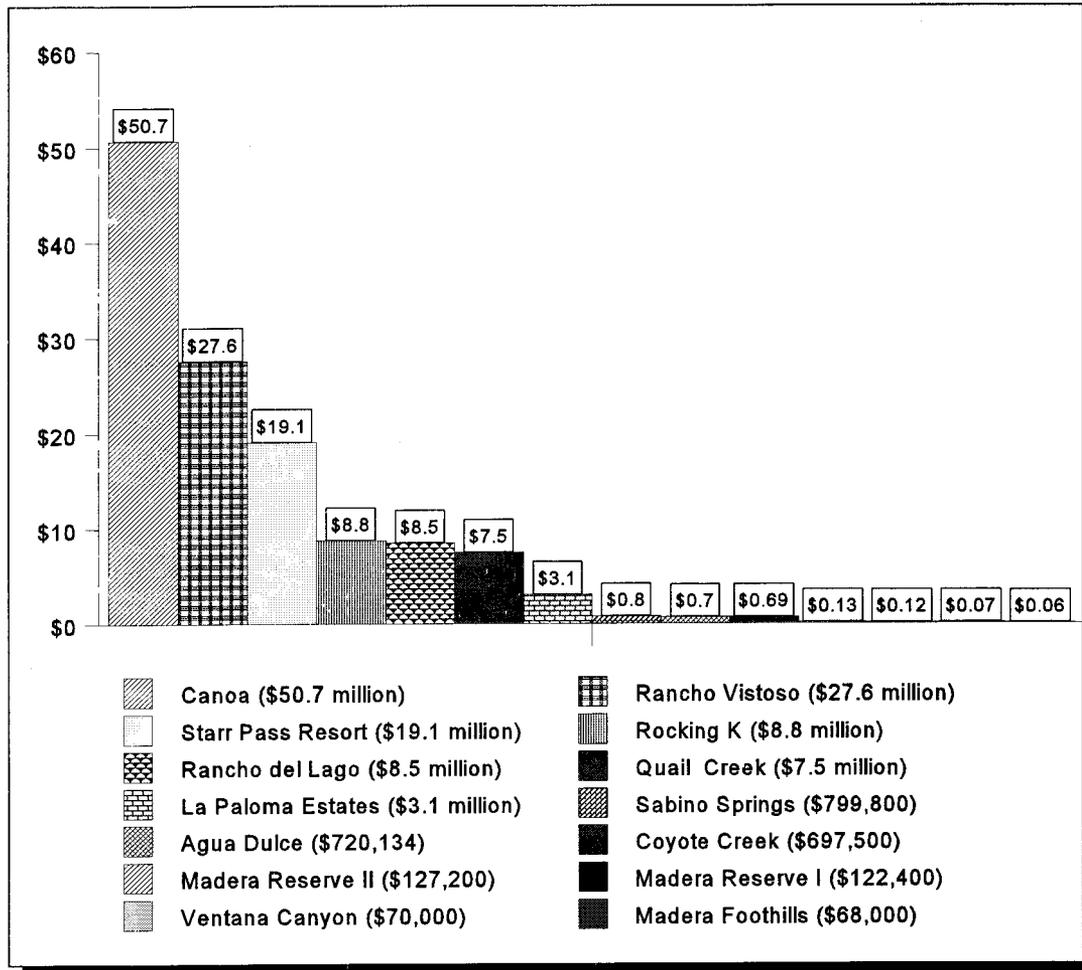
The chart below lists major development projects in order of their total open space commitment -- from lowest to highest commitment -- as reflected in development files of local jurisdictions. Also working from the project files, estimated fees to be generated by the project are recorded. With the exception of the Starr Pass Resort and proposal Canoa agreements, fees are based on transportation impact assessments, and these are generally avoided by development projects that are annexed following rezoning. All future assessments by Pima County should adopt the model established by the proposed Canoa Ranch Conservation Proposal to close the loophole which allows developers to escape paying fees.

| PROJECT (Total percent open space) | ESTIMATED FEES GENERATED |
|---|--|
| 1. Continental Ranch (1.3%) | no record of fees generated |
| 2. Rita Ranch (3.3%) | no record of fees generated |
| 3. Agua Dulce (24.2%) | - subject to impact fees (\$682,000 est.) ** - other fees of \$38,134 paid (retention) |
| 4. Madera Reserve, I (27.1%) | - subject to \$800 fee (\$122,400 est) |
| 5. Rocking K (29.8%) | - subject to impact fees (\$8.8 million est.) ** |
| 6. La Paloma Estates (30%) | - subject to impact fees (\$117,800 est.) ** - other fees of \$3 million paid (Imp. Dist) |
| 7. La Paloma Ridge Estates (30%) | no record of fees generated |
| 8. Rancho del Lago (30.2%) | - subject to impact fees (\$8.5 million est.) ** |
| 9. Civano (30.6%) | no record of fees generated |
| 10. Dove Mountain (30.9%) | no record of fees generated |
| 11. Quail Creek (32.6%) | - subject to impact fees (\$7.5 million est.) ** |
| 12. Rancho Vistoso (37.8%) | - subject to \$1990/unit fee (\$27.6 million est.) * |
| 13. Madera Reserve, II (42.9%) | - subject to \$800 fee (\$127,200 est) ** |
| 14. Silverado Hills (43%) | no record of fees generated |
| 15. Ventana Canyon (46.5%) | - record of \$70,000 in fees generated |
| 16. Sabino Springs (65.3%) | - subject to impact fees (\$799,800 est.) |
| 17. Madera Foothills (66.6%) | - subject to \$800 fee (\$68,800 est) |
| 18. Starr Pass Resort (75.6%) | - subject to Environmental enhancement fee (\$19.1 million to County) |
| 19. Coyote Creek (75.7%) | - subject to impact fees (\$697,500 est.) |
| 20. Canoa (86%) | - subject to impact fees (\$2.3 million est.) - other fees of \$3 million (golf course) - subject to RV fees (\$1million est.) - other fees of \$44.3 million (2% commercial) Total revenue to County = \$50.7 million |
| AVERAGE (w/o Canoa proposal) | \$4 million |
| AVERAGE (w/ Canoa proposal) | \$6.4 million |

* Rancho Vistoso Bridge Financing Agreement extinguished upon annexation by Oro Valley

** Transportation related impact fees, which do not survive annexation into another jurisdiction.

RANGE OF FEES PROJECTED BY MAJOR DEVELOPMENT PROJECTS



Summary

- No records of fees exist for 6 projects
- 7 projects have fees of less than \$1 million projected
- 7 projects have fees over \$3 million projected
- Past fee agreements, such as Rancho Vistoso's, have been extinguished by annexation, so projected fees will not be realized.
- The Canoa proposal would not change in the event of annexation
- At \$50.7 million the Canoa proposal is over 12 times greater than the average of the fees projected by all other projects. Actual collections will be even greater.

VI. Stakeholder Alternatives

Throughout the month of April, eleven meetings were held in Tucson and Green Valley to carry out the Board's direction to brief interested parties about the Canoa Ranch Conservation Proposal, and receive formal comments. Alternative proposals were also invited. Specific responses to eleven sets of documents contributed by stakeholders are found at Attachments 4 and 5. A number of constructive comments were offered which might be raised, discussed, and considered as part of public hearing process that would take place if the Board were to pursue the settlement agreement. These comments are highlighted in the responses found at Attachment 5. Alternatives were offered during meetings in April that depended in part on the sale of numerous homes priced in excess of \$1 million each. This market does not exist in Pima County. The Green Valley market is even more limited. Landiscor's Tucson Real Estate Book lists the sale price of homes in areas currently being developed. The Green Valley housing market ranges from \$100,000 to \$250,000. At the \$250,000 end of the price range, very few homes are sold. There is not a market for homes priced from \$1 million to \$1.4 million, as Alternative proposals assumed. No alternative was submitted by any party that could be submitted to a rigorous analysis similar to the present proposal. In summary, no viable development alternatives were presented.

VII. Compatibility with the Sonoran Desert Conservation Plan

The Sonoran Desert Conservation Plan is keyed to Section 10 of the Endangered Species Act, which is designed to facilitate resource conservation and protection while balancing the economic considerations of communities. The Canoa Ranch Conservation Proposal attempts to strike this balance on the landscape with an 81 percent dedication of natural open space. Within that vast amount of open space, the most valuable riparian areas, cultural resources and historic ranch values are completely preserved. Beyond that, the funding for most of the acquisition, maintenance, restoration and interpretation is generated by the development project itself. Land that is developed under the proposal is still subject to resource protection measures in a way that unregulated development is never reviewed. Natural, cultural and fiscal resources are not only balanced, they are maximized by the underlying concept of the proposal. To be considered superior on its merits, another proposal would have to result in:

- more than the preservation of 81 percent natural open space,
- more than the tens of millions of dollars that will be generated in fees to fund acquisition, restoration, maintenance, and interpretation, and
- a tax base benefit in excess of that which will be generated by a mixed use land plan that combines residential, recreation and commercial endeavors in a way that minimizes the footprint made by such activities on the landscape.

The Canoa Ranch Conservation Proposal exceeds the fiscal and natural open space commitment made in most landscape planning conservation efforts that have taken place under the Endangered Species Act. It is also notable in that it suggests a way to work around the limitations and adverse land use consequences caused by State laws that limit the County's ability to regulate. A negotiated exaction of 81 percent and a funding agreement for \$42 to \$50 million over the course of a quarter century is proof that among ourselves we can do better than the options presented at the state level. This kind of creativity will be absolutely necessary to effectively implement the goals of the Sonoran Desert Conservation Plan.

Biological Resources Protected by the Proposed Canoa Ranch Conservation Proposal

The Canoa Ranch property is located within the watershed planning unit of the Sonoran Desert Conservation Plan known as the Upper Santa Cruz. Recent studies issued by the biological consultant who is working with the Science Technical Advisory Team to define the biological element of the Sonoran Desert Conservation Plan have identified a relatively small number of plants and animals that are likely to present compliance issues for private and local land owners in the next decades. Within the entire Upper Santa Cruz watershed subarea:

- Six mammals are included in this group of known priority vulnerable species; five are bats
- Six birds are included: the Rufous-winged Sparrow; Swainson's Hawk; Western Yellow-billed Cuckoo; Pygmy-owl; Abert's Towhee; and Bell's Vireo.
- Two reptiles are included: the Desert Box Turtle and the Giant Spotted Whiptail
- Two amphibians are included: the Chiricahua and Lowland Leopard Frog
- One type of invertebrate, Talus Snails, is included as a priority vulnerable species
- Two plants are included: the Pima Pineapple Cactus and the Tumamoc Globeberry.

From this list, only three species are found in records dating back to the mid-1970s by the Game and Fish Department "in and around the Canoa Land Grant." Two of these are plants -- the Pima pineapple cactus and the Tumamoc globeberry. The third species is the Western yellow-billed cuckoo. A biological evaluation of the Canoa Ranch property, addressing 21 potential special status species, confirmed the presence of Pima pineapple cactus on the property. These plants will be protected in cooperation with and under the guidance of the U.S. Fish and Wildlife Service. No suitable bat roosts were present in the project area. Pygmy-owl surveys have been conducted regularly and no detections have occurred. In summary, the area is not especially sensitive in terms of the priority vulnerable species of concern for the Sonoran Desert Conservation Plan. However, by preserving the highest resource riparian areas, and a full 81 percent of the area as natural open space, stable populations can remain stable, and the opportunity to retain a significant landscape of 4,818 acres is achieved, with future opportunities for restoration secured. As a point of comparison, the 4,818 acres contributed by the Canoa Ranch Conservation Proposal to conservation purposes is:

- almost equal to 1/6 of the lands to be acquired for the Balcones preserve, which resulted from the City of Austin and Travis County Multi-Species Conservation Plan effort;
- approximately 1/5 the size of the entire City of Poway reserve, which is considered one of the most progressive plans;
- nearly equivalent to 1/3 of the land conserved in the Metro-Bakersfield Habitat Conservation Plan in Kern County and the City of Bakersfield, California; and
- equivalent to 1/3 of the land that all local jurisdictions combined in the San Diego MSCP effort were obligated to purchase under the San Diego Regional MSCP.

Viewed on other scales, 81 percent natural open space is a level of exaction not seen in past projects in Pima County. At 4,818 acres, the Canoa Ranch Conservation Proposal open space commitment is larger than all but about 25 of the first 217 habitat conservation plan commitments made to the U.S. Fish and Wildlife Service under the HCP program. Combined with the funding mechanisms, the relative open space and fiscal commitment surpasses most habitat conservation plans implemented under the Endangered Species Act.

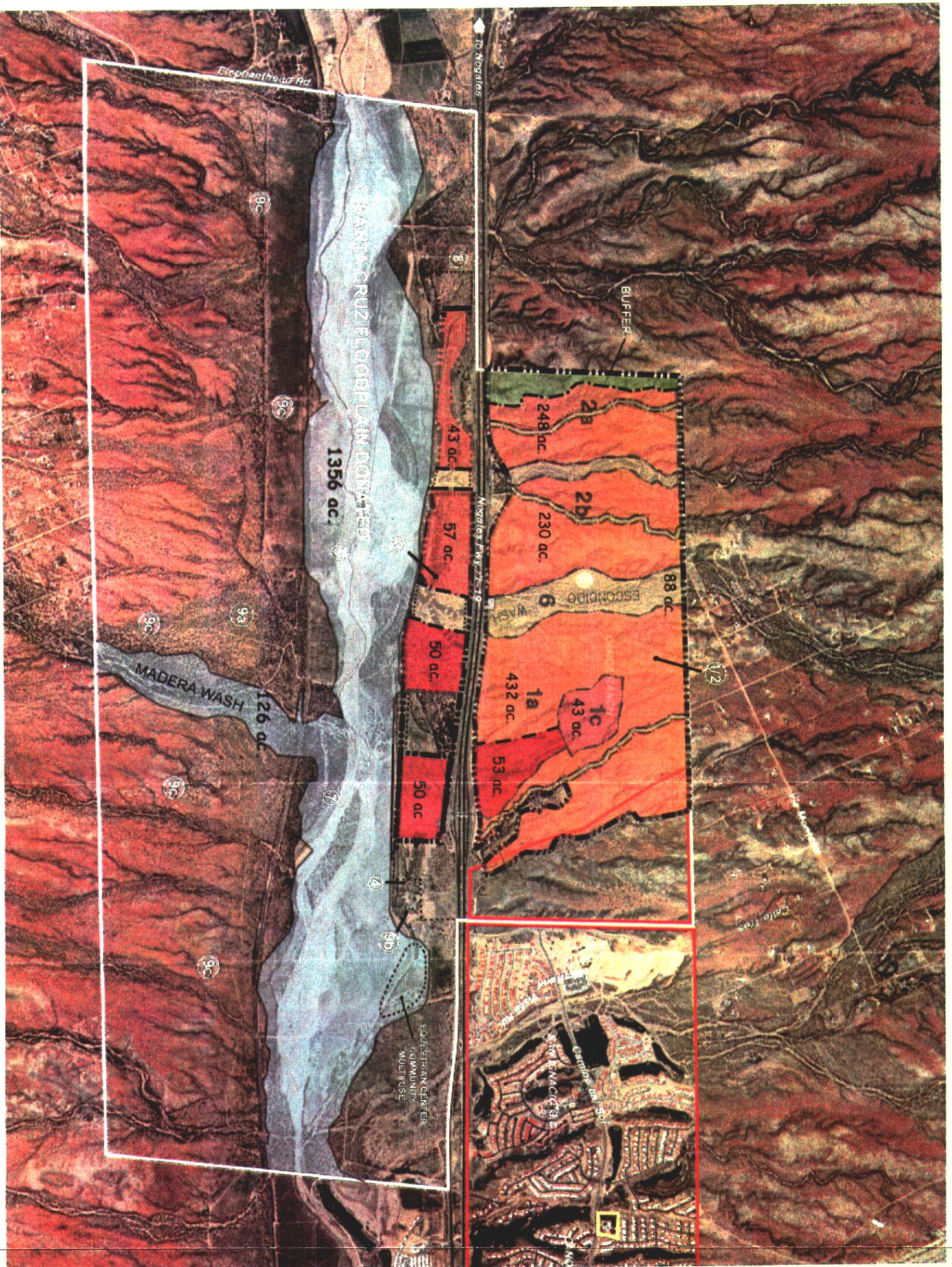
VIII. Options and Process

At least two options are available at this point. The Board could direct staff to proceed with Condemnation, or direction could be provided to proceed in developing the concepts outlined in the Canoa Ranch Conservation Proposal settlement.

If the settlement option is pursued, the Canoa Ranch Conservation Proposal could go forward with three other major plan amendments that will go to the Planning and Zoning Commission. State law now requires that major plan amendments be heard together. In fiscal year 2000, four projects involve 500 or more acres. During a study session within a regularly scheduled meeting, the Planning and Zoning Commission will review the proposed schedule and set the amendments for public hearing. At a minimum, the Commission would hold one public hearing to consider and take testimony. The Commission would make a recommendation on the amendment. At least one public hearing before the Board of Supervisors would be held to consider and take testimony on each amendment request.

IX. Conclusion

This report and the eight attachments assess the legal and fiscal feasibility of land use options related to Canoa Ranch in light of the goal of conserving and protecting the highest value resources on the landscape. It is both legally and financially possible to pursue the Canoa Ranch Conservation Proposal. This proposal is acceptable to the landowner. The proposal is fully compatible with the proposed Sonoran Desert Conservation Plan and represents a completely new concept in evaluating future urban land use proposals. The concept of balancing interests and aligning incentives results in the greatest benefit to natural, cultural and fiscal resources.



CANOA RANCH CONSERVATION PROPOSAL

- 1 - Residential development reduced from 9100 units to 2000 units.
- 2 - Residential development limited to west of I-19.
- 3 - Commercial development east of I-19 reduced 50 percent.
- 4 - No build buffer around historic ranch building increased.
- 5 - Open Space corridors established east of I-19 eliminating strip development appearance.
- 6 - Washes and riparian areas protected, all major wash encroachment eliminated.
- 7 - Santa Cruz River floodplain donated.
- 8 - South urban boundary defined.
- 9 - Historic Canoa Ranch Endowment Fund established for:
 - a) Open Space acquisition
 - b) Historic Ranch Preservation
 - c) Archeological Resource Protection
 - d) Neighborhood Reinvestment
- 10 - 81 percent of Canoa Ranch remains as open space.

NATURAL OPEN SPACE

- Esccondito Wash 88 ac
- Santa Cruz 1356 ac
- Madera Wash 126 ac
- Other West side Washes 70 ac
- Pima County Acquisition 3178 ac
- *4818 ac**

Canoa Ranch 5954 ac
 *All Natural Open Space 81%





MEMORANDUM

Date: March 16, 2000

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to be "C.H. Huckelberry", is written over the printed name of the County Administrator.

Re: **Canoa Ranch Condemnation and Other Options**

At the Board meeting of November 16, 1999, staff was directed to prepare Resolutions of Condemnation for Canoa Ranch. These resolutions have now been prepared. They cover five distinct and separate areas of Canoa Ranch, ranging from property that can be developed, to the floodplain of the Santa Cruz River (Attachment 1, sketches only). It is likely that each separate and distinct area will have a separate value, as well as separate public purpose for acquisition. On July 22, 1998, the County commissioned an appraisal by Sanders K. Solot on Canoa Ranch. The appraised value at that time was \$10,480,000. Looking at market data in the area, 62 land sales occurred in 1999. The sizes of these land sales ranged from 1.08 acres to 50.15 acres, and prices ranged from \$1,443 per acre to \$161,268 per acre. The average size was 11.43 acres and the average price per acre was \$12,042. Given recent sales in the area for RH homesites in both the Elephant Head and Montana Vista areas where RH or 4.5 to 5 acre lots are selling for \$21,000 to \$52,000 per lot, acquisition of Canoa Ranch will be considerably more than the County's appraised value of \$10,480,000.

Existing revenues that have been identified for acquisition are \$2 million from Project SD-8 of the May 1997 Bond Issue, Question 4, and \$1.5 million from Project CH-29, Canoa Ranch Buildings Rehabilitation in the same bond issue. Therefore, a total of \$3.5 million is available for Canoa Ranch. However, \$1.5 million has been earmarked for historic ranch renovation and preservation. Hence, much of this funding is not available for land acquisition. Presently, at best, \$2.0 million is available to purchase Canoa Ranch. Other open space bonds could be made available for this purpose upon amendment to the County's Truth in Bonding Ordinance, Ordinance Number 1997-35, dated May 6, 1997.

Within a short period of time after the Board directed staff to prepare Resolutions of Condemnation, the property owner, Fairfield Homes, Inc., filed suit against the County for inverse eminent domain. This action is now pending in Superior Court. The timing and resolution of this litigation are unknown at this time.

The Honorable Chair and Members, Pima County Board of Supervisors
Canoa Ranch Condemnation and Other Options
March 16, 2000
Page 2

In order to provide the Board with additional options regarding Canoa Ranch, the attached report (Attachment 2) entitled *Canoa Ranch Conservation Proposal* has been prepared and I believe meets with the general approval of the property owner. The Canoa Ranch Conservation Proposal proposes development of portions of Canoa Ranch, however at much less intensity, and establishes a Historic Canoa Ranch Endowment Fund to generate funds for the purchase of any portion of Canoa Ranch that is not donated by the developer and remains undeveloped and is subject to long-term preservation and/or conservation. In essence, limited development of Canoa Ranch (18 percent) and limited investment of County bond funds (\$3.5 million), could preserve 4,659 acres of the Ranch for conservation purposes and establish an endowment fund to manage and protect the natural and cultural resources of Canoa Ranch.

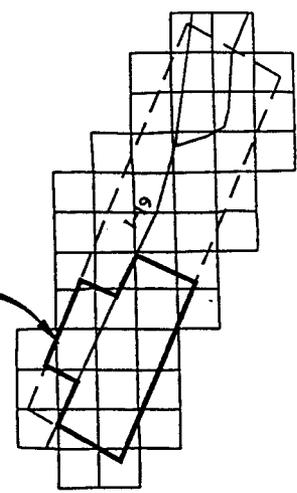
I would recommend, if the Board wishes to pursue these matters, either direct condemnation as previously instructed or the Canoa Ranch Conservation Proposal, that an executive session be scheduled to discuss these items, including the litigation filed by Fairfield Homes, Inc. against Pima County.

CHH/jj

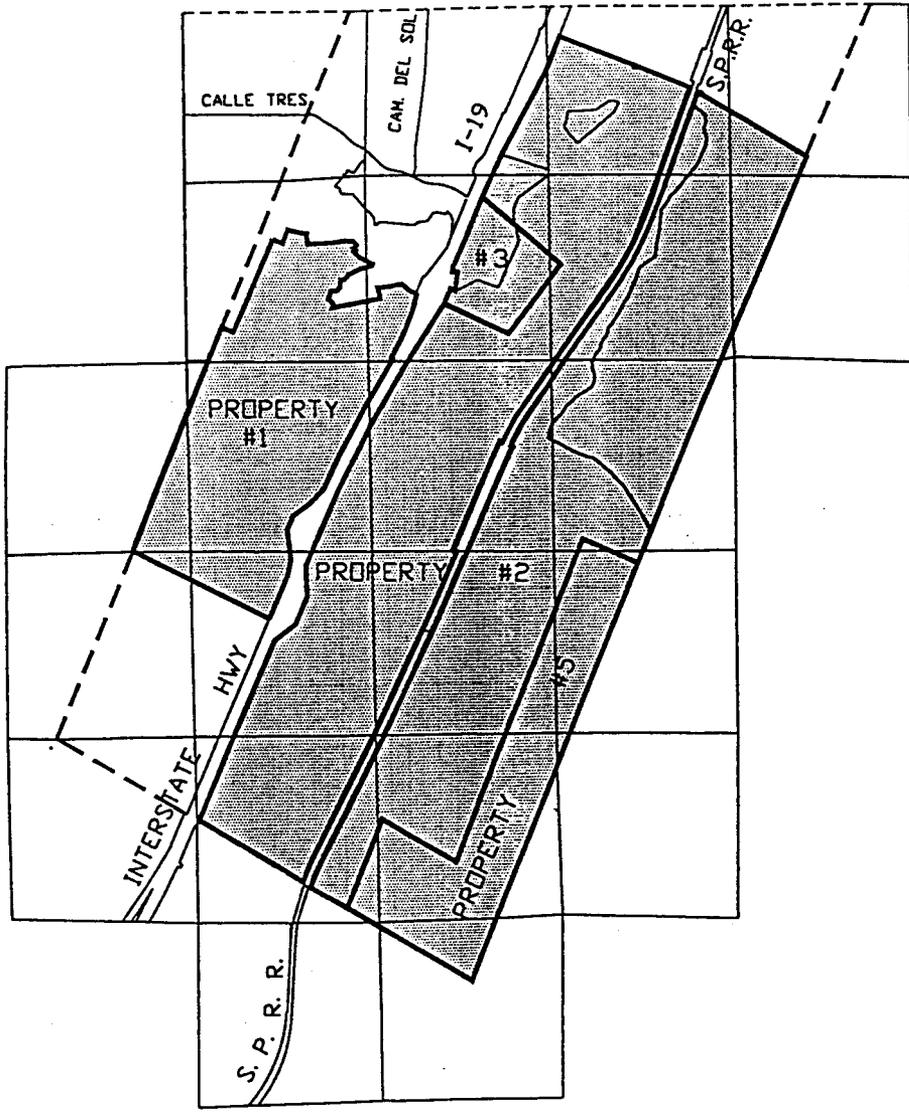
Attachments

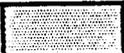
Protracted Sections 8, 9, 10, 11, 15, 16, 17, 22, 27, 28, & 29 Township 19 South, Range 13 East

SUBJECT AREA



SAN IGNACIO DE LA CANOA
LAND GRANT
G&SRB&M
PIMA COUNTY, ARIZONA



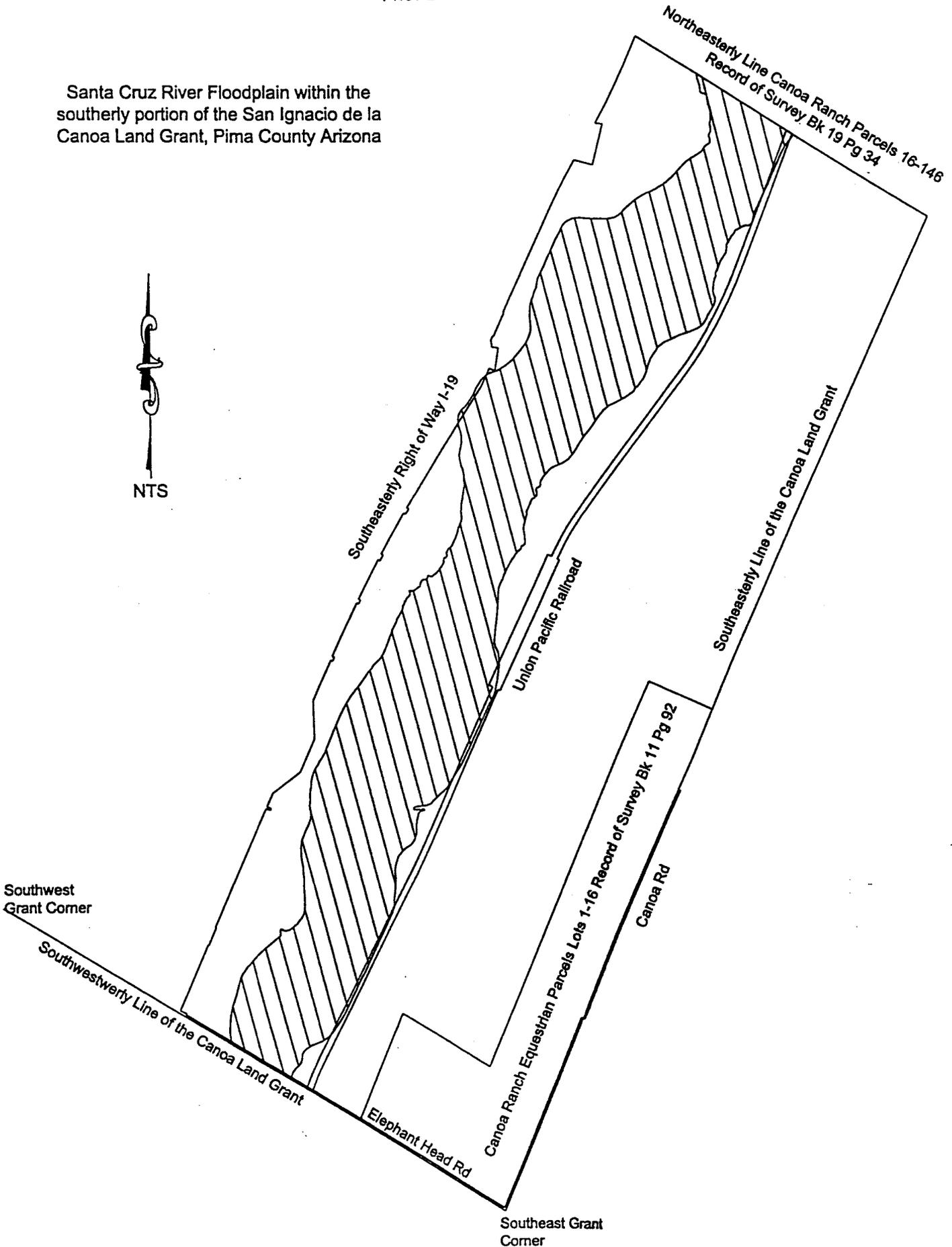
 CANOA RANCH PROPERTIES NO. 1, 2, 3, and 5



PIMA COUNTY DEPARTMENT OF TRANSPORTATION
TECHNICAL SERVICES DIVISION

DRAWING NOT TO SCALE DRAWN BY: S. HARVEY DATE: 3/8/00

Santa Cruz River Floodplain within the southerly portion of the San Ignacio de la Canoa Land Grant, Pima County Arizona



Conservation of Historic Canoa Ranch

A Canoa Ranch Conservation Proposal

Summary

Allowing limited development of Canoa Ranch (2,000 residential dwelling units, 800 recreational vehicle spaces, and limited commercial) the proposed conservation development alternative will allow historic Canoa Ranch to be preserved and protected, the historic structures restored, archaeological artifacts and features protected, and 81 percent of the Canoa Ranch property to remain as open space without increasing taxpayer contributions over and above what voters have already authorized for Canoa Ranch expenditures. Residential development is reduced by 455 percent and commercial development is reduced by 50 percent over the desired development option of the owner. In addition:

- 1,482 acres of Canoa Ranch will be donated for conservation purposes,
- 3,153 acres will be purchased by a combination of bond funds, County funds and the Historic Canoa Ranch Endowment Fund,
- Over \$42 million in private revenues will be raised for the conservation of Canoa Ranch and its perpetual care and management.

Historic Background

Canoa Ranch and its environs comprise a very significant historic site area in Pima County. It is one of the oldest ranches in the upper Santa Cruz River valley, established along the route of the Camino Real during the Spanish Colonial period as the San Ignacio de la Canoa land grant in 1820. The earliest European reference to La Canoa dates to at least 1775, when Fr. Francisco Garces noted the existence of a Piman rancheria here and referred to it as La Canoa, its name was derived from a watering trough hewn from a large cottonwood tree that resembled a canoe. Water was reported to be available at La Canoa, but a short distance downstream disappeared beneath the Santa Cruz River stream bed before surfacing again at San Xavier del Bac. This availability of water at Canoa allowed long-term settlement from prehistoric times to the present, leaving a rich legacy of historic sites and the cultural traditions that shaped this region's history. More than 100 prehistoric and historic sites have been recorded at La Canoa. Its historical values reflect native prehistoric and Piman settlement, early Spanish exploration and the route of the Juan Bautista de Anza expedition, its establishment as a Spanish and Mexican land grant, a place of refuge for travelers, as well as the focus of Apache attacks, and its more recent use as a working cattle and horse ranch, which operated as a small village and became the social and economic hub of the middle Santa Cruz valley.

With the establishment of the Juan Bautista De Anza National Trail under the sponsorship of the National Park Service, and its designation as a Millennium Trail by the Clinton Administration in 1999, the significance of La Canoa as a campsite of the Anza expedition is raised to the level of national importance.

Remaining at the site of the ranch is a complex of 12 buildings constructed from about 1900 to the 1940s. The structures are not all the same architectural style, but reflect two different periods. The earlier complex is represented by Sonoran adobe structures, flat-roofed, with porches constructed outside of a large central plaza. The plaza is surrounded by an adobe compound wall to create courtyard space. At the north end of the complex are the Manning ranch headquarters buildings built in the 1930s, which are also enclosed by compound walls. The entire complex presents itself as a once-grand ranch community, complete with workshops, stables, blacksmith shop, various out-buildings, corrals, and housing and other amenities for both the workers and ranch owners.

Development Proposals

A number of development proposals have been offered for Canoa Ranch. A Comprehensive Plan amendment was approved that would have allowed 37,000 dwelling units and would have resulted in approximately 73 percent of the property totaling 6,600 acres being developed. On December 7, 1999, the Board approved a modified Comprehensive Plan for Canoa Ranch that will result, if followed, in no additional dwelling units being constructed and the entire property being 100 percent preserved. However, the existing zoning of Rural Homestead (RH) would allow the development of 1,610 dwelling units on the property, regardless of Comprehensive Plan designation. Under the RH zoning, approximately 66 percent of each lot can be developed, graded, or built upon. Therefore, under existing zoning, well over 70 percent of the land area of Canoa Ranch can be altered. There are no requirements for conservation or preservation if developed within the existing zoning classification. Prior to Board adoption of the Option 4 Comprehensive Plan amendment for Canoa Ranch, the present owners, Fairfield, were most interested in pursuing what had become known as Option 9 of the various Comprehensive Plan amendments that were before the Board in December. Option 9 would have allowed 9,100 dwelling units to be constructed on the property, with 14 percent of the total property of 6,600 acres developed and the balance of 86 percent preserved. Upon Board approval of Option 4 as a Comprehensive Plan amendment for Canoa Ranch, the owners of Fairfield filed suit in Superior Court against Pima County, claiming inverse eminent domain. The Board has directed staff to file a condemnation proceeding against Fairfield for the entire property. Condemnation acquisition values range as low as \$11 million to \$36 million. It is also possible that the value of \$5,000 per acre of non-floodprone land is significantly underestimated, particularly if the property is split without the benefit of subdivision platting. A sale value of \$50,000 to \$75,000 per RH lot would not be unreasonable. Table 1 below summarizes Comprehensive Plan amendments, existing zoning, developed and preserved acreage for each proposal.

Table 1

| <u>Land Use</u> | <u>Allowable Dwelling Units</u> | <u>Acres Developed</u> | <u>Acres Preserved</u> |
|---------------------------------------|---------------------------------|------------------------|------------------------|
| Existing Zoning (RH) | 1,610 | 100 percent | 0 percent |
| Original Comprehensive Plan Amendment | 37,400 | 73 percent | 27 percent |
| Option 4 (presently adopted) | 0 | 0 percent | 100 percent |
| Option 9 (developer desired) | 9,100 | 14 percent | 86 percent |

Litigation Settlement and Conservation Compromise

In order to settle the inverse eminent domain litigation filed by the owner, and the County's direct condemnation authorized by the Board, a compromise is proposed. This compromise is identified as the Conservation Proposal and substantially reduces the development intensity of the original Option 9. In addition, the Proposal increases the amount of property preserved and proposes funding mechanisms for acquiring the undeveloped portion of Canoa Ranch without additional taxpayer support. Key provisions of the Conservation Proposal are:

- Residential development will be limited to 2,000 units instead of 9,100, a reduction of 455 percent.
- All residential development will be confined to west of Interstate 19.
- Proposed commercial areas in Option 9 will be reduced in size east of Interstate 19, a reduction of approximately 50 percent.
- An 800 space recreational vehicle park is allowed near the Canoa rest area.
- Golf course development is limited to west of Interstate 19.
- A "no build development" buffer is expanded around historic Canoa Ranch.
- Large open space view corridors extending east/west, eliminating the strip development effect east of Interstate 19 are established.
- Light pollution restrictions proposed by Whipple Observatory are included.
- Strict architectural design controls will be imposed for all development east of Interstate 19 and all development will be limited to one story.

Table 2 below summarizes Option 9A:

Table 2

| <u>Land Use</u> | <u>Allowable Dwelling Units</u> | <u>Acres Developed</u> | <u>Acres Preserved</u> |
|-----------------------|---|------------------------|------------------------|
| Conservation Proposal | 2,000 west of Interstate 19; commercial limited east of Interstate 19 | 19 percent | 81 percent |

Public Acquisitions of Historic Canoa Ranch

With the development compromise, the 81 percent of Canoa Ranch that will be preserved will be publicly acquired in the following manners:

- Historic ranch property and buildings will be acquired using voter-authorized bonds approved in the bond election of May 1997. The property will be acquired at appraised value (25 acres).
- Since isolated commercial development is not related to the floodplain of the Santa Cruz River and occurs in only three isolated areas on the west side of the floodplain east of Interstate 19, there is no requirement that the land be dedicated to the County without cost. However, in the compromise Conservation Proposal the developer will donate this property to Pima County (1,356 acres).
- Madera Wash floodplain (126 acres) will be donated by the developer under the same terms by which the Santa Cruz River floodplain is donated.
- Escondido Wash will be dedicated to the County as a condition of development. Since the development occurs adjacent to this wash, under the Conservation Proposal the developer will be required, as a condition of development, to donate this floodplain to Pima County.
- For the balance of undeveloped property (approximately 3,153 acres) the County will pay the developer \$5,000 per acre under the terms outlined in the Historic Canoa Ranch Endowment Fund (subject to appraisal establishing minimum value of \$5,000 per acre).
- The developer agrees to establish a Historic Canoa Ranch Endowment Fund and collect fees as outlined in the description of the fund and deposit fees in the fund for a period of not less than 25 years.
- The County agrees to install flood protective works to protect the historic Canoa Ranch buildings and the historic water ditch collection works for Canoa Lake.

Historic Canoa Ranch Endowment Fund

The County and developer agree to establish the Historic Canoa Ranch Endowment Fund. Proceeds from the Fund shall be used for four purposes:

1. Acquisition, protection, and enhancement of the historic ranch and undeveloped, non-donated or dedicated Canoa Ranch property.
2. Restoration of historic ranch buildings, including on-going maintenance and operation of an Historic Canoa Ranch Center.
3. Archaeological investigation and interpretation of archaeological features on the undeveloped and/or donated and dedicated property.
4. Neighborhood reinvestment and stabilization of stressed communities.

Funds for the Historic Canoa Ranch Endowment Fund shall be derived by:

- levying a 2 percent fee on all commercial transactions that take place on non-residential Canoa Ranch development, including but not limited to all retail sales, golf fees;
- levying a 2 percent surcharge on each recreational space rental;
- a \$100 per acre foot per year severance fee assessed on any groundwater pumped for irrigation of golf facilities, which can be avoided by entering into an agreement with Pima County to construct an upstream wastewater reclamation facility to use reclaimed water for golf course irrigation;
- any Transportation Impact Fees assessed against any development in Canoa Ranch.

In year 5, should the annual collections of the Historic Canoa Ranch Endowment Fund not accumulate at a rate sufficient to have \$12 million in revenues within the first ten years of the fund as identified in Schedule X, then an additional fee equivalent to 1 percent of the value of each residential unit sold will be assessed and deposited in the fund.

At present the estimated revenue from the Endowment Fund is estimated in the following five year increments:

1. 5 years - \$ 3,232,000
2. 10 years - \$12,604,000
3. 15 years - \$22,404,000
4. 20 years - \$32,204,000
5. 25 years - \$42,004,000

Acreage Summary

1. Overall acreage is 5,954 acres.
2. Total zoned area is 1,006 acres west of the freeway, 88 acres for the Escondido Wash, and 200 acres east of the freeway, for a total of 1,294.
3. 1,482 areas of floodplain are donated to Pima County.
4. 3,153 acres of non-floodprone property are purchased primarily through the Historic Canoa Ranch Endowment Fund.

BOARD OF SUPERVISORS MEETING

MARCH 21, 2000

DRAFT

EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.03(A)(4), for legal advice and direction concerning the County's legal position and the possibilities and parameters for settlement discussions in Fairfield Canoa Ranch v. Pima County Superior Court, Case No. 336450.

CODE:

SB Sharon Bronson, Chair
RG Raul Grijalva, Vice Chair
MB Mike Boyd, Member
RC Ray Carroll, Member
DE Dan Eckstrom, Member

Staff:

KR Katharina Richter, Deputy Civil County Attorney

SB Let the record show that all members are present. We had on executive session item, Mr. Huckelberry, Ms. Richter.

KR Madam chair, members of the board you had one executive item concerning Fairfield Canoa Ranch v. Pima County which is a superior court case currently pending in Pima County Superior Court. There was a proposal discussed concerning the possibilities what the County's legal position is in the particular and also the possibilities of a settlement of that lawsuit and the parameters for that lawsuit. Essentially... the County Attorney is asking for direction whether you wanted to pursue those discussions with the owners of the Fairfield Canoa Ranch.

SB What's the pleasure of the Board?

RG Madam Chair.

SB Supervisor Grijalva

RG Yeah I ... I would like to a ... to make a motion to instruct the County Attorney and Mr. Huckelberry on some particulars relative to the discussion that we had in executive session. The first being that in thirty days that we have a legal review/opinion and recommendations regarding

the proposed negotiated for lack of a better word settlement that is presented to us in the memorandum that Mr. Huckelberry sent us. The reason for that request and for that motion is that the concern that I hope the board shares is how legally binding is anything we do in perpetuity with regards to Canoa Ranch. So the first issue is a legal issue, the other part of the motion is having to do with a ... Canoa Ranch that rezoning and what we've been through in last five to six years a ... is ... is a one that's an issue shared by many stakeholders in this community. I think withing the next thirty days there should be ample opportunity for input and discourse on the part of variety of stakeholders that have been involved in this issue for up to six years. My motion is within thirty days or sooner, what's up to Mr. Huckelberry's timing that there be meetings arranged for stakeholders to be not only briefed but have an opportunity to present formal reactions and input into the proposal that Mr. Huckelberry has brought before us number one. Number two, that we then have the legal review of both content and opinions relative to the parameters that are outlined by Mr. Huckelberry in the memorandum that he sent the board. That's my motion madam Chair.

RC Second.

SB There's a motion and a second on the floor. I would ... I could on the stakeholder issue make sure we include Amigos, Arizona Open Land Trust, and I think is it ASARCO now or Grupo Mexico? But include the mining operations down there. Okay there is a motion and a second is there further discussions? Are there any objections? Hearing none motion carries unanimously.

CANOA STAKEHOLDERS MEETINGS

1. **April 3, 2000**
130 West Congress 10th Floor; 3:00 to 5:00 (agenda and sign-in sheet attached)
 2. **April 4, 2000**
Green Valley Planning and Zoning Committee; 9:00 a.m.
 3. **April 6, 2000**
130 West Congress 10th Floor; 3:00 to 5:00 (agenda and sign-in sheet attached)
 4. **April 10, 2000**
130 West Congress 10th Floor; 3:00 to 5:00 (agenda and sign-in sheet attached)
 5. **April 11, 2000**
130 West Congress 6th Floor; 3:00 to 5:00 (agenda and sign-in sheet attached)
 6. **April 12, 2000**
130 West Congress 10th Floor; 3:00 to 5:00 (agenda and sign-in sheet attached)
 7. **April 17, 2000**
130 West Congress 10th Floor; 3:00 to 5:00 (agenda and sign-in sheet attached)
 8. **April 18, 2000**
Green Valley Realtors, Multiple Listing Service Meeting
 9. **April 18, 2000**
130 West Congress 10th Floor; 3:00 to 5:00 (agenda and sign-in sheet attached)
 10. **April 19, 2000**
130 West Congress 10th Floor; 3:00 to 5:00 (agenda and sign-in sheet attached)
 11. **April 20, 2000**
Green Valley Coordinating Council; 9:00
-

PROPOSED AGENDA
CANOA STAKEHOLDERS MEETING
April 3, 2000

1. **Introductions**
Role in Canoa land use decision process; what is your stake?

 2. **County Staff Proposal**
Financial feasibility
Conservation value
Implementation / legal feasibility

 3. **Alternatives Proposed by Stakeholders**
Financial feasibility
Conservation value
Implementation / legal feasibility

 4. **Discussion of Future Meetings**
-

APRIL 3

| NAME | ORGANIZATION | PHONE / FAX |
|---------------------------|---|------------------------------|
| Linda Morales | The Planning Center | 623-6146 / 622-1980 |
| David Williamson | Fairfield Homes | 622-8771 |
| Jon Lesler | Lesler Communications | 855-9000 / 855-9099 |
| Eileen MacLaren | Amigos de Canoa | 393-9477 |
| Nancy Williams | Protect Land + Neighborhoods | 398/2469 ^{both} |
| Ken Kueh | PROTECT LAND + NEIGHBORHOODS AMIGOS DE CANOA | 398-2985 |
| Jim MacLaren | SAN IGNACIO VIEJA HHA | 393-1477 |
| DALE FAULKNER | FAULKNER LAND CO. | 733-6083 |
| FRANK THOMPSON | FRANK THOMPSON INC. | 622-0662 |
| Leo Richardson | Green Valley Community Council | 648-1936 |
| Jim Kelly | B.L.G.C. JETTING CLUB, INC | 625-5438 |
| Diana Freshwater | Arizona Open Land Trust | 577.8564 / 577.8574 |
| Joe Olles | Talpaayev | 648-7051 |
| Tom Shendon | Canoa Heritage Foundation | 822-1053 (H) 621-4898 (W) |
| ROO KALAFORIS | CENTER FOR ENVIRONMENTAL CONNECTIONS | 623 3874 PHONE & FAX |
| JEFF HAMPTON | Arizona Open Land Trust | 850-4800 / 219-4676 |

PROPOSED AGENDA
CANOA STAKEHOLDERS MEETING

April 6, 2000

1. **Introductions**

 2. **Brief Summary of Last Meeting**

 3. **In put and discourse on County Staff Proposal**
 - Financial feasibility
 - Conservation value
 - Implementation / legal feasibility

 4. **Discussion of Future Meetings – Alternatives Proposed by Stakeholders**
 - Financial feasibility
 - Conservation value
 - Implementation / legal feasibility
-

APRIL 6, 2000

NAME

PHONE

FAP

| | | |
|-------------------|----------|----------|
| ROB KULATOSKY | 623-3874 | SAME |
| Tom Sheridan | 822-1053 | 621-2976 |
| JOE OLLEY | 648-7051 | - |
| JEFF Lampton | 350-4800 | 219-4676 |
| DANIEL L. Preston | 295-9363 | "same" |
| Craig Foltz | 621-1269 | 670-5740 |
| Jim Mac LAREN | 393-1477 | |
| Terry Owens | 648-8661 | 648-8608 |
| DALE FAULKNER | 733-6083 | CALL |
| MIKEL SHILLING | 648-1936 | GUCCO |

Henry Oswald

GUCCO

| | | |
|------------------|----------|------------------|
| ELLEN KURTZ | 398-2985 | SAME |
| Eileen MacLaren | 393-1477 | Amigos de Camara |
| Jan Lester | 885-9000 | 885-9099 |
| David Williamson | 622-8771 | |
| GARY DUFFY | 625-5511 | 625-1603 |
| FRANK THOMPSON | 622-0662 | 622-1950 |

PROPOSED AGENDA
CANOA STAKEHOLDERS MEETING

April 10, 2000

1. **Introductions**

 2. **Requests for Information -- April 6th Meeting**
 - A. Topic of accuracy in representation
 - Recorded meeting
 - Written comments
 - B. Archaeology report
 - C. Fiscal reports
 - D. Canoa report
 - E. Funding mechanism -- binding legal language

 3. **Alternatives Proposed by Stakeholders**
 - Financial feasibility
 - Conservation value
 - Implementation / legal feasibility

 4. **April 11 Meeting -- Room Change**
 - Next meeting -- conference room on the 6th floor
-

4/10/00

| | | |
|---------------------------|--------------------------------------|----------|
| ROB KULAKOFSKY | CENTRE FOR ENVIRONMENTAL CONNECTIONS | 623-3874 |
| MIKEL SHILLING | GRN VALLEY COORD COUNCIL | 648-1936 |
| JOG OLLES | TAXPAYERS | 648-7051 |
| WANDA OLLES | " | " |
| JEFF LAUGHTON | Δ2 OPEN CANO TRUST | 850-4800 |
| Diane Freshwater | ADUT | 577.8564 |
| Terry Owens | Phelps Dodge Sierrita | 648-8661 |
| Vin Mac CAREN | S.I.V. AOA | 393-1477 |
| Eileen MacLaren | Amigo de Canoa | 393-1477 |
| Jeanne H. Bernhardt | G.V. Taxpayers | 648-2758 |
| Sandra Lee Stone | Canoa Heritage Foundation | 648-6247 |
| Nancy Williams | Protect Land and Neighbors | 398-2469 |
| Craig Foltz | Whipple Observatory | 621-1269 |
| Eileen Kurtz | Pi A.U.P. Amigos | 398-2985 |
| Tom Sheridan | Canoa Heritage Foundation | 822-1053 |
| Jan Lester | Lester Communications / Fairfield | 859-0000 |
| David Wilkinson | Fairfield Homes | 622-8771 |
| FRANK THOMPSON | FRANK THOMPSON/ASAC | 622-0662 |
| Marcus Behan | Puna County | 740-8015 |

PROPOSED AGENDA

STAKEHOLDERS MEETING

April 11, 2000

1. Introductions

2. Alternatives Proposed by Stakeholders

Additional Information from Amigos de Canoa, Joe Olles, Nancy Williams

- A. Conservation value --
Additional species of concern from Rob Kulakofsky
- B. Financial feasibility
- C. Implementation / legal feasibility

3. Litigation Settlement Proposal -- Comment and Discussion

- A. Commercial aspects
- B. Conservation value --
 - A. Biological
 - B. Water
 - C. Cultural
- C. Implementation / legal feasibility

4. April 12 Meeting

Next meeting -- conference room on the 10th floor

Requests for Information

Written comments from stakeholders

April 11

| <u>NAME</u> | <u>Organ.</u> | <u>PHONE</u> |
|----------------------------|----------------------------------|--------------|
| ROB KULAKOSKY | | 623-3874 |
| Tom Sheridan | | 822-1053 |
| Diana Freshwater | ADLT | 520.577.8564 |
| JEFF Lampton | ADLT | 850-4800 |
| Nancy Williams | Protect Land + Neighborhoods | 398-2469 |
| Joe Ules | | 648-7051 |
| Jim MacLaren | S.I.V. | 393-1477 |
| MIKEL SHILLING | GUCCC | 648-61936 |
| Eileen MacLaren | Amigas de Canoe | 393-1477 |
| DALE FAULKNER | FAULKNER LAND Co. | 733-6083 |
| High Appeal | CVPPZ | |
| David Williamson | Fairfield Homes | 672-8771 |
| Ben CHANGKAKOTI | PIMA COUNTY | 740-6800 |
| Dan Brocius | Whipple Observatory | 670-5706 |
| GARRY DUFFY | SU News | 625-5511 |
| Maureen Bohan | Pima County | 740-8162 |
| Terry Owens | PD | 648-8661 |
| BRIAN BLANK | | 326-4210 |
| FRANK THOMPSON | FRANK THOMPSON Assoc. | 622-0662 |
| Jan Lesner | LCI | 885-9000 |
| ELLEN KURTZ | Amigas de P.L.A.N. | 398-2985 |

APRIL 12

NAME

PHONE

- | | | |
|----|-----------------------------|--------------|
| 1 | David Williamson | 622-8771 |
| 2 | Jim MacLaren | 393-1477 |
| 3 | MIKEL SHILLING | 648-1936 |
| 4 | Eileen MacLaren | 393-1477 |
| 5 | Tom Shendan | 822-1053 |
| 6 | Jan Leshar | 885-9000 |
| 7 | BRIAN BLANK | 326-4210 |
| 8 | DAVID SADER | 398-3281 |
| 9 | Dan Brosious | 670-5706 |
| 10 | Susan Sader | 398-3281 |
| 11 | Nancy Williams | 398-2769 |
| 12 | Eileen Kuzer | 398-2985 |
| 13 | Joe Ollies | 648-7051 |
| 14 | JEFF HAMPTON AOLT | 350-4800 |
| 15 | Diana Freshwater | 777-8564 |
| 16 | Ron Scholl | 881-5101 |
| 17 | Maureen Behan | 740-8662 |
| 18 | GARY PUFFY | 625-5541 |
| 19 | FRANK THOMPSON | 622-0662 |
| 20 | FRANK CHAIKAKOTI | 740-6800 |
| 21 | DANIEL PRESTON | 295-9363 |
| 22 | ROD KURAKOPSKY | 623-3874 |
| 23 | Terry Owens | 648-8661 |
| 24 | James O'Neil | 602-446-4805 |

DISCUSSION TOPICS

CANOA STAKEHOLDERS MEETINGS

130 W. Congress 10th Floor (3:00 - 5:00 pm)

April 17, 2000

Cultural Resources

April 18, 2000

Biological Resources

Alternative -- Nancy Williams

April 19, 2000

Comments on Proposals

APRIL 17

| Name | Phone | Fax |
|--------------------------------------|-----------|----------|
| Jan Leshar | 885-9000 | 885-9099 |
| FRANK THOMPSON | 622-0662 | 622-1950 |
| MIKEL SHILLING | 648-1936 | |
| Eileen MacLaren | 393-1477 | |
| Susan Sader | 398-3281 | |
| DAVID SADER | 398-3281 | |
| Joe LUD RICHARDSON | 648-1936 | |
| leaved Dan Brojans | 670-5706 | 670-5713 |
| like a Ellen Kurtz | 398-2985 | Same |
| his report Nancy Williams | 398-2469 | |
| Joe Sader | 648-17051 | |
| Diana Freshwater | 577-8564 | |
| ROB KULAKOVSKY | 623-3874 | |
| BRIAN BLANK | 326-4210 | |
| BEN CHANGKAKOTI | 740-6800 | |
| Maureen Behan | 740-8162 | |
| GARRY DUFFY | 625-5511 | |
| DAVID STEPHEN | 625-8538 | |

APRIL 18

David Williamson

Fairfield Homes

~~Ken Kingsley~~

SWCA

JEFF HAMPTON AOLT

350-4800

ROB KULAKOFFSKY

623-3874

JOG OLLES

648-7051

ELLEN KURTZ

398-2985

Nancy Williams

398-2469

Tom Shendon

822-1053

GARRY DUFFY

625-5511

Dan Brocius

670-5706

BRIAN BLANK

326-4210

FAT MALCHOW

327-4058

Eileen MacLaren

393-1477

MIKEL SHILLING

648-1936

Jan Lesher

~~885~~-9000

Maureen Behan

740-8162

BEN CHANGKAKOTI

740-6800

~~FRANK THOMPSON~~

622-0662

April 19

NAME

FAX

PHONE

ROB KULAKOFFSKY

SAME.

623-3874

JOE OLLES

648-7051

Wanda Olles

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ELLEN KURTZ

FAX 398-2985

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Tom Sheridan

822-1053

GARRY DUFFY

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625-5511

JOFF HAMPTON (Fax: 219-4676)

850-4800

Eileen Macharen

393-1477

MIKE SHILLING

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648-1936

Jen Lester

885 9099

885 9000

David Williamson

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FRANK THOMPSON

622-0662

Maureen Bibe

740-8162

SANDRA L. YAHN

398-2076

BRIAN BLANK

326-4210

Hancy Williams

398-2469

398-2469

STAKEHOLDER CONTRIBUTIONS

1. **Letter to Whipple Observatory**
October 26, 1999 letter re: agreement on lighting guidelines, submitted during stakeholders meetings
 2. **Memorandum from Green Valley Community Coordinating Council**
January 6, 2000 memorandum re: development issues on Canoa Ranch, submitted during the stakeholders meetings
 3. **Memorandum and Addendum from Mr. Joe Olles**
April 9, 2000 comments and alternative proposal
April 17, 2000 alternative proposal
 4. **Memorandum from Ms. Nancy Williams**
April 16, 2000 comments and alternative proposal
 5. **Letter from Mr. and Mrs. James P. Nordstrom**
April 19, 2000 letter
 6. **Comments from Ms. Mikel Shilling**
April 20, 2000 comments
April 26, 2000 comments
 7. **Sahuarita Unified School District Letters**
April 20, 2000 letter from the Superintendent
April 26, 2000 letter to the Superintendent
 8. **Letter from Mr. Rob Kulakofsky**
April 21, 2000 comments and proposal
 9. **Letter from Dr. Tom Sheridan**
April 25, 2000 comments
 10. **Letter from Mr. William Kurtz**
May 5, 2000 letter
 11. **Letter from Green Valley Community Coordinating Council**
May 9, 2000 letter re: development issues on Canoa Ranch
-

Letter to Whipple Observatory

October 26, 1999

Mr. Dan Brocius
Public Information Office
Whipple Observatory
P.O. Box 97
Amado, AZ 85645-0097

Dear Dan:

Thank you for your letter dated September 21, 1999 regarding the Lighting Guidelines for the Canoa Ranch Specific Plan.

We are in full agreement with your proposed changes to the Canoa Ranch Lighting Guidelines. Additionally, Fairfield fully intends to comply with the new version of the Tucson-Pima County-Marana Outdoor Lighting Code.

The conditions of development you've listed are correct, and we intend to adhere to them if our proposed plans are approved.

Attached are the Canoa Ranch Lighting Guidelines, which have been revised to include your references and additions.

Thank you again for your review and revisions. Please let me know if you have any other questions or need further information.

Sincerely,

FAIRFIELD HOMES, INC.



David J. Williamson
President

DJW:cj

Enclosure

f:\word\david\CRbrociusliteagree

Existing Lighting Practices

Existing Site Lighting

•Street Lights

There are no streetlights in either the older or newer sections of Fairfield's Green Valley projects. Accent and safety lighting is provided for the medians and entry drives. The older section of Camino Del Sol north of Golf Estates Drive consists of 25 watt incandescent "Pagoda type light fixtures spaced approximately every 30 feet. According to the manufacturer these fixtures put out 118 lumens per fixture. The newer areas including the median south of Golf Estates Drive to Calle Tres and both sides of Desert Bell in Las Campanas utilize 5 watt and 7 watt "Pagoda " type fixtures spaced every 30 feet.

•Entry Signage

Typical Installation includes 2 to 4 75-watt floodlights per entry sign along Camino Del Sol to provide direct illumination for entries into neighborhoods off the main arterials for homeowners at night.

•Exterior Recreational Lighting

Fairfield has not typically provided lighted features in neighborhood recreational facilities or for those constructed for Green Valley Recreation.

Existing Residential Lighting

There are currently several lighting packages or options offered to homebuyers. The basic option includes a 60-watt closed top light for the front exterior and for the garage and rear patio lighting that consists of a recessed fixture of 60-watts. No accent lighting or driveway lighting is included.

Proposed Lighting Design Guidelines

All development within Canoa Ranch, whether public or private, shall be subject to a series of lighting design guidelines with the objective of minimizing reflective light and minimizing the use of lighting on the site.

All outdoor illuminating devices shall be installed to conform to or exceed the requirements set forth in the Pima County Outdoor Lighting Code.

All applications for subdivision or development plan review will include a description of the types of illumination devices proposed for the development and show the location of

those devices. These lighting plans will be submitted to the Canoa Ranch Design Review Committee and to the Whipple Observatory for review and comment.

Included in the design guidelines will be the following (all references are to the Draft of the New Tucson/Pima County/Marana Outdoor Lighting Code, Aug. 16 version, which is attached):

- All lighting sources shall be fully shielded to reduce dispersal of ambient light. (Section 4.7)
- All low wattage lighting fixtures, residential and commercial, are to have shielding requirements established. (Section 4.7)
- External lighting shall be limited to that necessary to provide the functional requirements of safety, security, and identification. (Section 1)
- Mercury vapor lighting is prohibited. (Section 10.1)
- All commercial exterior lighting not required for safety or security is to have limited hours of operation. (see Tables 6.4 and 7.1)
 - Limit on commercial lighting i.e. signs, parking lots, grounds.
 - Limit on residential lighting i.e. decorative landscaping accents.
- Advertising signs to have dark faces with lighted lettering, similar to Flagstaff Ordinance. (Section 6)
- Encourage use of automatic controls for both residential and commercial lighting. This would include devices like presence sensors, time controls, and additional switching. The California Energy Code has several requirements intended to reduce energy consumption that may be useful in controlling light pollution, i.e. motion detectors for driveway and/or entry lights. These ideas may also be applicable to indoor lighting that could have an impact on light pollution such as areas near windows or under canopies.
- Control the color, and so the reflectivity, of surfaces of lighted areas. This might include requiring the use of asphalt instead of concrete in certain instances such as driveways and parking lots.
- Impose lighting level design requirements, such as foot-candle limits for areas like parking lots. (Section 5)
- Limit in time and quantity any recreational lighting use. (Section 7.1)
- Mandate the use of certain types of lighting sources beyond current ordinance requirements. This might include requiring low-pressure sodium lighting for low wattage applications like residential entry/driveway lights or building mounted wall lights.



Smithsonian Astrophysical Observatory

Fred Lawrence Whipple Observatory

September 21, 1999

Mr. Frank Thomson
Frank Thomson & Associates
110 South Church, Ste. 1260A
Tucson, AZ 85701

Dear Mr. Thomson:

Please find enclosed our comments on the "Lighting Guidelines" for the Canoa Ranch Master Plan (5/5/99 draft). As you can see, we've made notes directly on the text. You'll quickly determine that most of the notes are references to the pending revision of the Tucson/Pima county/Marana Outdoor Lighting Code. The draft Code nicely handles most of the conditions outlined in the "Guidelines." The types of fixtures you specified for residential outdoor lighting should do fine.

By and large, if Fairfield follows the new Code, then most lighting matters should be taken care of. For your reference, I've enclosed a copy of the most recent OLC draft. About the only Code item remaining under discussion is the method of determining light trespass from one property to another.

We have just finished evaluating the uplight from the building plans you provided to us. Under the following conditions, we calculate the increased sky brightness would be one-third or less, than that of the previous Specific Plan:

- If commercial development is limited to 250 acres or less, and the installed lumens per acre is 12,500 (as described in the Code)
- Residential development is limited to roughly 2,500 residences on the west side on Interstate 19, with outdoor lighting as your plan describes. No residential development east of I-19.
- No sports lighting. No streetlights unless required by County. All signs in compliance with draft Code.
- No other building at a later date on other parts of the Canoa Ranch.

If all of this is adhered to, then the increase in sky brightness would be about 3% above natural. This will have a measurable impact on the observations taken from Mount Hopkins, but at a level that we can live with.

P O Box 97
670 Mount Hopkins Road
Amado AZ 85645-0097 U S A
520.670.5701 Telephone
520.670.5713 Fax



Smithsonian Astrophysical Observatory

Fred Lawrence Whipple Observatory

If there were to be any substantial alteration in your proposal, we cannot guarantee the accuracy of these numbers.

Thank you for your willingness to discuss these matters work with us to mitigate the amount of light pollution from the Canoa Ranch development. We trust we can work together again.

Best regards,

A handwritten signature in black ink, appearing to read "Dan Brocius". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Dan Brocius
Public Information Office

encl.

cantwo1.doc

c: C. Foltz, MMTO
R. Kirshner, CfA

Existing Lighting Practices

DRAFT

Existing Site Lighting

•Street Lights

There are no streetlights in either the older or newer sections of Fairfield's Green Valley projects. Accent and safety lighting is provided for the medians and entry drives. The older section of Camino Del Sol north of Golf Estates Drive consists of 25 watt incandescent "Pagoda type light fixtures spaced approximately every 30 feet. According to the manufacturer these fixtures put out 118 lumens per fixture. The newer areas including the median south of Golf Estates Drive to Calle Tres and both sides of Desert Bell in Las Campanas utilize 5 watt and 7 watt "Pagoda " type fixtures spaced every 30 feet.

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Proposed Lighting Design Guidelines

All development within Canoa Ranch, whether public or private, shall be subject to a series of lighting design guidelines with the objective of minimizing reflective light and minimizing the use of lighting on the site.

All outdoor illuminating devices shall be installed to conform to or exceed the requirements set forth in the Pima County Outdoor Lighting Code.

All applications for subdivision or development plan review will include a description of the types of illumination devices proposed for the development and show the location of

those devices. These lighting plans will be submitted to the Canoa Ranch Design Review Committee and to the Whipple Observatory for review and comment.

Included in the design guidelines will be the following:

- All lighting sources shall be fully shielded to reduce dispersal of ambient light. *Sec. 4.7*
- All low wattage lighting fixtures, residential and commercial, are to have shielding requirements established. (City of Mesa Lighting Restrictions) *Sec. 4.7*
- External lighting shall be limited to that necessary to provide the functional requirements of safety, security, and identification. *Sec. 1*
- Mercury vapor lighting is prohibited. *Sec. 10.1*
- All commercial exterior lighting not required for safety or security is to have limited hours of operation. *See Tables 6.4 + 7.1*
 - Limit on commercial lighting i.e. signs, parking lots, grounds.
 - Limit on residential lighting i.e. decorative landscaping accents.
- Advertising signs to have dark faces with lighted lettering, similar to Flagstaff Ordinance. *Sec. 6*
- Encourage use of automatic controls for both residential and commercial lighting. This would include devices like presence sensors, time controls, and additional switching. The California Energy Code has several requirements intended to reduce energy consumption that may be useful in controlling light pollution. These ideas may also be applicable to indoor lighting that could have an impact on light pollution such as areas near windows or under canopies. *i.e. motion detectors for driveway and/or entry lights*
- Control the color, and so the reflectivity, of surfaces of lighted areas. This might include requiring the use of asphalt instead of concrete in certain instances such as driveways and parking lots.
- Impose lighting level design requirements, such as foot-candle limits for areas like parking lots. *Sec. 5*
- Limit in time and quantity any recreational lighting use. *Sec. 7.1*
- Mandate the use of certain types of lighting sources beyond current ordinance requirements. This might include requiring low-pressure sodium lighting for low wattage applications like residential entry/driveway lights, or building mounted wall lights.

Draft of New Tucson/Pima County/Marana Outdoor Lighting Code

16 August 1999 Version

Section 1. Purpose and Intent. The purpose of this Code is to provide standards for outdoor lighting in order to: 1) promote the safety, security, and well being of persons engaged in outdoor nighttime activities; 2) protect and preserve dark skies needed by the astronomical community; and 3) minimize wasted energy.

It is the intent of this Code to control the obtrusive aspects of excessive and careless outdoor lighting usage while preserving, protecting, and enhancing the lawful nighttime use and enjoyment of any and all property.

Section 2. Conformance with Applicable Codes. All outdoor illuminating devices shall be installed in conformance with the provisions of this Code, the Building Code, the Electrical Code, and the Sign Code of the Authorizing Jurisdiction as applicable and under appropriate permit and inspection.

Section 3. Applicability

3.1 New Uses, Buildings and Major Additions or Modifications. All proposed new land uses, developments, buildings, structures, or building additions of 25 percent or more in terms of additional dwelling units, gross floor area, seating capacity, or parking spaces, either with a single addition or with cumulative additions subsequent to the effective date of this provision, shall meet the requirements of this Code for the entire property. Cumulative modification or replacement of outdoor lighting constituting 25 percent or more of the permitted lumens for the parcel, no matter the actual amount of lighting already on a non-conforming site, shall constitute a major addition for purposes of this section.

3.2 Minor Additions. Additions or modifications of less than 25 percent to existing uses shall require the submission of a complete inventory and site plan detailing all existing and any proposed new outdoor lighting. Any new lighting on the site shall meet the requirements of this Code with regard to shielding and lamp type; the total amount of lighting after the modifications are complete shall not exceed that on the site before the modification, or that permitted by this code, whichever is larger.

3.3 Change of Use. Whenever the use of any existing building, structure, or premises is changed to a new use, all outdoor lighting shall be reviewed and brought into compliance with this Code before the new use commences.

3.4 Resumption of Use after Abandonment. If a property or use with non-conforming lighting is abandoned as defined in Section 4, then all outdoor lighting shall be reviewed and brought into compliance with this Code before the use is resumed.

Section 4. Definitions. Unless the context clearly indicates otherwise, certain word and phrases used in this Code shall mean the following:

4.1 Class 1 Lighting. All outdoor lighting used for, but not limited to, outdoor sales or eating areas, entrance canopies on retail buildings, assembly (mechanical) or repair areas, advertising and other signs, recreational facilities, and other similar applications where Color rendition is important to preserve the effectiveness of the activity. Designation of lighting as Class 1 requires a finding by the Authorizing Jurisdiction of the essential function of color rendition for the application.

4.2 Class 2 Lighting. All outdoor lighting used for, but not limited to, illumination for walkways, roadways, equipment yards, parking lots and outdoor security where general illumination for safety or security of the grounds is the primary concern.

4.3 Class 3 Lighting. Any outdoor lighting used for decorative effects including, but not limited to, architectural illumination, flag and monument lighting, and illumination of landscaping.

4.4 Development Project. Any residential, commercial, industrial or mixed use subdivision plan or development plan which is submitted to the Jurisdiction for approval or for permit.

4.5 Direct Illumination. Illumination resulting from light emitted directly from a lamp or luminaire, not light diffused through translucent signs or reflected from other surfaces such as the ground or building faces.

4.6 Display Lot or Area. Outdoor areas where active nighttime sales activity occurs and where accurate color perception by customers is required. To qualify as a display lot, one of the following specific uses must occur: automobile sales, assembly lots, swap meets, airport and automobile fueling areas. Uses not on this list must be approved as a display lot use by the Authorizing Jurisdiction.

4.7 Full Cutoff Light Fixture A luminaire light distribution where no candela occur at or above an angle of 90 degrees above nadir. Additionally, the candela per 1000 lamp lumens does not numerically exceed 100 (10 %) at a vertical angle of 80 degrees above nadir. This applies to all lateral angle around the luminaire. Such candela information shall be as determined by photometric test report from a certified independent test laboratory and as certified by the manufacturer. Any structural part of the light fixture providing this cutoff angle shielding must be permanently affixed.

4.8 Installed. The attachment, or assembly fixed in place, whether or not connected to a power source, of any outdoor light fixture.

4.9. Lighting Areas.

4.9A "Lighting Area E3" is an urban area (city center), with primary land uses for commercial, business, industrial activity, apartments, surrounded by suburban residential areas.

~~4.10A "Lighting Area E4" is an urban area (city center), with primary land uses for commercial, business, industrial activity, and apartment.~~

~~4.10B "Lighting Area E3" is suburban residential areas, though commercial or industrial parcels largely surrounded by these suburban residential areas are included.~~

4.9B Lighting area E3a is a special area around Mt. Lemmon defined as follows: The Pinal County line on the north, along the center line of the Santa Cruz River, to the center line of Rillito Creek, to the center line of Tanque Verde Creek with the junction to the northern border of the Saguaro National Monument, then along that border until it ends on the east side and bends east to the County line.

~~4.9.C~~ 4.9.C "Lighting Area E2" is rural residential and agricultural areas, but including commercial and industrial areas surrounded by these rural residential areas.

~~4.9.D~~ 4.9.D "Lighting Area E1a" are special areas around astronomical observatories and include all areas within 15 miles of the summit of Kitt Peak and 12.5 miles of the summit of Mount Hopkins, and those areas within any national park, monument, or forest boundary. In these areas, the preservation of a naturally-dark environment, both in the sky and in the visible landscape, is considered of paramount concern.

Lighting Area E1b includes the circular area thirty-five miles in radius the center of which is the summit of Kitt Peak; the circular area, twenty-five miles in radius, the center of which is the summit of Mount Hopkins.

~~4.9.E~~ 4.9.E A property located in more than one of the Lighting Areas described under the above Sections 4.9.A to 4.9.D ~~4.15.A to 4.15.D~~ shall be considered to be only in the more restrictive Lighting Area.

4.10 Lumen. Unit of luminous flux; used to measure the amount of light emitted by lamps.

4.11 Luminaire. The complete lighting assembly, less the support assembly. For purposes of determining total light output from a luminaire, lighting assemblies which

include multiple unshielded or full cutoff ~~partially shielded~~ lamps on a single pole or standard shall be considered as a single unit. Two or more units with lamps less than 3 feet apart shall be considered a single luminaire.

4.12 Multi-class Lighting. Any outdoor lighting used for more than one purpose, such as security and decoration, such that its use falls under the definition of two or more classes as defined for Class 1, 2 and 3 Lighting.

4.13 Net Acreage. The remaining ground area after deleting all portions for proposed and existing streets within a development, parcel, or subdivision.

4.14 Opaque. Opaque means that the material shall not transmit visible light.

4.15 Outdoor light fixture. An outdoor illuminating device, outdoor lighting or reflective surface, lamp or similar device, permanently installed or portable, used for illumination or advertisement. Such devices shall include, but are not limited to for:

- A. street lighting;
- B. parking lot lighting;
- C. building and structural lighting;
- D. landscape lighting;
- E. recreational lighting;
- F. billboards and other signs (advertising or otherwise);
- E. product display area lighting;
- F. building overhangs and open canopies;
- G. security lighting;
- H. searchlight, spotlight, flood lights, and laser lights.

4.16 Outdoor Light Output, Total. The maximum total amount of light, measured in lumens, from all outdoor light fixture lamps. For lamp types that vary in their output as they age (such as high pressure sodium and metal halide), the initial output, as defined by the manufacturer, is the value to be considered. For determining compliance with Section 5.2 (Lumen Caps Total Outdoor Light Output) of this Ordinance, the light emitted from outdoor light fixture lamps is to be included in the total output as follows:

(a) outdoor light fixtures installed on poles and light fixtures installed on the sides of buildings or other structures, when not shielded from above by the structure itself as defined in parts b and c below, are to be included in the total outdoor light output by simply adding the lumen outputs of the lamps used;

(b) outdoor light fixtures installed under canopies, buildings, overhangs or roof eaves where all parts of the center of the lamp or luminaire are located at least five feet from the nearest edge of the canopy or overhang are to be included in the total outdoor light output as though they produced one-quarter (0.25) of the lamp's rated lumen output; all

such lighting shall meet the definition of full cutoff luminaires. The canopy is not the cutoff.

4.17 Outdoor Recreation Facility. An area designed for active recreation, whether publicly or privately owned, including, but not limited to baseball, soccer, football, golf, tennis, swimming pools, and race tracks of any sort.

~~**4.19 Partial Cutoff Lighting Fixture.** A luminaire light distribution where the candela per 1000 lamp lumens does not numerically exceed 25 (2.5%) at or above an angle of 90 degrees above nadir, and 100 (10%) at or above a vertical angle 80 degrees above nadir; this applies to all lateral angles around the luminaire. Such a light output distribution shall be as determined by photometric test report from a certified test laboratory, as certified by the manufacturer. Any structural part of the light fixture providing this cutoff angle must be permanently affixed.~~

4.1820 Person. Any individual, tenant, lessee, owner, or any commercial entity including but not limited to firm, business, partnership, joint venture or corporation.

4.1924 Temporary Lighting. Lighting which does not conform to the provisions of this ordinance and which will not be used for more than one thirty (30) day period within a calendar year, with one thirty (30) day extension. Temporary lighting is intended for uses which by their nature are of limited duration; e.g. for example holiday decorations, civic events, or construction projects.

4.2022 Use, Abandonment of. The relinquishment of a property, or the cessation of a use or activity by the owner or tenant for a period of six months, excluding temporary or short term interruptions for the purpose of remodeling, maintaining, or otherwise improving or rearranging a facility. A use shall be deemed abandoned when such use is suspended as evidenced by the cessation of activities or conditions which constitute the principle use of the property.

Section 5. Total Outdoor Light Output and Shielding Requirements. The tables in this section give requirements of the total light output permitted per acre for the different lighting areas and the fixture shielding requirements for class of lighting, lamp type, and lighting area. These requirements shall be met for all lighting installations subject to this code.

5.1 Total Outdoor Light Output. Total outdoor light output shall not exceed the lumen limits given in Table 5.1.

**Table 5.1 MAXIMUM TOTAL OUTDOOR LIGHT OUTPUT REQUIREMENTS
LUMEN CAPS: INITIAL LUMENS PER NET ACRE**

| | <u>E3</u> <u>E4</u> | E3a | E2 | E1 | E1a |
|--|------------------------|------------------------------------|-------|-------|-------|
| Commercial and industrial zoning (1): | | | | | |
| Total | 200000 | <u>100000</u> 100000 | 50000 | 25000 | 12500 |
| Unshielded | 10000 | <u>6000</u> | 4000 | 2000 | 1000 |
| All residential zoning (2): | | | | | |
| Total | 50000 | | 15000 | 10000 | 10000 |
| Unshielded | 10000 | | 4000 | 2000 | 1000 |

Notes to Table 5.1:

1. This refers to all land-use zoning classifications for multiple family uses, commercial and industrial uses.

2. This refers to all residential land-use zoning, including all densities and types of housing such as single-family detached, duplexes.

3. These are upper limits and not design goals. Design goals should be lower and should be the lowest levels that meet the task, and hence save energy and minimize glare.

Table 5.2 LAMP TYPE AND SHIELDING STANDARDS

| USE CLASS AND LAMP TYPE | E3 | <u>E3a</u> | E2 | E1 | E1a |
|---|------------------|-------------------------|--------|--------|--------|
| Class 1 lighting (Color Rendition): | | | | | |
| LPS greater than or equal to 2000 lumen/luminaire | F | <u>F</u> | F | F | F |
| Others greater than or equal to 2000 lumens/luminaire | F | <u>F</u> | F | X | F |
| All types below 2000 lumens/luminaire | <u>F</u> P(1) | <u>F</u> <u>P(1)</u> | F | F | F |
| Class 2 lighting (General Illumination): | | | | | |
| LPS greater than or equal to 2000 lumen/luminaire | F | <u>F</u> | F | F | F |
| Others greater than or equal to 2000 lumens/luminaire | F | <u>F</u> | F | X | X |
| All types below 2000 lumens/luminaire | <u>A</u> P(1) | <u>F</u> <u>P(1)</u> | F | F | F |
| Class 3 lighting (Decorative)(4): | | | | | |
| All lighting greater than or equal to 2000 lumens/luminaire | F | <u>F</u> | X | X | X |
| All types below 2000 lumens/luminaire | A(1) | <u>F(2,3)</u> | F(2,3) | F(2,3) | F(2,3) |

Notes to Table 5.2

1. Flood or spot lamps must however be aimed no closer than 45 degrees to the horizontal (half-way between straight down and straight to the side) when the source is visible from any adjacent residential property.

2. Exception: seasonal decorations using unshielded low-wattage incandescent lamps shall be permitted from Thanksgiving to 15 January.

3. Non-LPS lamps are limited to no more than 5,500 lm per net acre.

4. All Class 3 lighting shall be extinguished between 11:00 P.M. (or when the business closes, whichever is later) and sunrise.

Use Code:

A = unshielded light allowed; shielding not required but highly recommended.

~~P = partially shielded lights allowed.~~

F = full cutoff ~~fully shielded~~ lights required.

X = not allowed.

5.3 All light fixtures that are required to be shielded shall be installed in such a manner that the shielding is effective as described in the definitions in Section 4 for full cutoff ~~fully shielded~~ fixtures.

5.4 Beyond the shielding requirements of Section 5.1, all light fixtures shall be located, aimed or shielded so that the direct illumination shall not be seen from the property boundaries. All outdoor lighting adjacent to residential areas shall have house-side shields attached.

5.5 Multi-class lighting must conform to the shielding and timing restrictions, if any, that apply to the most restrictive included class.

Section 6. Outdoor Advertising Signs.

6.1 External illumination for on-site signs shall conform to all provisions of this Code. In particular, such lighting shall be treated as Class 1 lighting and shall conform to the lamp source, shielding restrictions, and lumen caps of Section 5.

6.2 Electrical illumination of outdoor advertising off-site signs is prohibited, except that the use of lighting fixtures legally installed in Areas E2 and E3 ~~and E4~~ prior to the effective date of this code may continue, provided such fixtures comply with all other provisions of the code.

6.3 Outdoor internally-illuminated advertising signs must be constructed with an opaque or colored background and translucent text and symbols. Lamps used for internal illumination of such signs shall not be counted toward the lumen cap described in Section 5.

6.4 Illumination for all advertising signs, both externally-illuminated and internally-illuminated, shall be turned off at the curfew times listed in Table 6.4 or when the business closes, whichever is later.

Table 6.4 ILLUMINATED SIGN CURFEWS

| Sign Type and Land Use Area (1) | LIGHTING AREA | | | | |
|---|---------------|---------|---------|---------|-----|
| | E3 | E3a | E2 | E1 | E1a |
| Commercial and Industrial zoning | | | | | |
| Opaque Background | 12 A.M. | 12 A.M. | 11 P.M. | 11 P.M. | X |
| Colored Background | 12 A.M. | 12 A.M. | 12 A.M. | X | X |
| All residential zoning | | | | | |
| Opaque Background | 11 P.M. | 11 P.M. | 10 P.M. | 9 P.M. | X |
| Colored Background | 11 P.M. | 11 P.M. | 10 P.M. | X | X |

Note to Table 6.4: Land Use Zoning refers to the predominant use of land surrounding the parcel on which the sign is located.

Section 7: Special Uses

7.1. Recreational Facilities.

(a) All site lighting not directly associated with the athletic playing areas shall conform to the lighting standards described in this ordinance, including but not limited to the lamp type and shielding requirements of Section 5.2 and the lumens per acre limits of Section 5.1.

(b) Lighting for athletic fields, courts or tracks shall be considered Class 1 (Color Rendition), and shall be exempt from the lumens per acre limits of Section 5.1. All such lighting shall utilize full cutoff ~~fully-shielded~~ luminaires that are installed in a fashion that maintains the full cutoff ~~fully-shielded~~ characteristics unless certified by a registered engineer that such shielding is ~~impossible~~ impractical. Such lighting shall in all cases be required for fields designed for amateur, recreational, or non-professional sports activity. Every such lighting system design shall be certified by an registered engineer as conforming to all applicable restrictions of this ordinance. Where full cutoff ~~fully-shielded~~ fixtures are not utilized, acceptable luminaires shall include those which:

- 1. Are provided with internal and/or external glare control louvers and installed so as to minimize uplight and offsite light trespass as required in (b) above, and;
 - 2. Are installed with minimum aiming angles of 25 degrees downward from the horizontal. Said aiming angle shall be measured from the axis of the luminaire maximum beam candlepower as certified by independent testing agency.
- c. All events shall be scheduled so as to complete all activity before the curfew listed in Section 7.1 . Illumination of the playing field, court or track shall be permitted after the curfew only to conclude a scheduled event that was unable to conclude before the curfew due to unusual circumstances. No recreational lighting is permitted in area E1a.

Table 7.1 SPORTS FACILITY AND DISPLAY LOT CURFEWS

| LIGHTING AREA | | | | | |
|--------------------|--------------------------------------|-------------------|---------|----|---------|
| E4 | E3 | E3a | E2 | E1 | E1a |
| 12 A.M. | <u>12 A.M.</u> 11 P.M. | <u>11:00 P.M.</u> | 11 P.M. | X | 10 P.M. |

7.2 Outdoor Display Lots.

a. All site lighting not directly associated with the display areas shall conform to the lighting standards described in this ordinance, including but not limited to the lamp type and shielding requirements of Section 5.2 and the lumens per acre limits of Section 5.1.

b. Lighting for display lots shall be considered Class 1 (Color Rendition), and shall be exempt from the lumens per acre limits of Section 5.1. However, the installation shall be designed to not exceed the illuminance recommendations for the activity as defined by the most current recommended practice of the Illuminating Engineering Society of North America (IESNA). All such lighting shall utilize full cutoff fully shielded luminaires that are installed in a fashion that maintains the full cutoff fully shielded characteristics. Every such lighting system design shall be certified by a registered certified engineer as conforming to all applicable restrictions of this ordinance.

c. Class 1 display lot lighting exceeding the lumens per acre cap of Section 5.1 shall be turned off at the curfew times listed in Section 7.1 or within thirty minutes after closing of the business, whichever is later.

d. Class 2 display lot lighting shall be permitted for security and safety lighting and shall

be exempted from the turn-off requirements of Section 7.1.

Section 8. Submission of Plans and Evidence of Compliance with Code.

8.1 Submission Contents. The applicant for any permit required by any provision of the laws of this jurisdiction in connection with proposed work involving outdoor lighting fixtures shall submit (as part of the application for permit) evidence that the proposed work will comply with this Code. The submission shall contain but shall not necessarily be limited to the following, all or part of which may be part or in addition to the information required elsewhere in the laws of this jurisdiction upon application for the required permit:

1. plans indicating the location on the premises, and the type of illuminating devices, fixtures, lamps, supports, reflectors, and other devices;
2. description of the illuminating devices, fixtures, lamps, supports, reflectors, and other devices and the description may include, but is not limited to, catalog cuts by manufacturers and drawings (including sections where required);
3. photometric data, such as that furnished by manufacturers, or similar showing the angle of cutoff or light emissions. Photometric data need not be submitted when the full cutoff-fully shielded performance of the fixture is obvious to the reviewing official.

8.2 Additional Submission. The above required plans, descriptions and data shall be sufficiently complete to enable the plans examiner to readily determine whether compliance with the requirements of this Code will be secured. If such plans, descriptions and data cannot enable this ready determination, by reason of the nature or configuration of the devices, fixtures, or lamps proposed, the applicant shall additionally submit as evidence of compliance such certified reports of tests as will, provided that these tests shall have been performed and certified by a recognized testing laboratory.

8.3 Subdivision Plat Certification. If any subdivision proposes to have installed street or other common or public area outdoor lighting, the final plat shall contain a statement certifying that the applicable provisions of this Code will be adhered to.

8.4 Lamp or Fixture Substitution. Should any outdoor light fixture or the type of light source therein be changed after the permit has been issued, a change request must be submitted to the design professional and building official for his/her approval, together with adequate information to assure compliance with this code, which must be received prior to substitution.

Section 9. Approved Materials and Methods of Construction or Installation/Operation.

The provisions of this Code are not intended to prevent the use of any design, material, or method of installation or operation not specifically prescribed by this Code, provided any such alternate has been approved by the Authorizing Jurisdiction. The Authorizing Jurisdiction may approve any such proposed alternate providing it is determined that it:

- a. provides at least approximate equivalence to the applicable specific requirements of this Code, and
- b. is otherwise satisfactory and complies with the intent of this Code.

Section 10. Prohibitions.

10.1 Mercury Vapor and Induction Lamps Fixtures and Lamps. The installation, sale, offer for sale, lease or purchase of any mercury vapor, induction fixture or lamp for use as outdoor lighting is prohibited.

10.2 Certain Other Fixtures and Lamps. The installation, sale, offering for sale, lease or purchase of any low pressure sodium, high pressure sodium, metal halide, fluorescent, quartz or incandescent outdoor lighting fixture or lamp the use of which is not allowed by Table 5.2 is prohibited.

10.3 Laser Source Light. The use of laser source light or any similar high intensity light for outdoor advertising or entertainment, when projected above the horizontal is prohibited.

10.4 Searchlights. The operation of searchlights for advertising purposes is prohibited in Areas E1 and E2 and is prohibited in unincorporated areas of the County. In the territorial limits of the City of Tucson, the operation of searchlights for advertising purposes is prohibited in Lighting Areas E1 and E2 and in all other areas between 10:00 p.m. and sunrise the following morning.

Section 11. Temporary Exemption

11.1 Request; Renewal; Information Required. Any person may submit a written request, on a form prepared by the Jurisdiction, to Jurisdiction for a temporary exemption request. A temporary exemption shall contain the following information:

1. specific exemption or exemptions requested;
2. type and use of outdoor light fixture involved;

3. duration of time of the requested exemption;
4. type of lamp and lamp lumens;
5. total wattage of lamp or lamps and number of lamps to be used;
6. proposed location on premises of the outdoor light fixture(s);
7. previous temporary exemptions, if any, and addresses of premises thereunder;
8. physical size of outdoor light fixture(s) and type of shielding provided;
9. such other data and information as may be required by the building official.

11.2 Approval; Duration. The Jurisdiction shall have five business days from the date of submission of the request for temporary exemption to act, in writing, on the request. If approved, the exemption shall be valid for not more than thirty days from the date of issuance of the approval. The approval shall be renewable at the discretion of the building official upon a consideration of all the circumstances. Each such renewed exemption shall be valid for not more than thirty additional days.

11.3 Disapproval; Appeal. If the request for temporary exemption is disapproved, the person making the request will have the appeal rights provided in Section 13.

Section 12. Other Exemptions.

12.1 Nonconformance:

A. Bottom-mounted outdoor advertising sign lighting shall not be used.

B. All other outdoor light fixtures lawfully installed prior to and operable on the effective date of the ordinance codified in this chapter are exempt from all requirements of this Code. There shall be no change in use or lamp type, or any replacement or structural alteration made, without conforming to all applicable requirements of this Code. Further, if the property is abandoned, or if there is a change in use of the property, the provisions of this code will apply when the abandonment ceases or the new use commences.

Section 13. Appeals. Any person substantially aggrieved by any decision of the building official planning director made in administration of this Code has the right and responsibilities of appeal to the Advisory/Appeals Board of this jurisdiction.

Section 14. Law Governing Conflicts. Where any provision of federal, state, county, or city statutes, codes, or laws conflicts with any provision of this code, the most restrictive shall govern unless otherwise regulated by law.

Section 15. Violation. It shall be a civil infraction for any person to violate any of the provisions of this Code. Each and every day or night during which the violation continues shall constitute a separate offense.

Section 16. Enforcement and Penalty. A violation of this Code is considered a civil infraction. Civil infractions shall be enforced through the hearing officer procedure provided by A.R.S. Section 11-808 and Sections 18.95.030, 18.95.040, and 18.101.60. A fine shall be imposed of not less than fifty dollars nor more than seven hundred dollars for any individual or ten thousand dollars for any corporation, association, or other legal entity for each offense. The imposition of a fine under this Code shall not be suspended.

Section 17. Severability. If any of the provisions of this Chapter or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of the Chapter which can be given effect, and to this end, the provisions of this Chapter are declared to be severable.

--end--

Memorandum from Green Valley Community Coordinating Council

January 6, 1999

Subject: Canoa Ranch Specific Plan Comments In Compliance with Resolution No. 1989-55

The Green Valley Community Plan was authorized by the Pima County Board of Supervisors and "...shall be deemed guidelines to be used by the Board of Supervisors at the time of rezoning, adoption of specific plans, ordinances or any other legislative action." (Resolution No. 1989-55, March 21, 1989). As the major part of the Canoa Ranch development is located within the boundaries which were established and registered by the Pima County Recorder on October 19, 1995 (map attached) of Green Valley. The Green Valley Community Coordinating Council (GVCCC) has followed the planning closely.

The GVCCC takes a strong position for orderly growth and for the concept of planned development to preserve Green Valley as a retirement community. The last thing we desire is *sprawl and wildcat subdivisions*.

Because of current Pima County planning policies the developer is required to present a specific plan for the entire property. While approval of the entire Plan is preferred, we do understand that the Board of Supervisors is empowered to segment the proposal if that is appropriate. Based on this understanding, the GVCCC provides the following comments for your consideration.

West Side of I-19

The planned development is a continuation of Green Valley and contains homes, an 18-hole golf course (see comments below), and a shopping/community center. The issues raised early in the planning process by the Montana Vista community have been resolved.

The Executive Board of the GVCCC supports the proposed development on the west side of I-19.

East side of I-19

Currently, our analysis shows that the property on the east side of I-19 may not be "ripe for a decision" because of the following concerns.

-Via a recent bond issue the Pima County Open Space Council can purchase up to 500 acres of this property, including the historic ranch buildings, which have not yet been identified. Identification of the acres planned for County purchase can significantly influence other elements of the plan for this area.

-There is concern about the need for sewers rather than septic tanks for the single family homes planned for the area east of the Santa Cruz River. While this area east of the River is not within the Green Valley boundaries, we continue to be concerned about the possible contamination of the wells of our Elephant Head neighbors, and the potential for ground water contamination in general. We support the County Planning Staff recommendation for sewers in this area.

-In response to the Planning and Zoning Commission request, the developer and the observatory were to prepare reports on the potential for light contamination and the effects on the observatory. We assume from the observatory staff's public comments that their primary concern is the potential for light leakage from the commercial area on the east. There is both a need and an opportunity here for mediation and compromise.

Golf Course and Groundwater

As a condition for the approval of the Canoa Northwest Specific Plan, the developer was required to provide 20 acres for a water reclamation plant the output of which was to be used on the planned golf course. Currently, construction of the plant is estimated at 4-5 years in the future.

We suggest that the water reclamation plant be built immediately and that the proposed golf course be watered from the beginning of the construction and operation with treated effluent from this plant. This would be an excellent demonstration project for all of Pima County and would go far in protecting the groundwater supplies in our area.

Sincerely,

Jud Richardson
President

JR/dm

enclosure

Memorandum and Addendum from Mr. Joe Olles

April 9, 2000

To: Pima County Administration

Attn: Maeveen Behan, Asst. to the County Administrator

From: Joe Olles, a very concerned taxpayer

Thank you for your invitation to attend the series of meetings, and to provide input on the latest proposal for development of the Canoa Ranch. After listening closely to the proposal, I believe there are serious concerns, flaws and questions on the proposal. This memorandum will outline them for your consideration and include an alternate proposal, as you requested.

It is appropriate to start with some basic overall premises on which these comments on which these comments are based, which reflect the perceived role of Pima County in the matter:

1. The Pima County Board of Supervisors is responsible for the wise allocation and use of the county's resources, including land use and its most precious resource...water.
2. Pima County is responsible for the wise and best use of the tax money paid by its taxpayers.
3. Pima County is responsible for providing certain services to its citizens, to the extent of funds available.

It is recognized that the resultant actions may be subject to a framework of regulations by other governmental entities.

Against a backdrop of these premises, the most serious concerns, flaws and questions on the Canoa Ranch Plan are use of water, compromise of the existing land use structure, and fiscal issues. Others will be listed more briefly.

WATER

Ground Water Rights

It is understood that the owner does not have sufficient water rights for the planned development. (Rights owned by Phelps Dodge.) OK of the plan would virtually be prima facie evidence that the county would provide water rights. With water rights already issued three times water available, how could such action be considered responsible?

Ground Water Usage

Water usage today in the Santa Cruz Valley is twice the water available. The ground water table has dropped 160 feet in the last 40 years, before today's higher usage. Increasing population density beyond the present RH zoning, and adding heavy commercial and golf course use would seem irresponsible.

Water Availability

It is understood the primary water recharge supply could be reduced by Nogales' prior water rights. The overall problem is punctuated further by the 1999-2000 driest winter on record. Doesn't this suggest further usage of ground water should be curtailed?

Golf Course Water Usage

Twenty-seven holes of golf course would use 300 million gallons of water per year, 90% of which evaporates. Isn't using ground water for this purpose unconscionable? An assured supply of reclaimed water should be available before any more golf courses are approved.

Water Solutions

If this plan and others were approved, could one visualize a tremendous cost to the county/taxpayers, to replace ground water? Possibilities include extension of the CAP pipeline to Canoa Ranch, another CAP recharge project, a CAP water treatment plant, additional depth added for private and public wells. For a California-style development in Green Valley, would a California-style solution, like a water reservoir dam across Madera Canyon, be needed?

LAND USE

Comprehensive Plan

Doesn't any consideration of rezoning at this point represent a compromise of the entire Comprehensive Land Use Plan structure? Both the letter and intent of the process? The Comprehensive Plan called for low density, in line with the surrounding residential and agricultural land, at the edge of more dense residential. It was changed from 1995-1999; then reconsidered by the Board of Supervisors and returned to resource conservation. Why would one even consider a plan so far afield from a decision made just 4 months ago?

Sonoran Desert Conservation Plan

The plan specifically designates **the Canoa Ranch** for preservation, not just a **part** of it. While clearly it would be inverse zoning to reduce its RH zoning, why would one consider going the other direction , to Commercial zoning, in the very middle of a preservation area?

Highest and Best Use

This principal for land use seems well established. Highest use is generally commercial use as it brings the highest return to the owner. But doesn't "...highest and best use..." for Canoa Ranch call for something different? The Comprehensive Plan, the Sonoran Desert Plan, the surrounding topography, and the Mt. Hopkins Observatory all say rural low density residential and/or resource conservation, with **NO** commercial. Doesn't commercial zoning belong in established areas, where it is acceptable to the public? Commercial interests find these locations themselves. Isn't it extremely unlikely that the addition of 1600 or 2000 homes on Canoa Ranch would create such interest?

FISCAL RESPONSIBILITY

Lawsuit

It is unfortunate that Fairfield Homes has chosen to file a lawsuit, as this only serves to increase costs and add delays for the county/taxpayers – and themselves. However, this is their right, and may be advantageous to the County, since it would be well to settle the valuation of Canoa Ranch **before** any further actions. Should the County counter-sue to have the Court establish a valuation for each of the distinct areas of the Ranch?

Valuation

This is perhaps the most confusing element in the entire Canoa Ranch issue. Arguably the best appraiser in Arizona says it is worth \$10.5 Million. But it is understood that this included the 313 Acres rezoned and now under development. If true, now as the most valuable of the Canoa acreage, should one deduct, say, \$3 Million, to establish a value of \$7 Million for the 5954 acres under consideration? Unsubstantiated estimates of value, such as Fairfield's estimate of \$36 Million, serve only to cause "wheel spinning" as the County – and Fairfield – consider their options. Again, doesn't it seem prudent to establish value **first**, and then explore alternatives?

From the writer's personal experience with Commercial/Industrial land and properties, it is difficult, at best, to close a buy/sell transaction without appraisals (preferably 3 of them.) Seldom in this experience was the price agreed upon less than 10% below, or more than 10% above, appraised value.

Revenue Sources

Some rather astute study of the so-called "Endowment Fund" would seem a **must**. The funds almost entirely come from Sales Tax revenue. Has any study been made of how much of this revenue would be **incremental** to the county/taxpayers? It would seem the sales and resultant tax would be collected anyway from other vendors, thus only those sales "taken away" from others outside the county should be counted as additional revenue. Wouldn't the **incremental** revenue be far less than shown? Thus, a serious question on the viability of the proposal.

Regulated vs Unregulated Subdivisions

Comparative costs were presented which seem to be the basis for a questionable fear of so-called "wildcat" subdivisions. Has there been a similar study on the costs of high-density subdivisions?

Since Mr. Huckelberry has publicly stated, "...Pima County's fiscal shortfall has been caused by growth", it is axiomatic that the more people (density), the higher the cost. From a taxpayer standpoint, this is a pocketbook issue, and many taxpayers already believe they are subsidizing new developments. For example, what is the cost to the taxpayers of the Canoa sewage treatment plant to be built to serve surrounding high density subdivisions? Or the taxpayers' cost for 2 of the 4 lanes of the Camino del Sol road extension serving only the new subdivision?

Commercial/Industrial Development

There is little question that commercial/industrial development generates far more revenue. I submit that such development is driven by economic feasibility, with location decisions by demographics. The demographics for commercial/industrial development at Canoa Ranch seem inadequate, even setting aside all of the other reasons it does not belong there. At best, the area might attract "not-in-my-neighborhood" activities, such as truck stops, produce warehouses, and the proposed trailer park.

OTHER IMPACTS

Light Pollution

The Canoa Ranch Proposal recognizes the problem of light pollution for the Mt. Hopkins Observatory. (Fairfield Homes deserves praise for their cooperation on this issue, as

mentioned by Craig Foltz.) The County's new lighting code was discussed as a possible answer. Yet, with due respect, can such a code be enforced? At what expense? With tongue in cheek, can you imagine police checking to see if there is a 150-Watt bulb being used where only 75 Watts is permitted? Seriously, the RC designation appears the surest way to protect our \$220 Million investment in the Mt. Hopkins Observatory. Has a study ever been done on economic impact of the Tucson educational, visitor, and related industry resulting from the Observatory? Shouldn't the all-night security and other lighting for commercial/industrial hotels, truck stops and trailer parks be avoided at all cost?

Environmental

There are a multitude of concerns in this area, expressed by various groups, well qualified in their fields. Though such considerations are difficult to quantify, they are very real quality of life issues, especially in view of the Sonoran Desert Conservation Plan.

Flood Plain

The flood plain and washes shown on the Plan maps appear rather small, when pictures of previous flooding are studied. Are they accurate? Why should the county/taxpayers need and pay for a "sea wall" to protect ranch property? Doesn't such an action say the flood plain is larger, or why would it be necessary? Doesn't such restriction serve to cause flooding on the property of others?

ALTERNATIVE PROPOSAL FOR CANOA RANCH APRIL 2000

As you requested, and in view of the concerns and questions outlined, the following alternative to the Canoa Ranch Proposal is offered:

1. It is possible that the threatened condemnation might be construed as reducing the owner's ability to sell. However, since it has not been filed, a simple public retraction could be made. This would be in conjunction with consideration of legal opinion now being prepared.
2. Ask Fairfield Homes to drop their lawsuit to allow normalized discussion of Canoa Ranch issues, reducing cost for both parties.
3. Obtain 3 certified appraisals, by land category, of Canoa Ranch...one provided by the County; one by the owner; and a third by an appraiser mutually agreed upon, at a shared cost. Using an average of the three, arrive at a price which is fair to both the county/taxpayers and Fairfield.

CANOA RANCH ALTERNATIVE PROPOSAL

4-17-00

BACKGROUND Pima County has acquired 3 ranches since 1987 for conservation. This "effectively blocks urban sprawl from following the Interstate corridor between Tucson and Benson, as well as preserve the Cienega watershed, a source of groundwater subflow into the Tucson Basin." (1)

OBJECTIVE Pima County's next priority objective is acquisition and conservation of Canoa Ranch, as recommended in 1988 and again in 1997 and 1998, for its important riparian areas and its scenic and historic values. This would effectively block urban sprawl (2) from following the Interstate corridor between Tucson and Rio Rico (3), as well as preserve the Santa Cruz watershed.

PURPOSE Although the Canoa Ranch proposal being presented in this series of 8 meetings does not accomplish the objective, it is one of the alternatives for a less expensive approach. The following represents another alternative proposal to the purchase of the Canoa Ranch through negotiation or condemnation.

PROPOSAL

1. Obtain 3 certified appraisals of Canoa Ranch.
2. Purchase the ranch building area with available funds.
3. Hold the Flood Plain and Wash areas for ranching/grazing only.
4. Rezone buildable areas from RH to SR (3.3 acres) to preclude house trailers and manufactured homes.
5. Allow no commercial or trailer home zoning.
6. Allow no golf courses until reclaimed water is available, and then not in Flood-Plain or Wash areas.

COMMENT This proposal assumes all available steps to acquire Canoa Ranch through negotiated or condemnation purchase have been exhausted.

Footnotes: (1) Quoted from Sonoran Desert Conservation Plan.

(2) Urban sprawl, as defined herein comprises high-density subdivisions, commercial/industrial, strip malls, hotels, gas stations, truck stops, and trailer parks.

(3) Distances from city center to the ranches, and distances to the named towns are very similar.

Memorandum from Ms. Nancy Williams

PROTECT LAND AND NEIGHBORHOODS
P.O. Box 412
Amado, Arizona 85645

April 16, 2000

Development Concept for the Canoa Ranch

Underlying Premises:

- There are many differing philosophical perspectives regarding the appropriate use of rural lands such as the Canoa Ranch.
- Each philosophical approach has value and meaning for the future.
- The responsibility of elected county officials is to make the best possible decisions for the benefit of all residents both now and in the future.
- The development decisions made regarding the Canoa Ranch will have a far reaching impact on the future of Pima County.
- Property owners should not be denied the use of their property under the conditions allowable at the time of purchase.
- Purchase of any property does not give the owner a right to any kind of rezoning.
- Canoa Ranch property was purchased as a large tract of land zoned RH.
- No rezoning (up zoning or down zoning) has occurred on the remaining 5954 Acres.
- Approximately 300 Acres have been rezoned to allow 500 residences and 9 holes of golf.
- There has never been commercial zoning on the Canoa Ranch (remaining 5954 A.)
- Issues that are critical to the future of Pima County residents must be considered in regard to every development plan.

Issues

The figure of 1610 residences given in the county proposal is incorrect for the following reasons: A simple calculation shows a maximum of 1441 residences if every acre were developed (5954 acres).

5954 acres divided by 4.13 = 1441 residences

(If you remove 25 acres for the ranch headquarters and 1482 acres of flood plain.)

4447 acres divided by 4.13 = 1076 residences

The proposed 2,000 residential units can not be a 455 % reduction if there has never been zoning to allow even the proposed 2,000.

Another golf course watered with the currently nonexistent reclaimed water is not an acceptable promise. The last 9 holes of golf was granted on the premise it would use that water when available. Fairfield's site analysis dated 7/9/96, indicated there would only be enough reclaimed water for the 9 holes of golf if and when Canoa Ranch neared completion of their proposed development. (This proposal was denied.) Any reclaimed water must be used on existing golf courses.

The proposed 300 Acres of commercial zoning can not be a 50% reduction if there is no commercial zoning at this time.

Benefits

This proposal provides the following benefits to the residents of Pima County:

It provides a profit to the property owner.

It provides a source of funding for Pima County to purchase the Canoa Ranch.

It allows at least the current number of residential units while preserving 91% of the remainder of Canoa Ranch.

It supports the Sonoran Desert Conservation Plan.

It prevents unregulated development from occurring on the Canoa Ranch.

It keeps the majority of the ranch intact for the proposed museum.

It provides for development that is most compatible with all of the surrounding areas and communities.

It minimizes lighting needs which creates less interference with the Whipple Observatory.

It minimizes hazards both to and from the Union Pacific Railroad.

It sustains ecosystems with the minimum of invasion and disturbances and sustains large, open wildlife corridors.

It provides a more responsible use of water and begins to move (in a small way) toward balancing water usage and reclaimed water for existing golf courses.

It minimizes the impact of traffic in the areas surrounding development and thus minimizes the need for road improvements.

Legal assurances must be applied to any development agreement to insure there can be no violations of conditions and agreements at a later time. There can be no opportunity for any governing body to change the agreement at a later time. There are no legal assurances in place at this time.

The actual value of the property as it is today should be determined by unbiased professional appraisals.

The figures used to project potential income from proposed commercial sales taxes must be reexamined. Sales tax collected on grocery items is not likely to be a reality. Only a monumental commercial enterprise would realize the level of revenue projected; this would be totally incompatible to the area.

Proposal

The developer may build 1100 residential units on the 528 Acres south of the current development of Canoa Ranch Northwest. Densities should be transitioned away from the rural Montana Vista community and the Escondido wash.

All property south of Escondido Wash will be preserved as undisturbed open space. This will preserve natural wildlife corridors.

No golf courses would be allowed beyond what has already been rezoned by Pima County. Further, any availability of reclaimed water will be immediately put to use on the existing Fairfield built golf courses.

The only commercial use allowed would be for Green Valley Recreation facilities.

The remainder of the Canoa Ranch property (south of Escondido Wash and east of I-19) which is approximately 5426 Acres will be sold to Pima County for the purchase price of \$6.4 million. Thus the owner will recoup the original purchase price of the ranch beyond the profit from two major areas of development. The purchase would be funded by a 2 % sales tax on 1100 residential units and the bond money approved for purchase of the historic ranch headquarters.

1100 residential units X \$200,000 = \$220,000,000 sales income
\$220,000,000 X 2% sales tax = \$4,400,000 revenue to Pima County
\$3,500,000 bond fund - \$1,500,000 for restoration = \$2,000,000
\$4,400,000 sales tax + \$2,000,000 bond fund = \$6,400,000 for purchase

An impact fee of \$1500 per residence would provide additional funding for Pima County expenditures impacted by the development.

1100 residential units X \$1500 impact fee = \$1,650,000 revenue

Pima County may use the Canoa Ranch property for undisturbed open space and the proposed museum.

Commercial services should be put in those areas of Green Valley already zoned for commercial uses. There is more than ample undeveloped and vacant commercially zoned property in Green Valley.

Letter from Mr. and Mrs. James P. Nordstrom

4871 S. View Ridge Dr.
Green Valley, AZ 85614
~~April~~ 19, 2000

Pima County Board of Supervisors
130 West congress, 11th Floor
Tucson, AZ 85701-1317
Attn: Mr. Ray Carroll

Dear Mr. Carroll:

You have been very attentive to our remarks in the past concerning the use of the Canoa Ranch. Now, it seems that the Canoa Ranch will remain a constant source of travail and consternation. I refer to the Chuck Huckelberry development proposal which includes an 800-space for Recreational Vehicles. I can't think of anything more appalling and more of an eyesore than a RV park near the Canoa exit. Imagine living in a \$200,000. Home and looking over your back yard at a RV park! I have never seen an area that was improved by adding mobile homes of any kind. We don't need a developed corridor south of the Canoa exit. Light pollution and natural resource over-dependence would surely not be in the best interest of Green Valley's future survival.

I hope you will consider the above very carefully in order to keep Green Valley the residential community which drew us to the area initially.

Yours sincerely,


Mr. & Mrs. James P. Nordstrom

Cc: Mr. Chuck Huckelberry

Comments from Ms. Mikel Shilling

April 20

Ray:

This is *my* impression of some subjects related to the Agreement proposed. Several of the group of stakeholders appear to be heading towards consensus, however we did not ever directly discuss the elements of the proposal. I was disappointed that there were several of the group which were more interested in not achieving consensus.

I must emphasize that these are *my* impressions and not those of GVCCC. Because of the time element, the Council did not have time to develop an official position. I attended all but the first meeting. No special order--

1. Pima County should agree to build the water treatment plant (and related "plumbing") ASAP so that treated water could be used on the golf courses as soon as it is available. This could be a wonderful demonstration project for the County to use as an example to others who want to build golf courses in the future.
2. The frontage road east of I-19 between the Canoa TI and Santa Rita Springs should be completed as originally planned with State-County-Developer sharing costs. And that the frontage road be widened to allow for turning lanes in both directions. Personally, I am concerned about the entrances to the various modules along the frontage road and suggest that there be only one entry to each.
3. No grocery store allowed in the north-most commercial parcel on the east side. This came from Tom Sheridan and the group seemed to agree. Seems that there is enough proposed Commercial to put a second grocery (if needed) on the west side of I-19.
4. The number of RV spaces be reduced (by half would be my suggestion) and tied to a low intensity motel or resort. Although some proposed a 3-week stay limit, this may put an RV park more in the RV/transient arena and not accomplish the intended results. A time limit is an open issue still but I believe that long-term space rental would be important to assure a constant revenue stream in the early years. (Some people may be more comfortable with apartments instead on RV spaces as there was a "trailer trash" bias among some of the people in the group). In any case, I am not bothered by the intent that this area be non-age restricted.
5. No permanent/park model residences or tenant installed buildings (such as storage sheds or awnings) be allowed in the RV area.
6. No RV sales or service be allowed in the RV area (but may be OK in the regular commercial node).
7. Enough land area be allowed for eventual expansion/upgrade of the interchange (we don't want a Duval Mine Road problem in the future.)

8. That Mission or Territorial style building styles be used on all areas developed on the east side of I-19. All building plans should be reviewed by the GVCCC Architectural Committee and at those reviews a member of the Foundation be present.

9. Somehow a group be constituted to develop a list of criteria for "appropriate" businesses for the commercial areas on the east side. (This may be more appropriate at the re-zoning level, but should be promised as part of this agreement.)

10. Assurance that properties in the east side commercial areas will not be sold to individual vendors. That is, the vendors will rent space from the management company and/or property owners only. This would assure the design integrity and stable management of the areas.

11. Assurance from the County Attorney on the legal aspects of the 2 cent "tax" and the ability to enforce the CC&Rs on commercial.

12. Many people were uncomfortable with the calculation of the monies that would be available for the purchase of the east side land and the funding of the Foundation. There needs to be some fall back position if the cash flow will not allow the County to complete the land purchase on schedule.

April 26

Dear Ray--

This is a follow-up to my April 20 note to you regarding the proposed Canoa Agreement. Again these are *my* comments and not the comments of GVCCC.

I need to revise the comments in my Item No. 3 in which I stated that there should be no grocery store in the north-most commercial parcel on the east side of I-19. This is the parcel closest to the historic ranch complex.

My first conclusion was based on conversations that took place in the Stakeholder meetings in which Tom Sheridan proposed that a grocery be excluded. He envisioned (as did I) that folks could wander over from their visit to the ranch houses for a meal or for some boutique or theme type shopping. Tom stated that he felt that a grocery store would detract from the overall visitor experience. At the time, I agreed with him and supported his suggestion in my comments to you.

Since that time, I've reviewed the proposed Agreement and have changed my mind and do now support a grocery store in the *south half* of the fifty acre parcel. (I don't think there are enough boutiques in the entire Tucson area to cover 50 acres.) A properly designed and screened grocery would be acceptable on the south half of such a large acreage.

Additionally, when I go over the dollars, it seems that a grocery store is needed to provide a consistent revenue stream to the Foundation.

Also, I've talked to some of my friends from the southern part of town and all with whom I discussed the possible 2% "tax" said that it wouldn't make any difference. They would shop the most convenient location.

If you have any questions, give me a call.



Sahuarita Unified School District Letters



COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER
130 W. CONGRESS, TUCSON, AZ 85701-1317
(520) 740-8661 FAX (520) 740-8171

C. H. HUCKELBERRY
County Administrator

April 26, 2000

Jay St. John, Superintendent
Sahuarita Unified School District No. 30
350 West Sahuarita Road
Sahuarita, Arizona 85629-9522

Re: Your Letter Dated April 20, 2000, Regarding the Canoa Ranch Conservation Proposal

Dear Mr. St. John:

Thank you for your letter. First, the Canoa Ranch Conservation Proposal is just that. It is one of a number of land use plans that have been proposed and reviewed. This particular proposal is one that attempts to meet many of the competing interests that offer opinions regarding Canoa Ranch development. The ultimate arbitrator of this matter will be the Board of Supervisors.

Regarding the specifics of the plan, the Canoa Ranch Conservation Proposal reduces the number of allowable residential dwelling units from over 9,000 to 2,000, and includes commercial development necessary to support development west of Interstate 19 in a manner consistent with Fairfield's other Green Valley developments, as well as Green Valley and surrounding areas.

If the Board directs that the present conservation proposal receive serious consideration, it will do so by directing that the Comprehensive Plan be amended to reflect the conservation proposal, and that rezonings consistent with the conservation plan take place. These actions will require public hearings, both before the Planning and Zoning Commission as well as the Board of Supervisors. The Sahuarita School District will be afforded the same opportunity to comment on the proposal as you now do on any other rezoning that comes before the Commission and Board. Your input has been and will continue to be welcomed in such a forum.

Jay St. John, Superintendent

Your Letter Dated April 20, 2000, Regarding the Canoa Ranch Conservation Proposal

April 26, 2000

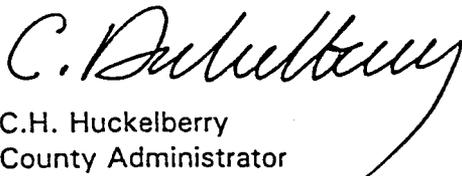
Page 2

Regarding the specific points in your letter:

- The decision to age-restrict the development is a decision that is typically left to the land owner, and Green Valley age-restricted developments are quite common. I would suggest that you take up the issue of age-restricting the development with the owner, Fairfield, and the Green Valley Community Coordinating Council, who has in the past supported such restrictions.
- As I understand the proposal it is for an 800 unit recreational vehicle park, not a mobile home park. The vehicles will be transient and short-stay uses, and not affixed to the realty.
- I am sure that Fairfield will continue to discuss the donation of acreage to the Sahuarita School District commensurate with the school impact of actual Canoa Ranch development.

As stated previously, the Sahuarita School District is welcome to comment on any of the Canoa Ranch land use proposals. The present proposal which will receive future consideration is a conservation proposal. If this proposal is accepted or modified by the Board, future public hearings, both before the Commission and Board of Supervisors, will take place. It is during these processes that you will be welcome to make appropriate review comments regarding this proposal.

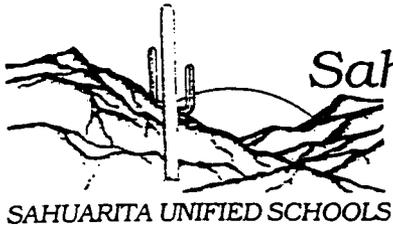
Sincerely,



C.H. Huckelberry
County Administrator

CHH/jj

- c: The Honorable Chair and Members, Pima County Board of Supervisors
Judith Patrick, Development Services Director
Maeveen Behan, Assistant to the County Administrator
Jim Mazzocco, Planning Official, Development Services
David Williamson, Fairfield Homes



Sahuarita Unified School District No. 30

350 W. SAHUARITA ROAD
SAHUARITA, ARIZONA 85629-9522
PHONE: 520-625-3502 • FAX: 520-625-4609

April 20, 2000

Sent Via Facsimile
740-8171

Mr. C.H. Huckelberry
County Administrator
130 W. Congress
Tucson AZ 85701

RE: Canoa Conservation Plan, April 2000

Dear Mr. Huckelberry:

On behalf of the Sahuarita Unified School District Governing Board, please accept this letter as a response to the current proposal concerning the Canoa Ranch Development. The Governing Board has three concerns.

- The first concern is that any development, partially or entirely within the Sahuarita Unified School District boundaries, should not be age restricted. As a public body that deals with children, we feel that age restrictedness is counterproductive to the goals of our school system.
- The current proposal from our understanding includes a possibility of an 800 unit mobile home park, which would not be age restricted. If that is truly the case, then the Governing Board feels that the county should require the Fairfield company to contact the district and come to some mutual decisions about the impact that such a proposed development would have on the district.
- Please be aware that we have on file a letter signed by David Williamson of Fairfield, which indicates that he would make a donation of acreage to Sahuarita Unified School District to abate the impact of one of the original proposals for the Canoa Ranch Development. That land donation happens to be in an area of your conservation proposal for the Canoa Ranch that is set aside for conservation.

The Sahuarita Unified School District Governing Board and I are willing to sit down and participate in any of the discussions concerning the development of Canoa Ranch since it is our opinion that any development of Canoa Ranch will impact Sahuarita Unified School District.

If you have any questions concerning this response or need any additional information, please feel free to contact me.

Sincerely yours,

Jay C. St. John, Ed.D.
Superintendent

kr

xc: Canoa File

Letter from Mr. Rob Kulakofsky



1520 S. Desert Crest Dr.
Tucson AZ 85713
Phone/Fax: (520) 623-3874
E-mail: colorw@azstarnet.com

Supervisor Ray Carroll
130 West Congress 11th floor
Tucson AZ 85701

April 21, 2000

Dear Ray,

We have several concerns about County Administrator Chuck Huckelberry's "Canoa Ranch Conservation Proposal" and the process of the Stakeholders meetings. We have addressed these concerns below.

Introductory Comments:

A previous Board of Supervisors granted Fairfield a rezoning of 300 acres for golf and high-density development. This 300 acre portion of Canoa Ranch is currently under construction. Fairfield may gross over \$240 million dollars on this rezoning. Therefore, through this rezoning, Pima County has already given Fairfield more than their original purchase price for *all* of Canoa Ranch.

Many citizens of Pima County believe this 300 acre rezoning should never have been granted. The rezoning is now in the past, but we think that the County shouldn't further reward Fairfield by letting their legal threats decide public policy.

If the County lets Fairfield get what they want through threats of wildcatting and intimidation by law suits, the County will be encouraging other developers to use the same tactics.

Stakeholders meetings:

We are also disturbed by the way the Assistant to the County Administrator, Maeveen Behan, directed the Stakeholders meetings. Instead of offering a forum where we could discuss our concerns and work out a compromise, Ms. Behan used the meetings as a way to blatantly promote Huckelberry's plan.

At the second Stakeholders meeting, we asked for an unbiased facilitator to chair the meetings. However, Maeveen Behan stated that the County

Administrator didn't want to bring in a facilitator at the Stakeholders meetings. Therefore, we had a chairperson, Ms. Behan, who set the agenda and was consistently pushing for Huckelberry's plan instead of facilitating an open discussion and non-confrontational atmosphere.

We feel that the County Administrator's cynical handling of the Stakeholders meetings was disrespectful to everyone at the table. Real discussion of the issues and negotiation toward a compromise amenable to all was not allowed. Therefore, the Stakeholders meetings were a monumental waste of everyone's time including staff time and taxpayer dollars.

Less than a week was given for Stakeholders to produce their own counter-proposals and no opportunity was given to discuss the merits of these counter-proposals. We are presenting our proposal to you directly, since we feel the options we are proposing will not be fairly represented by the County Administrator.

Concerns about Mr. Huckelberry's "Canoa Ranch Conservation Proposal":

1. Mr. Huckelberry's plan guarantees ground water mining for golf courses. This also assures that there will be no riparian restoration at Canoa Ranch, even though Canoa Ranch is specified for Riparian Restoration on the maps for the draft Sonoran Desert Conservation Plan (SDCP). Promises of effluent irrigating golf courses in the future can not be seriously considered, because the earlier golf courses built in the area were approved with that same idle promise and continue to be irrigated with ground water. Even if an effluent plant were built, it would only produce enough effluent to water one golf course, not the 36 holes proposed in this plan and in Fairfield's previous 300 acre rezoning. The effluent plant won't even create enough reclaimed water to irrigate the existing golf courses in the area that were promised to be watered with effluent as soon as it was available.

There is a nearly unanimous feeling among Pima County citizens that no more golf courses should be irrigated with ground water. We feel that Fairfield's assessment of water resources at Canoa Ranch is overly optimistic. According to Dr. R. D. Mac Nish, Co-Director of the Department of Hydrology and Water Resources, Fairfield's hydrologist has over-estimated inflow by a factor of 3.

Dr. Mac Nish goes on to state: "It is pretty clear that the analysis performed for Fairfield took a very small data set that was biased by short term flows in the river, and mine pumping variations to develop an overly optimistic estimate of the available ground water resources. Their doubling of the

streambed infiltration based on a doubled annual flow for the period of their data is patently ridiculous, as the annual flow is strongly influenced by the magnitude of individual flow events, while the amount of infiltration is strongly influenced by the duration of flow rather than the magnitude of the flow events. Fairfield's analysis showed an average annual surplus of 8,400 acre feet/year, which leads one to the question, 'in view of this annual surplus, why isn't the Santa Cruz once more a perennial stream in this reach?' After all, it would only take a few years of that kind of a ground water budget surplus to fill the aquifer to the point where it would discharge to the stream to carry off the excess or 'surplus' water."

Even with the full high density build out of Fairfield's Specific Plan that was defeated on January 15, 1999, there wouldn't be enough effluent generated to water the golf courses in the County Administrator's plan. Therefore, we have deleted golf in our proposal.

2. Wildlife corridors (Habitat, Biological and Ecological Corridor Conservation in the SDCP) will be lost. The 100-year floodplain is not enough to provide cover for wildlife, as floodwater regularly clears out vegetation from the floodplain.

3. Huckelberry's plan allows mass grading of nearly 900 acres of prime habitat for desert tortoise, gila monster, mule deer, Pima pineapple cactus, etc. This goes against the Critical and Sensitive Habitat designation given to Canoa Ranch in the SDCP.

4. Huckelberry's plan suggests "a full range of commercial and support service" for Canoa Ranch. His estimated annual revenue for this commercial center is \$90 million. In order to get \$90 million in revenue from a commercial center, there would have to be a massive amount of commercial development. High impact uses such as large auto repair facilities, Naughtons, Big 5 Sporting Goods, Bashas, Wild Oats, etc. were mentioned as potential stores. However, Walmart, Home Depot, Albertsons or an outlet center were not ruled out.

There would be approximately 1 million square feet of commercial floor space in Huckelberry's plan, plus a resort and its associated commercial areas. 625,000 square feet (100 acres) of the commercial development and 100 acres of RV Park will be on the east side of I-19 near the historic ranch buildings.

This type of commercial and RV use would compromise the historic nature of the ranch complex and severely diminish the potential for any living museum at Canoa Ranch.

Commercial development at Canoa Ranch would also contribute to the decay of Green Valley's existing commercial areas.

5. Huckelberry's plan is too general. There are too many presumptions, loopholes and questions and not enough specifics. In the name of conservation, Huckelberry's plan would end up turning Canoa Ranch's historically rich and rural landscape into another faceless subdivision and commercial center. It just doesn't make sense.

6. Dark skies would be compromised by such a large amount of commercial development. Representatives of the Smithsonian observatories said if the new lighting code is approved and in place, they could "live" with the commercial at Canoa Ranch. We as a community should make sure that the observatories aren't just kept alive on life support. Instead, we should be working to help them thrive. The ongoing revenue stream created by the observatories far outstrips any short-term gain that may be created by commercial and residential development that constantly requires policing and community services.

7. Huckelberry's proposal promotes the continuation of urban sprawl down the I-19 corridor from Tucson all the way to Nogales. We feel that the far southern edge of Pima County should be rural, not high-density residential and commercial development. The Huckelberry plan further increases the urbanization threat to ranches south and west of Canoa. This is contrary to the Ranch Conservation component of the SDCP.

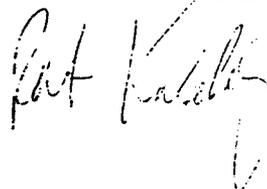
Conclusion:

We have offered an alternative plan with the hope that it can be a starting point for discussion. We welcome your comments and questions on our plan.

As we have stated before, we look forward to an opportunity to bring all of the stakeholders together to work out a compromise that is acceptable to all. It is our opinion this could be done with open discussion and professional facilitation.

We thank you for your consideration.

Sincerely,
Rob Kulakofsky
Executive Director





1520 S. Desert Crest Dr.
Tucson AZ 85713
Phone/Fax: (520) 623-3874
E-mail: colorw@azstarnet.com

Canoa Proposal

This proposal is presented as an alternative option to Chuck Huckelberry's proposal in his March 16th Memorandum titled "RE: Canoa Ranch Condemnation and Other Options."

Areas we describe, such as 1A and 2B, refer to areas on the color map in Huckelberry's report (copy of map enclosed).

Executive Summary

- 5954 total acres.
- 912 total acres for development (742 acres for 1,673 platted residential units and 170 acres of commercial.
- 5042 acres donated by Fairfield to Arizona Open Land Trust or Pima County.
- Total natural and historic open space: 5415 acres (91%).
- \$6.5-7.1 million in revenue directly to Pima County plus: no cost for land acquisition, no cost for maintaining Camino del Sol and a constant revenue stream for museum from HOA assessments and 2% on commercial.

Financial Benefits:

- Fairfield's donation is tax deductible. With 5042 acres @ \$5200 per acre = \$26,218,400 write off. The donation could be scheduled over time to increase the tax benefit for Fairfield.
- 1% fee assessed on all residential housing sales.
- HOA assessments: Annual fee of .1mil per unit cost (\$20 for a \$200,000 home) would go to the Canoa Heritage Foundation for restoration of ranch buildings, establishing and maintaining museum/park and protecting archeological sites. This would bring in \$44,580 to \$49,980 per year to the Canoa Heritage Foundation. These fees could also be collected as an improvement district.
- 2% added fee on commercial, bed tax and RV spaces to go to Canoa Heritage Foundation. (Unknown amount.)
- Pima County Open Space Bond moneys would not have to be spent on land purchase and could be concentrated on restoration.
- Fairfield would be responsible for all future construction and maintenance of Camino del Sol. This saves Pima County from incurring the costs of widening and maintaining Camino del Sol.

- Canoa Ranch buildings, archeological, cultural and open space features are protected, which will benefit the tourism industry.
- Dark Skies are preserved for observatories, which protects the economic benefit and international prestige they bring to Tucson's "Optics Valley."

Environmental Benefits:

- Protection of open space at Canoa Ranch provides habitat for several species. Special status species that Arizona Game and Fish believes may be found at Canoa Ranch are the American peregrine falcon, black-capped gnatcatcher, buff-collared nightjar, crested coral root, five-striped sparrow, mountain skink, Northern beardless-tryannulet, Pima pineapple cactus, tropical kingbird, tumamoc globeberry, and Western yellow-billed cuckoo.
- Wildlife corridors keep the Sonoran Desert Conservation Plan viable in the long-term by protecting the last corridors in Pima County between the Baboquivari and Santa Rita Mountains. This will enable genetic exchange of many plant and animal species between the far eastern part of Pima County and the western part of the County as well as north and south along the Santa Cruz River Valley. Animals that may use these corridors are bears, jaguars, pygmy-owls, bats, wolves, deer, etc.
- Reduction of flooding and channel incising problems associated with Escondido, Madera and other Washes.
- Ground water is preserved by not being used on golf courses.
- Effluent can be used for riparian restoration instead of being diverted for golf. This could help reintroduce one of the most threatened habitat types in Pima County, the cottonwood-willow forest. The species associated with this habitat are in decline. Riparian restoration at Canoa Ranch could be used to enhance and reintroduce populations of Southwestern willow flycatcher, yellow-billed cuckoo, buff-colored nightjar, bell's vireo, song sparrow, pupfish, topminnow speckled dace, Huachuca water umbel and other species.

Additional Restrictions:

- The Canoa Heritage Foundation will control final decision-making on architecture of buildings on the east side of I-19.
- Canoa Heritage Foundation will also have final decision-making on the type of commercial businesses to be located anywhere within Canoa Ranch.
- Representatives of the Smithsonian Observatories will have final decision-making on all outdoor lighting fixtures and wattages within Canoa Ranch. This will include all additional fixtures installed by homeowners and businesses as well as outdoor lighting curfews.
- Rental of RV spaces shall be restricted to no more than 3 weeks. There will be no more than 50 RV spaces and they will be associated with a motel or bed and breakfast.
- All subdivisions will be platted and recorded with Pima County.

West Side of I-19

- 1094 total acres.
- 662 total acres for development.
- 352 acres donated to Arizona Open Land Trust or Pima County for protection of Escondido and other washes.
- Total **natural** open space: 725 acres (66%).

Financing:

- 1% fee assessed on all residential housing sales.
- 2% fee on all golf and commercial. (No commercial or golf suggested in this proposal.).
- HOA assessments: Fee of .1mil per unit cost (\$20 for a \$200,000 home).

Financial Benefits:

- Fairfield's donation is tax-deductible.
- Total HOA assessments: \$44,580 per year (\$49,980 w/ time shares).
- Impact fees: \$1,944,026.
- 1% total: \$4,458,000 (\$4,998,000 w/ time shares).
- Total: \$6,402,026 plus unknown amount from 2% commercial, RV and bed tax and \$44,580 per year from HOAs.

Area 1A:

Total: 388 acres (reduced from 432 acres to enhance protection of Escondido Wash.)

Separated into two zones: 150 acres and 238 acres.

NE zone:

Size & Location: 150 acres (near 1C and current development).

Density: 6 units per acre to 4 per acre (average 5 units per acre).

Buildings: Single family homes.

Total units: 1000 homes @ \$200,000.

HOA annual assessment: \$20,000

1% Taxes: \$2,000,000.

SW zone:

Size & Location: 238 acres (near Montana Vista east edge and Escondido Wash).

Density: 1 unit per 3.3 acres (with strict grading and fencing limits and no horses).

Buildings: Single family homes.

Total units: 72 homes @ \$1,250,000.

HOA annual assessment: \$9,000

1% Taxes: \$900,000.

1A Total: \$2,900,000 plus \$29,000 from HOAs.

Area 1B (unmarked red area on map, west of I-19):

Total: 53 acres.

Separated into two zones: 17.5 acres and 35.5 acres.

East zone:

Size: 17.5 acres.

Density: 1 unit per 2 acres.

Buildings: Single family homes.

Total units: 9 homes @ \$350,000 each.

HOA annual assessment: \$315

1% Taxes: \$31,500.

West zone:

Size: 35.5 acres.

Density: Average density is 4 units/acre. Density increases toward 1C to 6 units per acre.

Buildings: Single family dwellings.

Total units: 141 homes @ \$250,000 each average.

HOA annual assessment: \$3,525

1% Taxes: \$352,500.

1B total: \$384,000 plus \$3,840 from HOAs.

Area 1C:

Total: 43 acres.

Density: 9.3 units per acre.

Buildings: High density residential in the form of condominiums or time shares.

Total units: 400 (condos @ \$115,000 each, timeshares @ \$250,000).

HOA annual assessment: Condos \$4,600, Timeshares \$10,000.

1% Taxes: Condos \$460,000, Timeshares \$1,000,000

1C Total: Condos \$460,000 plus \$4,600 from HOAs.

Timeshares \$1,000,000 plus \$10,000 from HOAs.

Areas 2A & 2B:

Total: 258 acres (reduced from 478 acres to enhance protection of Escondido and other washes.)

Density: 1 home per 5 acres.

Buildings: Single family homes (with strict grading and fencing limits and no horses).

Total units: 51 homes @ \$1,400,000.

HOA annual assessment: \$7,140.

1% Taxes: \$714,000.

2A & 2B Total: \$714,000 plus \$7,140 from HOAs.

East Side of I-19

- 4860 total acres.
- 170 total acres for development.
- 60 acres donated to Arizona Open Land Trust or Pima County for double protection for Escondido and un-named wash flowing from the west side.
- 4630 additional acres donated to Arizona Open Land Trust or Pima County.
- Total natural and historic open space: 4690 acres (96.5%).

Northernmost Commercial area: 50 acres.

North-central Commercial area: 39 acres (reduced from 50 acres to enhance protection of Escondido Wash.)

Escondido Wash: 44 acres.

South-central Commercial area: 42 acres (reduced from 57 acres to enhance protection of Escondido Wash.)

Un-named Wash: 16 acres.

Southern portion: 39 acres (reduced from 43 acres to enhance protection of Escondido Wash.)

Letter from Dr. Tom Sheridan

Maeveen Behan
Assistant to the County Administrator
County Administrator's Office
Pima County Governmental Center
130 W. Congress
Tucson, AZ 85701-1317

April 25, 2000

Dear Maeveen:

After participating in the eight stakeholders meetings concerning County Administrator Chuck Huckelberry's Canoa Ranch Conservation Proposal, I would like to offer my thoughts as President of the Canoa Heritage Foundation about the proposal's strengths and limitations. As you know, the Canoa Heritage Foundation is working with the county to establish a Canoa Heritage Museum headquartered at Canoa Ranch to interpret the many different peoples --- Archaic, Hohokam, O'odham, Apache, Hispanic, and Anglo-American --- who have occupied the Upper Santa Cruz Valley for thousands of years. In particular, the Museum intends to focus upon O'odham, Hispanic, and Anglo-American ranching in the region. The Canoa Heritage Foundation is therefore working to preserve not just the Canoa Ranch Complex but as much of the historic landscape as possible to interpret the Upper Santa Cruz Valley's ranching heritage.

First of all, I commend Mr. Huckelberry and Fairfield Homes for coming to the table with the proposal. I believe the proposal is a positive first step in the process of achieving a workable compromise on Canoa Ranch. If Canoa Ranch can, indeed, be identified as a special taxation area -- and if a sales tax of 2% on retail sales can be made legal and binding in perpetuity -- then the Canoa Ranch Endowment Fund would be a truly creative way in which Pima County could acquire a substantial portion of the ranch to be preserved as open space and could provide the funds to restore the Canoa Ranch Headquarters and establish a Canoa Heritage Museum there. Such a funding mechanism is attractive because it would not cost County taxpayers additional funds other than the \$3,500,000 already allocated by the 1997 General Obligation Bonds. Canoa Ranch east of the Santa Cruz River would be preserved as undeveloped open space with undisturbed archaeological sites. Visitors to the Canoa Heritage Museum would have the opportunity to hike or ride along established trails and experience a portion of Canoa Ranch's historic landscape.

I do have a number of concerns about the proposal, however, which I would like to share with you:

East of I-10

- 1) The 2% sales tax on retail sales would have to be legal and binding in perpetuity. Otherwise, the funding mechanism collapses and the Canoa Ranch Endowment Fund evaporates.

2) Fair market value of the various portions of Canoa Ranch to be purchased by --- or donated to --- Pima County should be established by independent appraisals.

3) Commercial development east of I-19 must be compatible with the preservation of a historic ranch and a historic landscape. I propose the creation of a Canoa Heritage Board consisting of one representative from Fairfield Homes, one representative from the Canoa Heritage Foundation, one representative from Pima County, and one historic architect to develop architectural guidelines and establish the parameters of permissible commercial development within a Canoa Ranch Historic District.

3) The 800-unit RV Park does not seem to be compatible with either the establishment of a Canoa Heritage Museum or, for that matter, with the residential development Fairfield Homes proposes to build west of I-10. The RV Park should be replaced by a Pima County Equestrian Park with, perhaps, a limited amount of compatible commercial development.

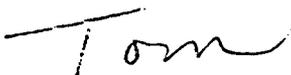
West of I-10

4) More open space needs to be preserved west of I-10 for three major reasons: 1) to define the urban boundary of Green Valley, 2) to prevent a *continuous* strip of residential and commercial development along I-10 from Saguarita to Nogales, and 3) to preserve at least one major biological corridor running from the west to the east. A crest-to-crest corridor of open space should be established along Escondido Wash. It is not enough just to preserve the wash itself. A preferable option would be to restrict high-density residential development to the 1a area north of Escondido Wash.

5) As I understand it, even the maximum commercial and residential development allowed in this proposal will not provide enough effluent to water 27 more holes of golf. For the foreseeable future, those golf courses would have to be irrigated with groundwater. Water will be the defining issue in Arizona during the 21st century. Many rural areas will exceed safe yield within a generation. This proposal does not adequately address water issues in the Upper Santa Cruz Valley. Consequently, the proposed golf courses should be eliminated.

I look forward to working with the County, Fairfield Homes, and other stakeholders to modify Mr. Huckelberry's proposal so that we can achieve the goals we all desire --- regulated development, the preservation of open space, and the creation of a Canoa Heritage Museum Pima County can be proud of.

All the best,



Thomas E. Sheridan, Ph.D.
President
Canoa Heritage Foundation

Letter from Mr. William Kurtz

May 5, 2000

Members, Pima County Board of Supervisors
150 West Congress
Tucson, AZ 85701

RE: Canoa Ranch Conservation Plan

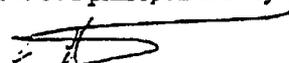
Please consideration the following:

The Canoa Ranch Conservation Plan put forth by the county administrator will allow Fairfield to develop the area west of the Santa Cruz River almost exactly as they proposed in their specific plan(denied by the county board of supervisors) and to receive a \$15 million payment. Fairfield paid about \$6 million for all of the land.

A conservation plan that is more compatible with the Sonoran Desert Protection Plan, surrounding communities and landholders and that will allow development by Fairfield would be to keep the format of the county administrator's conservation plan but limit development west of I-19 to the area north of Escondido and without golf courses; reduce by half the area proposed for commercial development east of I-19; eliminate the RV Park; and reduce payment to \$6 million.

No commercial development would be better and perhaps a tax on housing sales could replace the proposed commercial tax. Enough commercial land and property already exists within Green Valley plus the ever increasing amount of commercial land in Sahuarita.

A number of other development plans are certainly possible that would be more conformable to the Sonoran Desert Protection Plan, the surrounding communities and landholders than the one proposed by the County Administrator, which to me really appears to be a plan sponsored by Fairfield.


William L. Kurtz
HC 65 Box 7990
Amado, Az 85645
Ph/Fax 3982985

RECEIVED
MAY 10 2000
CITY OF TUCSON
PLANNING DEPARTMENT
WLB

CLERK'S NOTE:
COPY TO SUPERVISORS
COUNTY ADMINISTRATOR

DATE 5/11/00

Original to Planning

Letter from Green Valley Community Coordinating Council



Green Valley Community Coordinating Council, Inc.
Green Valley Mall • 101-148 S. La Cañada Drive • Green Valley, AZ 85614-2633
(520) 648-1936 • Fax (520) 648-5079 • e-mail: gvccc@theriver.com

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GVR, Inc
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Pima County Sheriff
Quail Creek Country Club
SAV
Wilson Property Services, Inc

May 9, 2000

C. H. Huckelberry
Pima County Administrator
130 W. Congress - 10th Floor
Tucson, AZ 85701

Dear Chuck;

Thank you for your March 29, 2000, letter in which you forwarded a letter from Brooks Keenan, Director of Transportation and Flood Control. Keenan's letter commented on GVCCC transportation priorities in Green Valley.

Additional discussion of the completion of the east I-19 Frontage Road between The Springs development and the Canoa TI is needed as it relates to the successful implementation of the proposed Canoa Agreement in which you are involved.

It appears that a robust commercial development is needed to fulfill the intent of generating a sufficient and continuing revenue stream to enable the County to purchase the lands east of the Santa Cruz River and to contribute to the proposed Foundation's support of the historical properties. Road access to the commercial interests becomes very important in this equation. To this end, it is obvious that completion of the East Frontage Road should become part of the proposed Canoa Agreement.

Additionally, we remain concerned about our residents in The Springs development and their inability to safely evacuate to the south should this become necessary in the event of an accident and/or disaster on either the railroad or the highway.

Sincerely,

Jud Richardson
President

cc: Ray Carroll, Pima County Supervisor, District 4
Brooks Keenan, Director, Transportation & Flood Control

JR:jt

Stakeholder Contributions -- Response

Background

On March 21, 2000, the Board directed staff to arrange meetings for stakeholders so that interested parties could be briefed on the settlement and land use proposal and have an opportunity to present formal reactions. Members of the public were also invited to submit alternative proposals. During the month of April, eleven meetings were held. Written contributions from interested parties are found in Attachment 4. These contributions stand on their own. This section includes a few specific responses to the contributions from stakeholders for purposes of clarification or amplification. The contributions are discussed in chronological order by the date of the correspondence.

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Letter to Whipple Observatory

On October 21, 1999, the Whipple Observatory wrote to Fairfield Homes regarding lighting guidelines for Canoa Ranch. On October 26, 1999, the President of Fairfield Homes wrote a letter to Whipple Observatory expressing full agreement on lighting guidelines. The revised lighting guidelines reflecting additions by Whipple Observatory are within Attachment 4. These documents were submitted during the meetings in April. During the stakeholder meeting of April 6, 2000, a representative of Whipple Observatory confirmed that the proposed lighting guidelines are "workable within the context of the Pima County Code."

Memorandum from Green Valley Community Coordinating Council

Also submitted during the April 2000 stakeholder meetings is a memorandum from the President of the Green Valley Coordinating Council. Mr. Jud Richardson reiterated this point made in the memorandum:

"The GVCCC takes a strong position for orderly growth and for the concept of planned development to preserve the Green Valley retirement community. The last thing we desire is sprawl and wildcat subdivisions."

Memorandum and Addendum from Mr. Joe Olles

During the April meetings, Mr. Joe Olles submitted and discussed two documents: comments and an alternative proposal dated April 9, 2000, and an alternative proposal dated April 17, 2000.

Water Issues

The April 9, 2000 memorandum makes a number of statements and suggestions related to water use. For clarification purposes, the following statements are highlighted.

1. The April 9, 2000 memorandum states in part that:

- "the Pima County Board of Supervisors is responsible for the wise allocation and use of ... water."
- "OK of the plan would virtually be prima facie evidence that the county would provide water rights."
- "If this plan and others were approved, could one visualize a tremendous cost to the county/taxpayers to replace groundwater?"

As a point of clarification it should be noted that the state defines and administers water law.

2. The April 9, 2000 memorandum states in part that:

- "It is understood that the owner does not have sufficient water rights for the planned development."

As a point of clarification it should be noted that:

- Domestic water service for the Canoa Ranch would be provided by the Green Valley Water Company. Existing well sites would be used to serve the initial development phases.
- The Arizona Department of Water Resources has approved a study that demonstrates water supplies meet the criteria for physical availability to satisfy the 100-year projected water demand.
- Twenty acres of Canoa Ranch land is deeded to Pima County Wastewater Management for new wastewater reclamation. Once constructed, this alternative water source will be used for irrigation purposes. It is anticipated that construction will take place during the first three years of project development, and at build out, sufficient effluent will be generated to supply 95% of the projected demand for golf courses on Canoa Ranch.

Memorandum and Addendum from Mr. Joe Olles, continued

Fiscal Issues

The April 9, 2000 memorandum makes a number of statements and suggestions related to fiscal responsibility. For clarification purposes, the following statements are highlighted.

1. The April 9, 2000 memorandum states in part that:

- "It would seem the sales and resultant tax would be collected anyway from other vendors."

As a point of clarification it should be noted that the proposed commercial fee would not be collected "anyway" as part of a regular sales tax on vendors.

2. The April 9, 2000 memorandum states in part that:

- "Since Mr. Huckelberry has publicly stated, "Pima County's fiscal shortfall has been caused by growth,' it is axiomatic that the more people (density), the higher the cost."

As a point of clarification it should be noted that higher density tends to improve the tax base as it accommodates increased population. Whether and to what extent the cost of providing services to an increased population exists within the denser development is dependent upon demographic variables, such as frequency of need for health care, justice system and school related services.

In Green Valley, increased density does not increase service demand in the way that increased density in areas with families and children does. The demand for County general fund services is relatively low. The tax base benefit provided by the mixed use and denser development patterns in Green Valley is relatively high. In fact, an average acre of platted development in Green Valley has a higher full cash value and benefit to the Pima County tax base than an average acre of platted development in the Catalina Foothills.

In the case of Green Valley, it is not axiomatic that more people lead to costs that exceed the tax base benefit provided by that increased population.

Alternative Proposal

The April 17, 2000 memorandum sets out a six point alternative proposal.

1. The April 17, 2000 memorandum states in part:

- "Obtain 3 certified appraisals of Canoa Ranch."

As a point of clarification it should be noted that three appraisals have been obtained, along with a survey of land costs for recent sales, and a study of both the tax value and full cash value of the land surrounding the area.

Memorandum and Addendum from Mr. Joe Olles, continued

2. The April 17, 2000 memorandum states in part:

- "Purchase the ranch building area with available funds."

As a point of clarification it should be noted that the ranch building area is not for sale to Pima County under the one-sided proposal suggested in the April 17 alternative.

3. The April 17, 2000 memorandum states in part:

- "Hold the Flood Plain and Wash areas for ranching / grazing only."

As a point of clarification it should be noted that the ranching and grazing are not viable uses on this land. Ranching and grazing in the floodplain and wash area is not consistent with riparian protection.

4. The April 17, 2000 memorandum states in part:

- "Rezone buildable areas from RH to SR to preclude house trailers and manufactured homes."

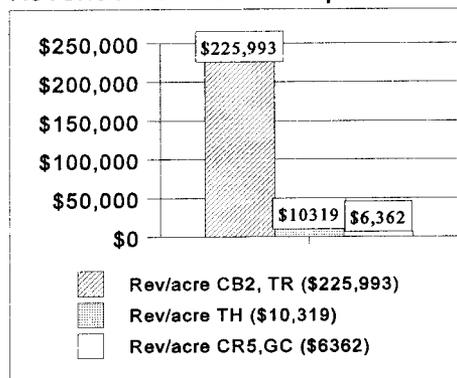
As a point of clarification it should be noted that the Canoa Ranch Conservation Proposal does not include manufactured homes. The recreational vehicle / resort proposal does not include home site trailers.

5. The April 17, 2000 memorandum states in part:

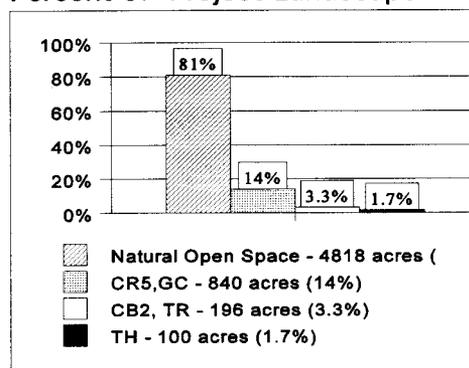
- "Allow no commercial zoning."

As a point of clarification it should be noted that the proposal is not financially viable in the absence of commercial property. Fees generated for Pima County to purchase land, and restore and maintain resources, amounts to \$225,993 per acre on commercial land, whereas the fees generated by residential use is only \$6,362 per acre. While the commercial land use generates around 35 times more fee benefit for Pima County than the residential use, the footprint of the commercial land use is small -- only 3.3 percent of the total property compared to the 14 percent footprint of the residential use.

Revenue Per Acre Comparison



Percent of Project Landscape



Memorandum and Addendum from Mr. Joe Olles, continued

| CANOA RANCH CONSERVATION PROPOSAL -- NON-PROPERTY TAX BENEFIT TO PIMA COUNTY BY LAND USE TYPE | | | |
|--|-----------------------------------|----------------------------------|-------------------------|
| TYPE OF LAND USE | TOTAL ACRES | REVENUE GENERATED | REVENUE PER ACRE |
| CB2, TR (General business;transitional) | 196 acres (3.3% of landscape) | \$44.3 million (88% of total) | \$225,993 per acre |
| TH (Recreational Vehicle/ Resort) | 100 acres (1.7% of landscape) | \$1 million (2% of total) | \$10,319 per acre |
| CR5, GC (Residential; golf course) | 840 acres (14% of landscape) | \$5.3 million (10% of total) | \$6,362 per acre |
| Average of developed land | 1,136 acres (19% of landscape) | \$50.6 million | \$44,542 per acre |

6 Finally, the April 17, 2000 memorandum states in part:

- "Allow no golf courses until reclaimed water is available, and then not in flood plain or wash areas."

As a point of clarification it should be noted that no golf courses are allowed in the major wash areas. The Canoa Ranch Conservation Proposal includes the provision that if groundwater is pumped to irrigate golf facilities, a \$100 per acre foot fee is assessed until agreement is reached to construct a wastewater facility to use reclaimed water. As stated earlier: twenty acres of Canoa Ranch land is deeded to Pima County Wastewater Management for new wastewater reclamation. Once constructed, this alternative water source will be used for irrigation purposes. It is anticipated that construction will take place during the first three years of project development, and at build out, sufficient effluent will be generated to supply 95% of the projected demand for golf courses on Canoa Ranch.

Memorandum from Ms. Nancy Williams

During the April meetings, Ms. Nancy Williams submitted and discussed an alternative proposal dated April 16, 2000.

Alternative Proposal

The April 16, 2000 memorandum sets out an eight point alternative proposal.

- "The developer may build 1100 residential units on the 528 acres south of the current development of Canoa Ranch Northwest."
- "All property south of Escondido Wash will be preserved as undisturbed open space."

Memorandum from Ms. Nancy Williams, continued

- "No golf courses would be allowed"
- "The only commercial use allowed would be for Green Valley Recreation facilities."
- "The remainder of the Canoa Ranch property which is approximately 5,426 acres will be sold to Pima County for the purchase price of \$6.4 million."
- "An impact fee of \$1,500 per residence would provide additional funding for Pima County expenditures impacted by the development."
- "Pima County may use the Canoa Ranch property for undisturbed open space and the proposed museum."
- "Commercial services should be put in those areas of Green Valley already zoned for commercial uses."

As a point of clarification it should be noted that the Canoa Ranch property is not for sale to Pima County under the one-sided proposal suggested in the April 16 alternative. The proposed purchase price of \$6.4 million is below all appraisals. The proposal states that Pima County could use the property for a proposed museum but no funding mechanism is created by this proposal to support a museum.

Letter from Mr. and Mrs. James P. Nordstrom

An April 19, 2000 letter makes the following points:

- "We don't need a developed corridor south of the Canoa exit."
- "Light pollution and natural resource over-dependence would surely not be in the best interest of Green Valley's future survival."

As a point of clarification it should be noted that the Canoa Ranch property will be developed in a fashion, absent the funds and ability to purchase it in its entirety. The question is: what proposal allows the maximum resource protection -- including natural, cultural and fiscal. The April 19, 2000 letter offers no alternative. Light pollution issues have been resolved to the satisfaction of Whipple Observatory.

Comments from Ms. Mikel Shilling

Comments forwarded by Ms. Mikel Shilling on April 20, 2000 and April 26, 2000 make these points:

- "Pima County should agree to build the water treatment plant ASAP so that treated water could be used on the golf courses as soon as it is available."
- "The frontage road east of I-19 between Canoa TI and Santa Rita Springs should be completed as originally planned."

Comments from Ms. Mikel Shilling, continued

- The April 20 comments related to commercial grocery on the north-most parcel of the east side were revised on April 26 after consideration. The April 26 comment states in part:

"I ... support a grocery store in the south half of the fifty acre parcel. I don't think there are enough boutiques in the entire Tucson area to cover 50 acres. A properly designed and screened grocery would be acceptable ."

"Additionally, when I go over the dollars, it seems that a grocery store is needed to provide a consistent revenue stream to the Foundation."

"Also, I've talked to some of my friends from the southern part of town and all with whom I discussed the possible 2% "tax" said that it wouldn't make a difference. They would stop at the most convenient location."

- "The number of RV spaces would be reduced (by half would be my suggestion) and tied to a low intensity motel or resort."
- "No permanent / park model residences or tenant installed buildings be allowed in the RV area."
- "No RV sales or service be allowed in the RV area, but may be OK in the regular commercial node."
- "Enough land area be allowed for eventual expansion/upgrade of the interchange."
- That building styles be subject to architectural guidelines.
- "Somehow a group be constituted to develop a list of criteria for 'appropriate' businesses for the commercial areas on the east side."
- "Assurance that properties in the east commercial areas will not be sold to individual vendors [to] assure the design integrity and stable management of the areas."
- Legal feasibility and enforcement of CC&Rs on commercial.
- There needs to be a fall back position if the cash flow will not allow Pima County to complete the land purchase.

As a point of amplification it should be noted that these suggestions were generally well received and generated constructive discussion.

Sahuarita Unified School District Letters

On April 20, 2000, a letter from the Superintendent of Sahuarita Unified School District was sent. The letter and the April 26, 2000 response are included in Attachment 4.

Letter from Mr. Rob Kulakofsky

On April 21, 2000 comments and a proposal were forwarded by Mr. Rob Kulakofsky, including these points:

- 5,042 of the 5,954 acre property would be donated by the owner.
- Revenue would be generated for Pima County in part by a fee assessed on the sale of homes. The proposal assumes that 72 homes would be sold for \$1,250,000 each; another 51 homes would be sold for \$1.4 million each; 9 homes would be sold for \$350,000 each. Another 1,000 homes would be sold for \$200,000 each. The balance of residential development would be constituted with time share housing.

As a point of clarification it should be noted that the alternative depends on the sale of numerous homes priced in excess of \$1 million each. This market does not exist in Pima County. The Green Valley market is even more limited. Landiscor's Tucson Real Estate Book lists the sale price of homes in areas currently being developed. The Green Valley housing market ranges from \$100,000 to \$250,000. At the \$250,000 end of the price range, very few homes are sold. There is not a market for homes priced from \$1 million to \$1.4 million, as the proposal assumes.

Comments from Dr. Tom Sheridan

Comments forwarded by Dr. Tom Sheridan on April 25, 2000 include these points:

- "The 2% sales tax on retail sales would have to be legal and binding in perpetuity."
- "Fair market value ... should be established by independent appraisals."
- "Commercial development east of I-19 must be compatible with the preservation of a historic ranch and a historic landscape."
- "The 800 unit RV Park does not seem to be compatible with either the establishment of a Canoa Heritage Museum or with the residential development The RV Park should be replaced with a Pima County Equestrian Park with, perhaps, a limited amount of compatible commercial development."
- "More open space needs to be preserved west of I-10...."
- "This proposal does not adequately address water issues Consequently, the proposed golf courses should be eliminated."

As a point of amplification it should be noted that the first four of these suggestions were generally well received and generated constructive discussion. On April 12, 2000, members of the stakeholder group asked that a formal presentation about water issues not be pursued as suggested by staff. This precluded meaningful discussion of the water issue and how it is handled in the proposal. (Presentations by experts were made in the areas of retail viability, cultural resource protection, and biological resource protection.) Better understanding of water resource protection could be achieved during future discussions.

Letter from Mr. William Kurtz

A May 5, 2000 letter makes the following points:

- "limit development west of I-19 to the area north of Escondido and without golf courses."
- "reduce by half the area proposed for commercial development"
- "eliminate the RV park"
- "reduce payment to \$6 million."

As a point of clarification it should be noted that the Canoa Ranch property is not for sale to Pima County under the one-sided proposal suggested in the April 16 alternative. The proposed purchase price of \$6 million is below all appraisals.

Letter from Green Valley Community Coordinating Council

A May 9, 2000 letter regarding development issues on Canoa Ranch makes the following points:

- "Additional discussion of the completion of the east I-19 Frontage Road between the Springs development and the Canoa TI is needed as it relates to the successful implementation of the proposed Canoa Agreement...."
- "It appears that a robust commercial development is needed to fulfill the intent of generating a sufficient and continuing revenue stream to enable the County to purchase lands east of the Santa Cruz River and to contribute to the proposed Foundation's support of the historical properties."
- "... completion of the East Frontage Road should become part of the proposed Canoa Agreement."

As a point of amplification it should be noted that these suggestions were generally well received and generated constructive discussion in Green Valley meetings.

Conclusion

On March 21, the Board directed staff to brief interested parties on the settlement and land use proposal and provide stakeholders an opportunity to present formal reactions. Members of the public were also invited to submit alternative proposals. Written documents are included in Attachment 4. A few specific responses to the contributions from stakeholders are provided in this section (Attachment 5) for purposes of clarification or amplification.

NEWSPAPER ARTICLES AND COMMENTARY

1. **New County Offer for Canoa Ranch
Plan would preserve most of historic site**
March 18, 2000
Arizona Daily Star

 2. **County Lawyers to Study Canoa Ranch Compromise for 30 Days**
March 22, 2000
Tucson Citizen

 3. **Study of Canoa has Pima's OK
Legality of plan to be checked**
March 22, 2000
Arizona Daily Star

 4. **Settlement Proposed
County holding talks on future of Canoa Ranch**
April 7, 2000
Green Valley News

 5. **Talks on Canoa Continue**
April, 2000
Green Valley News

 6. **Huckelberry should be commended for work on Canoa Ranch plan**
May 3, 2000
Green Valley News editorial

 7. **Supervisors' Hearing on Canoa is Delayed**
April 21, 2000
Green Valley News

 8. **New Plan for Canoa Ranch will Soon be Back to Supervisors**
April 26, 2000
Green Valley News
-



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New county offer for Canoa Ranch

Plan would preserve most of historic site

Saturday, 18 March 2000

NEWS 1A

By Joe Burchell

THE ARIZONA DAILY STAR

County Administrator Chuck Huckelberry wants the Board of Supervisors to allow 2,000 homes at Canoa Ranch, and preserve most of the 6,100-acre site through a combination of tax money and development surcharges.

David Williamson, president of Fairfield Homes, which owns the sprawling historic ranch property south and west of Green Valley, was not available to comment on whether Fairfield would accept the proposal. It requires the developer to donate 1,482 acres of its land for conservation purposes.

The proposal, which Huckelberry wants the board to consider in private on Tuesday, is an attempt to settle a lawsuit filed last year by Fairfield after the board refused to approve its rezoning for 6,100 homes.

The board subsequently approved its own plan to permit 1,458 homes, knowing that the county would be forced to buy a large portion of the ranch where the county was refusing to allow development.

An appraisal last year put the value of the property at about \$10.5 million - triple the \$3.5 million the county has available to buy land for preservation.

But in a memo sent to the supervisors yesterday, Huckelberry said that appraisal appears to have overly optimistic.

Huckelberry said the average price per acre in recent sales is around \$12,000.

Much of the property that would be set aside is flood-prone or otherwise difficult to develop, Huckelberry said, and therefore less expensive. But the price tag still would be higher than the earlier \$10.5 million estimate.

Huckelberry's plan is to allow Fairfield to build 2,000 homes and create 800 recreational vehicle spaces west of Interstate 19, but would allow no residential development east of the freeway.

Commercial development east of I-19 would be reduced by 50 percent from previous plans. Buildings would be subject to strict architectural-design controls and limited to one story, and large open-space view corridors would be required. Those amenities would eliminate the ``strip development effect" east of the freeway, he said.

Golf course development would be limited to the west side of the freeway.

Under the proposal, 81 percent of the property would be open space.

Huckelberry's plan will require Fairfield to donate 1,482 acres of its less-developable property for conservation.

Another 3,153 acres would be purchased using a combination of the county's available \$3.5 million and contributions to a ``Historic Canoa Ranch Endowment Fund."

He estimates \$42 million will be raised by the endowment fund over the next 25 years, which could be used to buy property and preserve the ranch.

The money would come from two sources:

- * A 2 percent tax on commercial transactions and recreational vehicle space rentals within the Canoa development.
- * A fee of \$100 per acre foot on ground water pumped for golf courses.

The Board of Supervisors is scheduled to discuss the proposal in a closed-door session on Tuesday.

Supervisor Ray Carroll, who represents the area, was returning from Washington, D.C., where he was testifying before a congressional committee.

Supervisor Sharon Bronson, who also represents portions of Green Valley, did not return telephone calls yesterday.

Supervisor Raul Grijalva, a leading critic of Fairfield's Canoa plans, said he wants to hear what residents in the area think about the plan before he makes up his mind. But his initial reaction was negative.

``I'm not that worked up about it. The commercial area is too expansive and some of the residential development on the west side of the highway is too dense," Grijalva said.

The good thing about the plan, he said, is ``It does attempt to balance the environment and the money, which we don't have."

Map by The Arizona Daily Star

PCG SUPERVISOR HOUSING LAND DEVELOPMENT

| | | | | | | |
|--------------|---------------------|---------|------------|-------------------|-------------------|--------------|
| Sports | Community | TV Week | SN | NewPages | Classifieds | e-ShopTucson |
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Story by
Blake
Marlock
Citizen Staff
Writer

March 22, 2000

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County lawyers to study Canoa Ranch compromise for 30 days

A compromise between Canoa Ranch developers and Pima County is on hold for 30 days while county lawyers make sure the deal will work.

The Board of Supervisors voted unanimously yesterday during its regular meeting to study the proposed deal with Fairfield Homes and seek suggestions from Green Valley residents.

Fairfield's scaled-down development plan doesn't yet have the board's support, and it has not triggered the negative reaction from opponents that an earlier Fairfield proposal did.

In January 1999, the supervisors rejected a Fairfield plan to rezone 5,000 acres of the ranch just south of Green Valley for 6,000 homes and hundreds of acres of commercial projects.

In November, Fairfield sued Pima County, seeking to force the county to condemn and buy its property.

Rob Kulakofsky, chairman of Amigos de Canoa, said his group wants the land protected but is willing to talk to Fairfield Homes about the project.

"All along we've been saying, let's sit down and talk and work something out everybody is amenable to," he said. "We're willing to discuss all our options. We need to be as inventive as possible."

Under the proposed agreement:

- * Pima County would buy 3,153 acres of Canoa for \$15 million. All but a \$3.5 million open-space bond purchase would be paid for with money raised with special assessments on commercial activity within the development.

- * Fairfield could build 2,000 homes on 1,100 acres west of Interstate 19, a golf course and 50 percent of the commercial development originally sought on 200 acres east of the interstate.

- * Roughly 81 percent of the land - including 1,482 acres of largely undevelopable Santa Cruz River flood plain - would be saved as open space.

* Archaeological sites and wildlife corridors on the east side of Interstate 19, which passes through the property, would be protected.

Fairfield bought the property in 1994 for about \$6 million. The county assessed the land in 1998 at \$10.5 million, while Fairfield argued the property was worth millions more.

In a report to the board, County Administrator Chuck Huckelberry said the land is zoned for 1,600 homes. Fairfield could develop the land at that density without board approval, leaving no publicly accessible open space.

Democratic Supervisors Sharon Bronson and Raul Grijalva and Republican Ray Carroll, who all opposed Canoa's original rezoning plan, said they can't support the agreement until they get assurances from Fairfield.

Chief among those guarantees is that the agreement would carry over from Fairfield to any subsequent owner.

"Until I hear from (the County Attorney's Office) that it is legally binding, I'm not supporting it," Carroll said.

"What we're dealing with is the concept," Bronson said. "What we hope to do now is flesh out the details over the next 30 days. We have got to make sure we are on firm legal ground."

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Study of Canoa has Pima's OK

Legality of plan to be checked

Wednesday, 22 March 2000

METRO/REGION 1B

By Joe Burchell

THE ARIZONA DAILY STAR

Most of historic Canoa Ranch would remain as it is today, at minimal taxpayer expense, if a county scheme to buy it with new fees and surcharges is legal.

The Board of Supervisors yesterday ordered a 30-day study of County Administrator Chuck Huckelberry's plan to buy the scenic 6,100-acre ranch near Green Valley with money with money from a special tax on future commercial activity.

Supervisors said Huckelberry's plan to save 80 percent of the ranch is appealing, but they're not sure if the special tax is legal.

They're also uncertain whether an agreement by Fairfield Homes to support the tax or other provisions of Huckelberry's plan would be binding on a new owner, should the property be sold. Fairfield owns the ranch.

Huckelberry's plan is to allow Fairfield to build 2,000 homes, 800 recreational vehicle spaces and a golf course on the west side of Interstate 10 and a string of commercial developments along the east side of the freeway, with the remainder of the ranch to remain "as is."

The county would buy 3,153 acres on the east side of the freeway, using a combination of \$3.5 million in existing tax funds, a two percent surcharge on commercial activity within the Canoa property, including recreational vehicle space rentals, and a surcharge of \$100 per acre on ground water pumped for use on golf courses.

He estimates the tax would raise \$42 million over 25 years. The money would be used to restore and maintain the historic ranch house on the property in addition to buying the land.

A 1 percent surcharge on each home sale would be added in five years, if the other fees aren't bringing in enough to cover the cost of buying and maintaining the ranch.

Fairfield Homes president David Williamson said he's familiar with the plan, but couldn't comment on it because the company has a lawsuit pending over the county's refusal to rezone the property for 6,100 homes last year.

Huckelberry's proposal is an attempt to settle that lawsuit and lift the threat of taxpayers having to buy the Canoa property at market rates, which would likely be several times the \$10 million the county estimated it was worth last year.

Williamson referred questions to attorney Dennis Rosen, who said the company agrees with the plan "in concept," and is anxious to work out details with the county.

"Fairfield wants to make a deal with the county that's fair for everyone," he said.

The supervisors discussed the proposal for about 30 minutes behind closed doors yesterday before coming out and unanimously ordering the legal analysis.

The board also told Huckelberry to devise a plan to educate the public about the plan and solicit comments.

"It has its enticements. No question about it," Democrat Raul Grijalva said of the proposal.

But he said there was little discussion of the merits of the proposal, either in the closed session or in the public meeting before the vote, because "there's no point in discussing it until we know what's legal."

Republican Ray Carroll, who represents the area, said he's heard no significant protest of the proposal from board members or citizens' groups.

Carroll credited Huckelberry with "finding a truly creative way to preserve 80 percent of the ranch."

But he cautioned, "creativity and legality don't always match up."

"I like the concept," of preserving 80 percent of the property with limited taxpayer investment, Board Chairwoman Sharon Bronson said.

"But it's structured in such a way I'm not sure I like the plan," she said.

Bronson said she needs a lot more details about the development plans and how the county would enforce any agreement before she can support the proposal.

Settlement proposed

County holding talks on future of Canoa Ranch

By Gary Duffy
Green Valley News

Pima County Administrator Chuck Huckelberry's proposed development plan for Fairfield Homes, Canoa Ranch, will go back to the Board of Supervisors April 24. After a series of meetings with supervisors and citizens, we have meetings Monday,

Tuesday, and Wednesday this week and next. Macvein Behan, assistant to the county administrator, said yesterday.

Those meetings are to be held in a conference room at Huckelberry's 10th floor office at the Pima County Administration Building on April 10, 11, 12 and 13. The meetings will be held on April 17, 18, and 19. One such session was to be held yesterday afternoon.

A document based on Huckelberry's proposals and any alterations made based on input from those sessions will be presented to the Green Valley Community Coordinating Council on April 20. Pima County Administrator Huckelberry said.

It is hoped that the board will return to the board on April 25 for discussion and possible action. Huckelberry has recommended that development of the 5,954-acre property be restricted to 18 percent of its area, about 4,959 acres, which he proposed for conservation purposes under the National Antiquities Act. Another provision would allow for an 800-space RV camp near the Canoa interchange.

The existing zoning for the proposal is a 600-acre commercial area in its Canoa Ranch Specific Plan last year.

Under the Canoa Ranch Conservation Proposal, residential development of the property west of Interstate 19 would be limited to 2,000 units. Open space corridors would be required east and west of the Interstate. Another provision would allow for an 800-space RV camp near the Canoa interchange.

The existing zoning for the proposal is a 600-acre commercial area in its Canoa Ranch Specific Plan last year.

Under the Canoa Ranch Conservation Proposal, residential development of the property west of Interstate 19 would be limited to 2,000 units. Open space corridors would be required east and west of the Interstate. Another provision would allow for an 800-space RV camp near the Canoa interchange.

The existing zoning for the proposal is a 600-acre commercial area in its Canoa Ranch Specific Plan last year.

Under the Canoa Ranch Conservation Proposal, residential development of the property west of Interstate 19 would be limited to 2,000 units. Open space corridors would be required east and west of the Interstate. Another provision would allow for an 800-space RV camp near the Canoa interchange.

COUNTY HOLDING TALKS ON CANOAO RANCH

(continued from 1a)
ridor that could harm east-west wildlife migration between mountain ranges.
The company would donate 1,482 acres to the county for conservation purposes under the proposal, the county would buy another 3,153 acres through a combination of \$3.5 million in bond funds and other yet-undefined county funds.
A new Historic Canoa Ranch Endowment Fund, similar to one already in place for the Starr Pass resort west of Tucson, would raise \$42 million through a special

sales tax levied on all development-related transactions on the property, was proposed by the county administrator.
It would impose a 2 percent fee on all commercial transactions that take place on the non-residential development of the property including retail sales and golf fees.
The revenues would be raised and used long-term for preservation, maintenance and future open space acquisition.
The county would pay \$5,000 an acre for the 3,153 acres of the property to be purchased. That would amount to about \$16 million, Huckelberry said.
A county appraisal last year put the total value of the ranch at about \$10.4 million. Fairfield officials say it is worth at least \$95 million.
Huckelberry proposed the land use plan as a settlement in a lawsuit filed last December against the county by Fairfield. The company alleged that the county's actions in the specific

planning process for the property amounted to an "inverse condemnation" that has denied the company a change for fair return on its investment.
In order to develop the property in any fashion beyond the existing rural homestead zoning, Fairfield would need an amendment to the Pima County Comprehensive Plan first and a later, pre-emptive plan for a new rezoning in the form of a specific plan.
Fairfield's attorney in the matter has suggested that a development agreement be included as part of the settlement between the company and county in Fairfield's lawsuit alleging "inverse condemnation" by the county of the property.
Usually a specific plan is discussed before or concurrently with a development agreement, a document that spells out what the developer and county, respectively, will provide in infrastructure and services.
One proposed settlement would have the county pay Fair-

field a \$6 million down payment on the land to be purchased. send a development proposal to the Pima County Planning and Zoning Commission this month, and have the supervisors vote to approve a rezoning "all in later than June."
Attending a meeting in Huckelberry's office last week were Fairfield's President David Williamson, Frank Thompson, the consulting engineer who drafted the Canoa Ranch Specific Plan, Linda Morales of the Planning Center, and several other supporters of the developer.
Also present were members of groups that opposed Fairfield's plans for the historic ranch property.
"We would like to see the whole ranch preserved, in the hands of Kurtz, vice chair of Amigos-deb Canoa, a coalition of environmental and cultural conservation groups, said yesterday.
"However, we are open to reasonable compromise," she added.

Talks on Canoa continue

By Gerry Duffy
Green Valley News

TUCSON - A series of meetings between Fairfield Homes' representatives and both critics and boosters of the company's plans for the Canoa Ranch have been held this week and will continue into next.

On the table is Pima County Administrator Chuck Huckelberry's proposed development plan for 5,954-acre historic Canoa Ranch that is to go back to the Board of Supervisors April 25.

The meetings are being held in a conference room at Huckelberry's 10th floor offices at the Pima County Administration Building. One session was held Thursday afternoon, with additional sessions this past Monday through today and Monday through Wednesday next week.

A plan based on Huckelberry's proposals and any changes made after those sessions will be presented to the Green Valley Community Coordinating Council on April 20.

The informal committee was formed at the direction of the

Board of Supervisors and is charged with studying Huckelberry's proposal and making recommendations.

The proposal actually is a settlement offer to Fairfield involving a lawsuit the company filed late last year alleging the county's actions in rejecting the company's Canoa Ranch Specific Plan and moving toward condemnation of the property constituted an "inverse condemnation" that deprived Fairfield of a fair return on the land's value.

At last week's meeting much of the discussion centered on how that would be done and what weight any opinion on the plan by those at the meetings should carry with Huckelberry's office and the supervisors.

About half of those at Thursday's meeting were sharply critical of Huckelberry's proposed settlement, complaining that it was drafted with input from the developer but no opponents of high-intensity development of the property.

"What we're doing is taking the specific plan that was turned down on Jan. 16 last year and tweaking it," Rob Kulakofsky,

chairman of Amigos de Canoa, a non-profit group seeking to preserve the property, said.

Kulakofsky said county officials should not grant land use changes for the property because of a fear of losing the lawsuit filed by Fairfield.

"There is very little validity to the lawsuit," Kulakofsky said. "The reality of it is we're stepping off a cliff because somebody pushed us."

Huckelberry has recommended that development of the 5,954-acre property be restricted to 18 percent of its area. About 4,650 acres would be preserved for conservation purposes under the proposal.

Commercial development would be limited to 153 acres in four separate parcels on the east side of the interstate. The parcels would consist of two of 50 acres, one of 57 acres, and one 47-acre tract.

Under the "Canoa Ranch Conservation Proposal," residential development of the property west of Interstate 19 would be limited to 2,000 units.

Huckelberry's proposal also

(Turn to CANOA, 9a)

CANOA RANCH TALKS

(continued from 1a)
would allow an 800-space RV park near the Canoa interchange.

Under the existing zoning for the property limits development to about one residential unit per four acres, or a total of 1,610 units.

The type of commercial development that could be built east of the highway concerned Thomas Sheridan, who is heading an effort to create "a living museum" centered at historic buildings on the property.

Sheridan wants to see as much of the ranch as possible preserved to allow for visitors to understand the past.

"I'm not opposed to certain types of commercial east of the freeway, but it would have to be compatible with the museum," he said. "I think we have the opportunity to create a world class museum there."

Some of the strongest opposition to Fairfield's Canoa Ranch Specific Plan came from officials of the Smithsonian Institution, which operates the Fred Lawrence Whipple Astronomical Observatory atop nearby Mount Hopkins.

Observatory officials worried that light pollution from a development as proposed by the company last year would harm, perhaps ruin, astronomical research on the mountain.

The Smithsonian is completing one of the largest reflecting telescopes in the world at the observatory, the scientific value of which could be drastically lessened were development to contribute to deteriorating visibility from the mountain.

Observatory director Craig Foltz told the group Thursday that objections to development near Mount Hopkins could be dropped if tough restrictions on

new lighting are adopted by Pima County, and commercial development is limited and curfews imposed on hours that lighting can be on.

"I believe there can be a workable compromise here," Foltz said.

Twenty-seven holes of golf west of the interstate would be permitted. Open space corridors would be required east and west of the interstate to minimize strip development along the interstate corridor that could harm east-west wildlife migration between mountain ranges.

A new "Historic Canoa Ranch Endowment Fund" would raise \$42 million through a special sales tax levied on all development-related transactions on the property, as proposed by the county administration.

A 2 percent fee would be imposed on all commercial transactions that take place on the non-residential development of the property, including retail sales and golf fees.

The revenues would be raised and used long-term for preservation, maintenance and future open space acquisition.

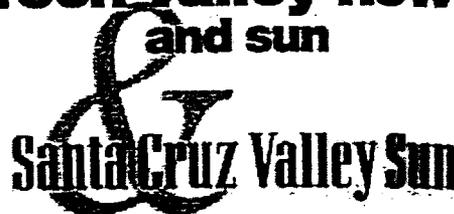
The county would pay \$5,000 an acre for the 3,153 acres of the property to be purchased, under Huckelberry's proposed settlement. That would amount to about \$15 million, Huckelberry said.

A county appraisal last year put the total value of the ranch at about \$10.4 million. Fairfield officials say it is worth at least \$35 million. The company paid about \$6 million for it in 1994.

The company would donate 1,482 acres to the county for conservation purposes under the proposal, and the county would buy another 3,153 acres through a combination of \$3.5 million in bond funds, and other yet-undefined county funds.



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Wednesday, May 03, 2000

Huckelberry should be commended for work on Canoa Ranch plan

There's an interesting saga now playing about the Canoa Ranch, a source of so much controversy in our area and the source of so many possibilities.

This particular drama involves the efforts of County Administrator Chuck Huckelberry who has been meeting for the last few months with many of the key players involved in Canoa Ranch land use decisions.

These include the property owners, represented by David Williamson, president of Fairfield homes, their representatives, and "stakeholders" in the ranch's future, including representatives of the Whipple Observatory, the Smithsonian Institution, the Amigos de La Canoa, a group which seeks to buy and preserve the ranch, representatives of the Green Valley and Elephant Head community, Phelps Dodge, the mining company with well sites and groundwater pumping rights on the property, and various county officials.

Huckelberry was ordered by the Board of Supervisors to conduct these meetings in order to come up with a legal opinion and recommendations regarding settlement of the lawsuit Fairfield Homes has brought against Pima County.

Based on those meetings and other input, Huckelberry has produced the Canoa Ranch Conservation Proposal, an excellent starting point, to say the least. It's one which the property owner would support and also one which we understand the Whipple Observatory could live with.

The plan also calls for establishment of an endowment fund under a 2 percent sales tax on commercial transactions that would pay for the county to acquire 3,153 acres of the ranch for permanent conservation.

That's progress, for certain, after all the controversy about the future of this property, but there's still a lot up in the air.

As most residents know, Fairfield is suing Pima



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County because it believes the county's handling of its plans to develop the ranch property has amounted to an "inverse condemnation" that deprived the company of the value of its land.

After years of planning, thousands of dollars and talks with people unwilling and unable to reach a reasonable compromise we can well understand why Fairfield was driven to file a lawsuit and thus, call the question.

Huckelberry's latest plan for resolving the controversy was to be presented to the board of supervisors this past Tuesday, but that was canceled.

We are not sure why, but we are aware that some of the "stakeholders" have presented alternative plans, plans which object to Huckelberry's provision for 300 acres of commercial property on the east side of Interstate 19 and also object to plans for an 800-space trailer park.

In the meantime, it's difficult to find out what the county plans to do about this settlement. Also up in the air for now is whether a settlement would actually preclude the normal land use planning process.

The normal process would mean that Huckelberry's "Canoa Ranch Conservation Proposal" would require public hearings for the an amendment to the Pima County Comprehensive plan before the Pima County Planning and Zoning Commission and the Board of Supervisors.

The board is reportedly waiting for an opinion by the county attorney office as to whether or not the county can legally commit to a later rezoning of a property as part of the settlement of a lawsuit.

We hope that is not the case because that will set a bad precedent for land use planning, encouraging more lawsuits by developers to get the county off the dime.

We think the board of supervisors needs to make a decision soon on Huckelberry's plan and let it stand the light of public scrutiny by going through the land use process.

In our view, the plan represents a reasonable, intelligent compromise which will allow Fairfield the opportunity to develop a portion of the ranch property, while keeping the bulk of it for conservation, open space and historic preservation.

E-mail us

A drug war's side effects

For those who see the persistent influx of illicit drugs as one of America's most urgent problems, crying out for answers (that's most of us, surely), an event recently in New York could hardly have been more disheartening.

Hearing on Canoa delayed

By GARY DUNN
Green Valley News

Both backers and critics of the Canoa Ranch development are looking for a hearing on the proposed plan. The hearing was tentatively planned for May 21, but has been delayed. The hearing will be held by the Board of Supervisors on May 21, 1984. The hearing will be held at the Canoa Ranch. The hearing will be held at the Canoa Ranch. The hearing will be held at the Canoa Ranch.

SUPERVISORS' HEARING ON CANOA IS DELAYED

(Continued from 1a)
she said, and in the matter of the Canoa Ranch, more time to look at the proposal and possible alternatives is warranted.

Huckelberry had tentatively been set to deliver a recommendation to the board on a development proposal for the 5,984-acre property, as directed by the supervisors on March 21. He still will, except that it is more likely to be formally presented in two to three weeks, after board members have a chance to review a memorandum on the matter ahead of him.

"You're going to see a report out of my office next week," the county administrator said yesterday. The document will in-

clude his recommended development plan, along with comments on suggested alternative development plans.

The county administrator's proposed plan would settle a lawsuit filed by Fairfield late last year that alleges that the county's handling of its plans for the ranch has amounted to "inverse condemnation" that has deprived the company of the land's value.

Huckelberry said yesterday that it would be up to the supervisors to decide whether to give the go-ahead to his office to proceed with any new development plan and litigation settlement, as a prelude to beginning the public hearing process on new development plans.

Huckelberry's proposal, if adopted by the Board of Supervisors, would allow for up to 2,000 homes on the west side of Interstate 19, provide for an 800-space recreational vehicle zone, limit commercial areas to 153 acres, and allow for 27 holes of new golf.

The plan calls for the estab-

lishment of an endowment, under a 2 percent sales tax on commercial transactions on the property that would fund county acquisition of 3,153 acres of the property for permanent conservation at \$5,000 an acre, and impose an impact fee of \$1,162 per residential unit.

Fairfield would donate an additional 1,356 acres of land that is located in the Santa Cruz River floodplain to the county.

Under current zoning, 1,610 homes can be built on the property.

Three alternative plans were submitted to Maeveen Behan, Huckelberry's assistant who chaired eight two-hour meetings in the past two and a half-weeks in Huckelberry's office that included his administrative assistant, representatives of the property owner, Fairfield Homes, and interested parties, or "stakeholders," the sessions.

All three plans called for development of the parcel to be more restrictive than Huckelberry's recommended plan.

With the delay due to Tuesday's canceled board meeting, there will be more time to look at all the proposals for ranch development, Supervisor Raul Grijalva said yesterday.

Grijalva, District 5 Democrat, said he would consider the alternative proposals.

"We have much work to do on an alternative if that is to be a reasonable thing," he said.

Huckelberry said yesterday that his office was pressing for some agreement on development of parts of the ranch. His proposal would see 81 percent of the ranch set aside as public open space, he said.

"We've struggled with this for so long. The intent was to come up with a concept that could be acceptable to the county."

The administrator said he would consider alternative proposals in his recommendations to the board. But those that call for no or little action won't get his support.

A no-build, no-action alternative is not acceptable from my point of view," he said.

New plan for Canoa Ranch will soon be back to supervisors

By Garry Duffy
Green Valley News

TUCSON - Recommendations for developing the Canoa Ranch will soon be back to the Board of Supervisors, at least informally, following a series of eight meetings involving representatives of County Administrator Chuck Huckelberry's office, Fairfield Homes, and parties interested in the future of the historic ranch parcel.

Board members will receive a memorandum from Huckelberry's office, perhaps as soon as Friday, based on input garnered during those sessions, which put supporters and critics of a proposed settlement to a lawsuit by Fairfield against the county together in the same room for a total of over 16 hours.

Fairfield is suing the county, claiming that the county's handling of plans to develop the 5,954-acre property south of Green Valley has amounted to an "inverse condemnation" that deprived the company of the value of its land.

Huckelberry had tentatively been set to deliver a recommendation to the board on a development proposal for the 5,954-acre property this past Tuesday. That was directed by the supervisors on March 21.

That meeting, a study session at which no formal action by the board usually is taken, was canceled.

The matter has yet to be rescheduled for a presentation to the supervisors.

Huckelberry said last week that he planned to send a memorandum updating the board on the issue by the end of this week.

Board members also will then hear from the Pima County Attorney's Office on the process that must be followed should they decide to press ahead with Huckelberry's proposed settlement.

Under normal circumstances, that likely would require public hearings for an amendment to the Pima County Comprehensive Plan in front of both the Pima County Planning and Zoning Commission and the Board of Supervisors.

If a plan amendment were approved, the matter would go back to the Planning and Zoning Commission for a public hearing on a rezoning ordinance. That would be followed by another public hearing before the supervisors before a vote on rezoning the property.

But Huckelberry's recommended course of action in making approval of a rezoning a condition to settlement of litigation is unprecedented. As a result, county civil division attorneys were directed by the supervisors on March 21 to look into whether a Board of Supervisors can legally commit to a later re-

(turn to PLANS, 6a)

PLANS FOR CANOA

(continued from 1a)

zoning of a property as part of a settlement to a court case.

What Huckelberry has proposed in the settlement would allow for up to 2,000 homes on the west side of Interstate 19, provide for an 800-space recreational vehicle zone, 153 acres of commercial areas on both sides of I-19, and allow for 27 holes of new golf.

Current zoning would allow 1,610 homes on the property.

The plan calls for the establishment of an endowment, under a 2 percent sales tax on commercial transactions on the property that would fund county

acquisition of 3,153 acres of the property for permanent conservation at \$5,000 an acre, and impose an impact fee of \$1,162 per residential unit.

Fairfield would donate an additional 1,356 acres of land that is located in the Santa Cruz River floodplain to the county.

Three alternative plans also have been proposed by stakeholders attending the series of meetings in Huckelberry's office.

All three plans called for less intense residential development of the parcel, would prohibit golf courses, and ban or strictly limit commercial zones.

Canoa Ranch Conservation Proposal

April 10, 2000

Introduction

Acquisition/Rezoning Summary

Canoa Ranch consists of approximately 5,954 acres. Of this acreage, it is proposed that 4,660 acres be acquired by Pima County and that the remaining 1,294 acres be rezoned.

Acquisition

A Historic Canoa Ranch Endowment Fund will be established to offset the cost of acquisition. This will include fees on each residential unit, as well as a 2% sales tax on commercial transactions and golf course fees.

Fees will be used to acquire open space, construct trails and staging areas, acquire and improve ranch buildings, construct recreation facilities, and develop wetlands and recharge areas.

- Canoa Ranch will donate a portion of the site for open space purposes.
- Canoa Ranch will be identified as a district exempt from Pima County Development Impact Fees. (All roads in Canoa Ranch are to be private and built by the developer.) Fees equivalent to the rate in Green Valley assessed as Development Impact Fees shall be assessed on each residential dwelling unit.
- Canoa Ranch will be identified as special taxation area. Sales tax of 2% is to be levied by the Master Developer on retail sales and golf courses.

Rezoning

The proposed rezoning is identified in the following section which describes the Concept Plan for 200 acres east of I-19 and 1,094 acres west of I-19.

Canoa Ranch Settlement/Development Agreement

- Creation of a Santa Cruz Linear Park Open Space Fund
 - Pima County Open Space Bond Funds
 - Private Donations
 - Public Funding Sources
 - Open Space Fees

Revenue Sources

- Residential Unit Assessment (\$1,162.50)
- Retail Sales Tax (2%)
- Golf Course Sales Tax (2%)

Concept Plan

Concept Plan

A. Project Overview

1. Requested Zoning

The requested zones are:

CR-5 Multiple Residence Zone
TR Transitional Zone
CB-2 General Business Zone
TH Trailer Homesite

2. Characteristics of Proposed Development

The portion of the property west of I-19 consists of approximately 1094 acres bounded by Interstate 19 on the east, and the Canoa Northwest rezoning to the north, and unsubdivided properties on the south.

The type of development proposed is characteristic of the existing retirement community that has been developed along Interstate 19 south of Continental Road. The western portion of the property provides views of the Santa Rita Mountains from the bluffs and utilizes the canyons for rainfall runoff conveyance, recreation and wildlife corridors.

The remainder of the rezoning site's 200 acres is east of I-19, between the Interstate and the Santa Cruz River. Due to the area's proximity to the interstate, this area is intended to provide a full range of commercial and support services to the residents of Canoa Ranch and surrounding area residents.

The Escondido Wash and the Santa Cruz River will be maintained in their natural state, with the exception of some modification to the floodplain of the Santa Cruz River at the I-19 and Canoa Road interchange. A portion of the Santa Cruz will be bank protected to provide stability and safe access to the interchange and to protect the historic ranch buildings, modifying the floodplain and the boundaries of this planning area.

The proposed project will provide a full-service retirement lifestyle similar to the rest of the Green Valley community. Neighborhoods will be developed which will have adequate infrastructure planned well in advance of need. Recreational opportunities will be developed which will include golf, walking trails, bicycle trails and a variety of community activities. A key component of the plan is a Village Center. This Center will be the hub from which many recurring daily activities will commence, and will be open to the

public as well as residents of Canoa Ranch. Included in this area will be several small retail and service providers to meet the needs of this active community in combination with residential uses.

The area to the east of I-19 around the Canoa Road interchange is targeted to serve the proposed development and other area commercial needs. In addition to commercial uses, an 800-unit Recreational Vehicle Resort is proposed.

With the development of this property, key infrastructure items will be planned. These will include roadways, water distribution systems, sanitary sewer systems, and public trails. The planning for this development at the onset will provide future residents with the assurance that future needs the community have been anticipated.

B. Preliminary Development Plan

The Concept Plan is comprised of four planning units: residential/golf course, village center, interchange commercial and recreational vehicle resort. All residential uses in the project are intended to be age restricted.

1. Planning Area Descriptions

a) Residential/Golf Course Planning Area (1a, 2a, 2b)

Canoa West is oriented towards residential retirement. It contains age-restricted single family dwellings and town homes clustered in the numerous development blocks. These land uses will be similar to the typical Green Valley development clustered around golf courses and open space uses, but will be controlled access and self-contained with private streets.

This area is also proposed to contain 27 holes of golf. The first 9 holes are intended to complete the 9-hole course previously approved in the Fairfield-Canoa Ranch L.L.C. - Calle Tres Rezoning (Co9-96-14). During a subsequent phase, an additional 18-hole course is proposed.

The proposed zoning for this planning area is CR-5/GC.

b) Village Center Planning Area (1b, 1c)

This village center has multiple use facilities, and is adjacent to golf course and other recreational areas. The Village Center is located along the Canoa Road interchange connection.

A primary function of the Village Center is to provide daily service uses. It is to be developed as a meeting place where community, commercial, residential and recreational activities interface. To achieve this, an integrated system of linkages and focal points will be a primary organizational theme. The pedestrian system will be detailed during the subdivision process and is intended to be in conjunction with the street systems. Additionally, pedestrian provisions are included in the proposed roadway sections. Ease and continuity of access for pedestrians and golf carts from outside the Center are primary design requirements, as well as the placement of major and minor focal points. These focal points are important social gathering places where visitors meet for civic and private business and pleasure.

A secondary function of the Village Center is to develop a pedestrian oriented system that will reduce the dependence on automobile traffic and encourage alternative modes of transportation. This Center will include a pedestrian circulation system that will provide a continuous link to the surrounding residential and recreational uses.

The Village Center will probably not be entirely constructed at one time, but over a period of several years. It is important; however, that each phase of the Center be designed with both the previous and subsequent phase clearly in mind. In this way, each phase will become an integral thread of a larger fabric, woven with an overall pattern in mind. Prior to development within the Center, a Master Plan shall be prepared. This Plan will outline mixed-use areas as development pods within the Center, and show linkages to various activities outside of the Center.

The proposed zoning categories for the Village Center are CB-2, TR and GC.

c) I-19 Interchange Commercial Planning Area (4, 5)

The area around the Canoa Road interchange is targeted to serve area commercial needs. Proposed uses will provide a full range of products and services for Canoa Ranch and Green Valley area residents. Due to the location of the I-19 interchange, a commercial center is provided to accommodate uses such as retail sales, grocery stores, hotels, restaurants, automobile service stations, etc.

The commercial land uses are intended to provide a broader range of commercial uses with higher intensities than the Village Center. During the early development, this area will resemble a typical freeway interchange characterized by automobile orientation, similar to those found in the Green Valley area. In later development, it is intended that the area will contain uses that blend with those in the Village Center, providing activities not satisfied within the Village Center.

The proposed zoning for the Interchange Commercial Planning Area is CB-2.

d) Recreational Vehicle Resort Planning Area (3)

Property south of the interchange commercial, between the Santa Cruz River and I-19 is proposed to be developed as a recreational vehicle resort. The resort, in addition to RV spaces, will include a clubhouse, recreation facilities, and other support services.

The proposed zoning for this planning area is TH.

2. *Golf Course Plan*

This project will include two golf courses (one 9-hole and one 18-hole) designed to meander around the residential blocks. The 9-hole course is intended to complete the 9-hole course currently being developed in the Canoa Northwest area. The 18-hole course will be located in Canoa Southwest. Both golf courses will be designed to comply with water conservation requirements of the Arizona Department of Water Resources. Turf area will be held to a minimum by using the target concept and limiting turf to the landing and green areas. The remaining areas of the golf course will be either left in natural state or will be landscaped using drought resistant vegetative materials that are compatible with indigenous native plants.

During development of the courses, some of the native vegetation will be removed for tees, greens and fairways. However, native vegetation will be preserved in place in the roughs and transition areas where they do not obstruct course play. In order to provide shade and wildlife habitat, trees will be left in place in the fairways, roughs and transition areas where they do not obstruct play. The golf course and wash areas will provide a reliable water source for wildlife. In addition, the meandering of the golf course throughout the site will allow wildlife to move through the project site after development.

The golf course landscape plan is designed to provide adequate grass areas for play and preserve as much of the existing vegetation as practical.

Draft

**Canoa Ranch
Area Calculations
3/1/00**

| <u>Planning Area</u> | <u>Proposed Zoning</u> | <u>Total Acres</u> | <u>Subarea Acres</u> | <u>Subarea Estimated Units</u> |
|----------------------------------|------------------------|--------------------|----------------------|--------------------------------|
| Canoa West | | 1006 | | 2000 |
| Residential | | | | |
| 1a | TR/GC | | 432 | |
| 2a | TR/GC | | 248 | |
| 2b | TR/GC | | 230 | |
| Village District | | | | |
| 1b | CB-2 | | 53 | |
| 1c | TR/GC | | 43 | |
| Escondido Wash | OS | 88 | 88 | |
| Ranch Buildings | | 25 | 25 | |
| Santa Cruz/I-19 | | 200 | | |
| Commercial | CB-2 | | 100 | |
| R/V Park | MH | | 100 | 800 |
| Santa Cruz River Corridor | | 1356 | | |
| Openspace | OS | | 1356 | 0 |
| Madera Wash | | 126 | | |
| Openspace | OS | | 126 | |
| Canoa East | | 3153 | | |
| Openspace | OS | | 3153 | |
| Total | | 5954 | 5954 | 2800 |

Fees

Fee Schedule to Pima County

General Assumptions

Fairfield Green Valley, Inc. anticipates closing 200 units per year in Canoa Ranch. A \$1,162 per unit impact fee would generate \$232,400 per year for Pima County.

The first golf course would begin generating sales revenues by Year 2. In Year 2 it is reasonable to assume that the first golf course would be open and operational for at least the last 6 months. The second golf course would open in Year 7.

By Year 3, planned commercial and the RV resort are expected to begin to generate revenue. Over the 10-year period, 300,000 square feet of commercial retail space would open. Beginning in Year 3, 50,000 square feet would be added every year with sales revenues of \$15,000,000 in Year 3, \$30,000,000 in Year 4 and \$45,000,000 in Year 5.

By Year 9, commercial, golf retail sales and the RV resort would generate \$98,000,000 in revenues. The impact sales tax revenues per year, assuming a 2% impact fee, would be \$1,920,000. Combined with the unit impacts collected on home sales, the project would generate over \$2,150,000 per year.

Ultimately the County could expect to collect over \$42 million in impact fees, above and beyond sales tax and property taxes, over the next 25 years.

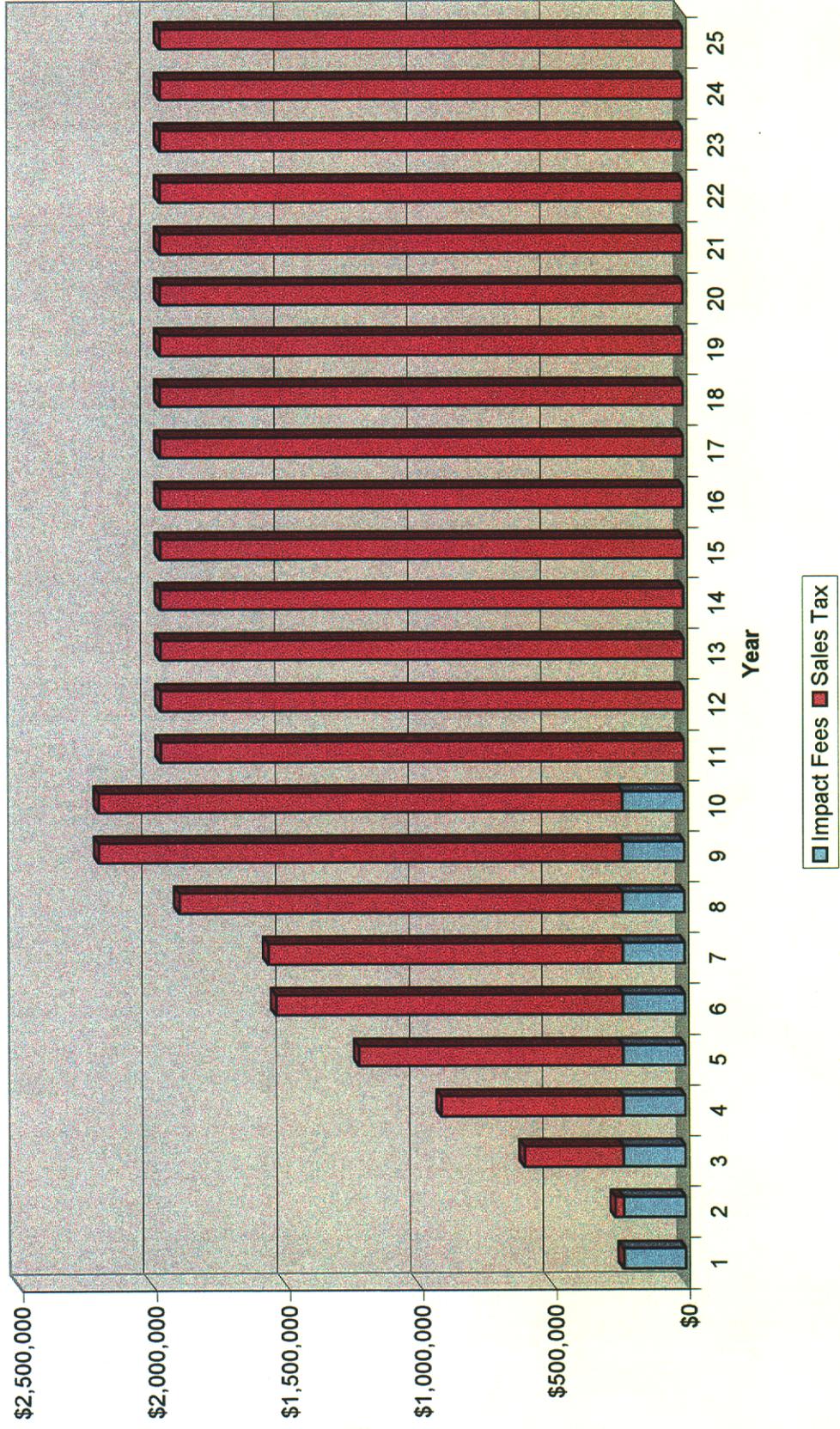
Fairfield Canoa Ranch
 Impact Fee & Sales Tax Schedule to Pima County
 For 10 year period

Option A

| Year | Unit Closing | Impact Fees | Annual Impact | Commercial | Golf | RV/resort | Total Sales Revenues | 2% impact on sales rev | Total Annual Impact | Cumulative Impact |
|------|--------------|-------------|---------------|------------|-----------|-----------|----------------------|------------------------|---------------------|-------------------|
| 1 | 200 | 1,162 | 232,400 | | 1,500,000 | | 1,500,000 | | 232,400 | 232,400 |
| 2 | 200 | 1,162 | 232,400 | 15,000,000 | 3,000,000 | 500,000 | 18,500,000 | 30,000 | 262,400 | 494,800 |
| 3 | 200 | 1,162 | 232,400 | 30,000,000 | 3,000,000 | 1,000,000 | 34,000,000 | 680,000 | 602,400 | 1,097,200 |
| 4 | 200 | 1,162 | 232,400 | 45,000,000 | 3,000,000 | 1,500,000 | 49,500,000 | 990,000 | 912,400 | 2,009,600 |
| 5 | 200 | 1,162 | 232,400 | 60,000,000 | 3,000,000 | 2,000,000 | 65,000,000 | 1,300,000 | 1,222,400 | 3,232,000 |
| 6 | 200 | 1,162 | 232,400 | 60,000,000 | 4,500,000 | 2,000,000 | 66,500,000 | 1,330,000 | 1,532,400 | 4,764,400 |
| 7 | 200 | 1,162 | 232,400 | 75,000,000 | 6,000,000 | 2,000,000 | 83,000,000 | 1,660,000 | 1,562,400 | 6,326,800 |
| 8 | 200 | 1,162 | 232,400 | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,892,400 | 8,219,200 |
| 9 | 200 | 1,162 | 232,400 | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 2,192,400 | 10,411,600 |
| 10 | 200 | 1,162 | 232,400 | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 2,192,400 | 12,604,000 |
| 11 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 14,564,000 |
| 12 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 16,524,000 |
| 13 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 18,484,000 |
| 14 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 20,444,000 |
| 15 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 22,404,000 |
| 16 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 24,364,000 |
| 17 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 26,324,000 |
| 18 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 28,284,000 |
| 19 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 30,244,000 |
| 20 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 32,204,000 |
| 21 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 34,164,000 |
| 22 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 36,124,000 |
| 23 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 38,084,000 |
| 24 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 40,044,000 |
| 25 | | | | 90,000,000 | 6,000,000 | 2,000,000 | 98,000,000 | 1,960,000 | 1,960,000 | 42,004,000 |

Fairfield Canoa Ranch

Impact Fees & Sales Tax Revenue Option A



Fairfield Canoa Ranch
 Impact Fee & Sales Tax Schedule to Pima County
 For 10 year period

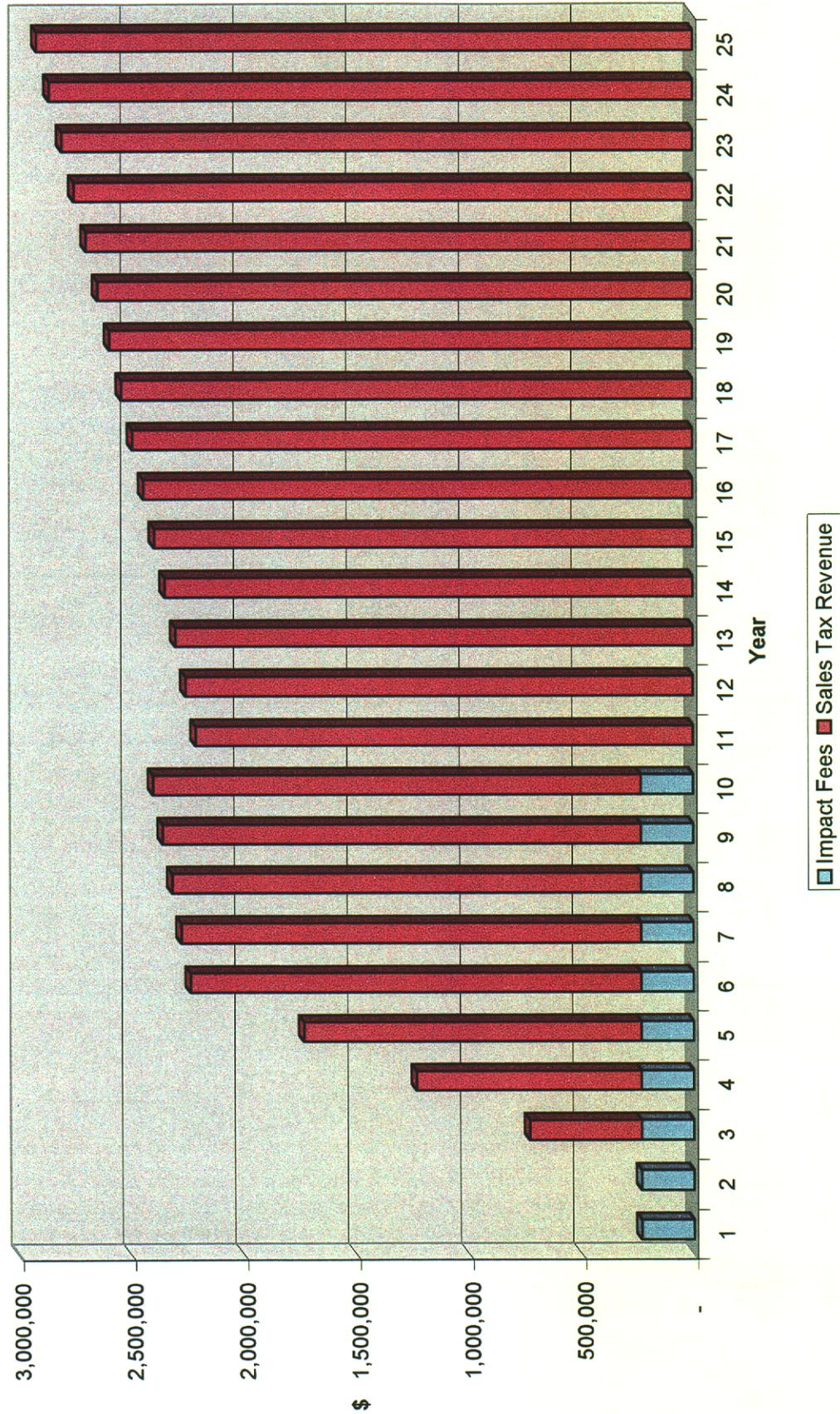
Option B
 assumes 2% inflation

| Year | Unit Closing | Impact Fees | Annual Impact | Commercial | Golf | RV/resort | Total Sales Revenues | 2% impact on sales rev | Total Annual Impact | Cummulative Impact |
|------|--------------|-------------|---------------|-------------|-----------|-----------|----------------------|------------------------|---------------------|--------------------|
| 1 | 200 | 1,162 | 232,400 | - | 1,500,000 | | 1,500,000 | | 232,400 | 232,400 |
| 2 | 200 | 1,162 | 232,400 | 15,000,000 | 3,000,000 | 500,000 | 18,500,000 | 30,000 | 262,400 | 494,800 |
| 3 | 200 | 1,162 | 232,400 | 30,300,000 | 3,060,000 | 1,000,000 | 34,360,000 | 370,000 | 602,400 | 1,097,200 |
| 4 | 200 | 1,162 | 232,400 | 45,906,000 | 3,121,200 | 1,500,000 | 50,527,200 | 687,200 | 919,600 | 2,016,800 |
| 5 | 200 | 1,162 | 232,400 | 61,824,120 | 3,183,624 | 2,000,000 | 67,007,744 | 1,010,544 | 1,242,944 | 3,259,744 |
| 6 | 200 | 1,162 | 232,400 | 63,060,602 | 4,683,624 | 2,040,000 | 69,784,226 | 1,340,155 | 1,572,555 | 4,832,299 |
| 7 | 200 | 1,162 | 232,400 | 79,321,814 | 6,183,624 | 2,080,800 | 87,586,238 | 1,395,685 | 1,628,085 | 6,460,383 |
| 8 | 200 | 1,162 | 232,400 | 95,908,251 | 6,307,296 | 2,122,416 | 104,337,963 | 1,751,725 | 1,984,125 | 8,444,508 |
| 9 | 200 | 1,162 | 232,400 | 97,826,416 | 6,433,442 | 2,164,864 | 106,424,722 | 2,086,759 | 2,319,159 | 10,763,667 |
| 10 | 200 | 1,162 | 232,400 | 99,782,944 | 6,562,111 | 2,208,162 | 108,553,217 | 2,128,494 | 2,360,894 | 13,124,562 |
| 11 | | | | 101,778,603 | 6,693,353 | 2,252,325 | 110,724,281 | 2,171,064 | 2,171,064 | 15,295,626 |
| 12 | | | | 103,814,175 | 6,827,221 | 2,297,371 | 112,938,767 | 2,214,486 | 2,214,486 | 17,510,112 |
| 13 | | | | 105,890,459 | 6,963,765 | 2,343,319 | 115,197,542 | 2,258,775 | 2,258,775 | 19,768,887 |
| 14 | | | | 108,008,268 | 7,103,040 | 2,390,185 | 117,501,493 | 2,303,951 | 2,303,951 | 22,072,838 |
| 15 | | | | 110,168,433 | 7,245,101 | 2,437,989 | 119,851,523 | 2,350,030 | 2,350,030 | 24,422,868 |
| 16 | | | | 112,371,802 | 7,390,003 | 2,486,749 | 122,248,553 | 2,397,030 | 2,397,030 | 26,819,898 |
| 17 | | | | 114,619,238 | 7,537,803 | 2,486,749 | 124,693,524 | 2,444,971 | 2,444,971 | 29,264,869 |
| 18 | | | | 116,911,622 | 7,688,559 | 2,536,484 | 127,187,395 | 2,493,870 | 2,493,870 | 31,758,740 |
| 19 | | | | 119,249,855 | 7,842,330 | 2,587,213 | 129,731,143 | 2,543,748 | 2,543,748 | 34,302,488 |
| 20 | | | | 121,634,852 | 7,999,177 | 2,638,958 | 132,325,766 | 2,594,623 | 2,594,623 | 36,897,111 |
| 21 | | | | 124,067,549 | 8,159,161 | 2,691,737 | 134,972,281 | 2,646,515 | 2,646,515 | 39,543,626 |
| 22 | | | | 126,548,900 | 8,322,344 | 2,745,571 | 137,671,727 | 2,699,446 | 2,699,446 | 42,243,072 |
| 23 | | | | 129,079,878 | 8,488,791 | 2,800,483 | 140,425,161 | 2,753,435 | 2,753,435 | 44,996,506 |
| 24 | | | | 131,661,476 | 8,658,566 | 2,856,492 | 143,233,664 | 2,808,503 | 2,808,503 | 47,805,009 |
| 25 | | | | | | 2,913,622 | | 2,864,673 | 2,864,673 | 50,669,683 |

Fairfield Canoa Ranch

Impact Fee & Sales Tax Revenue

Option B



Bruce D. Greenberg, Inc.
Real Estate Appraisers & Consultants
Machinery & Equipment Valuations

3561 East 42nd Stravenue
Tucson, Arizona 85713

e-mail: bgreenberg@revol.net

Telephone (520) 750-8200
Facsimile (520) 750-8298

April 15, 2000

Mr. David J. Williamson, President, CEO
Canoa Ranch, LLC
c/o Fairfield Homes
33 North Stone, 9th Floor
Tucson, AZ 85701

Our File No. 7808-99

Dear Mr. Williamson:

At your request, I have developed a limited appraisal utilizing the restricted use appraisal report format. This correspondence is being prepared for Mr. Charles Huckleberry, Administrator for Pima County. The property being analyzed is commonly referred to as Canoa Ranch, which is a 5,954± acre site, situated on both the east and west side of Interstate 19 in the southerly portion of Green Valley, Pima County, Arizona, generally, in an around the Canoa Interchange. This appraiser retains within his work file a legal description of said property.

The purpose of this appraisal is to form an opinion of the market value of a "typical" RH zoned home site, containing 4.13 acres within said holdings. For this assignment I have utilized the Arizona Revised Statute definition of Market Value. The function of this report is to assist Mr. Huckleberry in making a business decision in the acquisition of said property. The date of inspection for the Canoa Ranch holdings is April 15, 2000. This is also the effective date of the appraisal and the date of the report.

As you and Mr. Huckleberry are aware, I retain an extensive library of data that interprets the socio-economic, political and physical factors of the Greater Tucson Metropolitan Area. My data includes public records, primary and secondary data which were used in order to estimate the market value of a typical home site in this assignment. In addition to meeting with Mr. Williamson during the term of this assignment, we also spoke with Mr. Frank Thompson, a local planner who assisted us in understanding the physical and legal characteristics of said property. The

Bruce D. Greenberg, MAI, SRA, ASA
State Certified General Real Estate Appraiser
Certificate No. 30031

information derived from both Mr. Williamson and Mr. Thompson is assumed to be correct and reliable.

As the reader is aware, the Canoa Ranch holdings are being negotiated between the property owner, Canoa Ranch L.L.C., and Pima County. At the request of both Mr. Williamson and Mr. Huckleberry, this appraiser was to assume specifically for this assignment that the entire Canoa Ranch tract would be zoned RH, allowing one home to every 180,000 square feet or 4.13 acres or a total density within Canoa Ranch of approximately 1,440 home sites. It must be perfectly understood that this is an "Extraordinary Assumption," as set forth and defined in the Uniform Standards of Professional Appraisal Practice. An Extraordinary Assumption is defined as "an assumption directly related to the specific assignment, which, if found to be false, could alter the appraisers opinions or conclusions." Therefore, this valuation is predicated based upon this extraordinary assumption.

In order to estimate the price of a typical RH zoned lot within the Canoa Ranch project competitive comparable sales were researched. The primary area surveyed included the Green Valley and Sahuarita regions. Additional information was gathered from the Corona De Tucson area west to Sahuarita. The general research boundaries included Houghton Road on the east, Santa Rita Experimental Range on the south, Green Valley and Sahuarita on the west and the Old Vail Road on the north. Resources accessed included Pima County Assessor records, Experian, Swango Real Estate Market Information and Comps of Arizona. Approximately 250 individual sales were reviewed for use that included mostly 'lot-split' parcels. We define lot split parcels are those sites created by splitting a larger site into smaller sites in accordance with existing subdivision laws.

The subject property as of the date of valuation is generally a vacant tract of land and is being held by the client for future development use. As the readers are aware, the subject property has been designated as a mixed use master planned community site, yet for this assignment, the extraordinary assumption has been put in place, indicating that the subject property should only be used for ranchette – residential purposes. Based upon our research in the marketplace, this is certainly one of the alternative land uses for the property, and specifically for this assignment it is assumed that this is the highest and best use of said property.

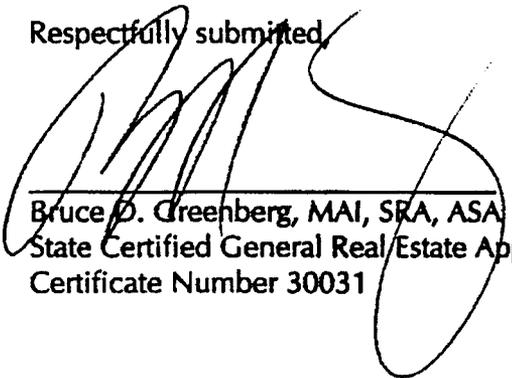
It must be perfectly understood that the aggregate price of the 1,440 home sites does not reflect the market value of the entire holdings by a singular purchaser. We reserve the right, at a later time, and for an additional fee, to complete this valuation assignment.

Based upon the data gathered and the analysis performed, it is the opinion of this appraiser that the estimated market value of a "typical" RH zoned 4.13 acre home site within the subject property, on an all cash basis, as of April 15, 2000, would be equal to \$50,000. This again takes into account the extraordinary assumption that

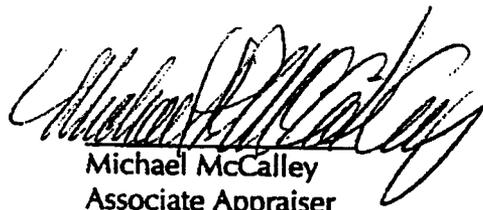
the subject property would be solely utilized for 1,440 home sites under a 4.13 acre density usage. The exposure time for a typical lot would be less than one year.

Once again, it must be perfectly understood that this correspondence and value conclusion is set forth as a restricted use appraisal report being prepared for Mr. Williamson, for the use of Mr. Huckleberry, for the purpose of analyzing a proposed acquisition of the subject property under the above scenario. The readers are advised that the opinions and conclusions in this report are based upon the data found within this appraisers work file.

Respectfully submitted,



Bruce D. Greenberg, MAI, SRA, ASA
State Certified General Real Estate Appraiser
Certificate Number 30031



Michael McCalley
Associate Appraiser

APPRAISER'S CERTIFICATION

I CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

My compensation is not contingent upon the reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of stipulated result, or the occurrence of a subsequent event.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, the Code of Professional Ethics and the Standards of Professional Practice by the Appraisal Institute, and the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers.

I have not made a personal inspection of the property that is the subject of this report. No one provided significant professional assistance to the person signing this report. Each finding, prediction, assumption, or conclusion contained in this report is my personal opinion and is not an assurance that an event will or will not occur.

All of the limiting conditions imposed by the terms of my assignment or by the undersigned affecting analyses, opinions, and conclusions are set forth in this report.

With respect to data provided by the client, I shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to me.

As of this date, Bruce D. Greenberg, MAI, SRA, ASA, is currently certified under the voluntary continuing education program of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

It is acknowledged that this appraiser is not an expert in the field of hazardous materials, and this appraisal report in no way warrants the subject property against any hazardous materials. Furthermore, this valuation report is based on the subject property not being affected by any hazardous materials.

Based upon the facts and analysis contained within the following report, it is my opinion that the following:

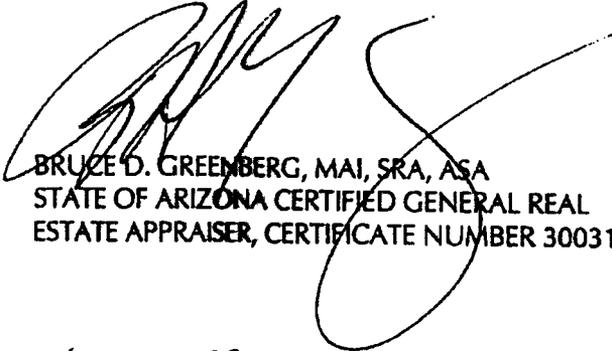
**TYPICAL HOME SITE WITHIN CANOA RANCH VALUE
ON AN "ALL CASH" BASIS AS OF 4/15/2000\$50,000**

It is my opinion, based upon the review of the data and interviews with active parties in the marketplace, that the above value would allow for the subject to be sold within a twelve (12) month exposure period, in its present "as is" condition.

In addition to the general assumptions and limiting conditions attached hereto, the value estimate is subject to the following specific assumptions and limiting conditions:

- 1) This valuation is subject to the subject parcel being free and clear of any and all chemical or hazardous build-up in the soil and any and all violations of Environmental Protection Agency regulations that would inhibit further development or utility of the subject parcel;
- 2) The subject parcel being unencumbered by any mortgages, liens and/or other financial obligations, including delinquent taxes. Additionally, this report specifically assumes that the subject parcel is not adversely affected by any existing easements or encroachments;
- 3) The terms of value as used herein are cash, or cash equivalent;
- 4) Only the fee simple interest has been valued in this report; and
- 5) See Page 1 of letter for extraordinary assumptions.

CHANGES IN ANY OF THE ABOVE CONDITIONS MAY AFFECT THE VALUE ESTIMATES RELATING TO THE SUBJECT PARCEL. I RESERVE THE RIGHT TO REAPPRAISE THE SUBJECT PROPERTY, FOR AN ADDITIONAL FEE, IF ANY OF THE ABOVE CONDITIONS CHANGE.


BRUCE D. GREENBERG, MAI, SRA, ASA
STATE OF ARIZONA CERTIFIED GENERAL REAL
ESTATE APPRAISER, CERTIFICATE NUMBER 30031


MICHAEL P. MCCALL
ASSOCIATE APPRAISER





MEMORANDUM

Department of Transportation and Flood Control District

DATE: June 27, 2000

TO: Maeveen Behan
Assistant to the County Administrator

FROM: *DM Laney MAI*
Doug Laney, MAI, Appraisal Supervisor
Real Property Division

SUBJECT: Lot Sales in the Greater Vicinity of Canoa Ranch

Attached are various lot sales in the larger Canoa area. These sales are not directly comparable to the 5,200+ acre Canoa Ranch due to size differences. The sales contain acreage sales, 40 acre splits of ranch land, and lot sales, with and without infrastructure. The raw data, due to time constraints, are not confirmed, and the extent of the infrastructure is not known.

Even if the 5,200+ acre Canoa Ranch were to be valued in five pieces, the attached sales would not be directly comparable. The sales are too small, and deep value reductions would be required for project costs, including the lot absorption time period, sales and management expenses, property taxes, infrastructure costs, risk and entrepreneurial profit.

Please be advised that the appraisal body of knowledge disallows a simple summation of future lot sales to indicate the value of a larger parcel of land. This practice is also not allowed by the Uniform Standards of Professional Appraisal Practice (USPAP) Standard 1-4(e). The standard states that "...an appraiser must...refrain from valuing the whole solely by adding together the individual values of the...component parts."

| SIZE (ACRES) | DATE | PRICE/ACRE |
|--------------|-------|------------|
| 393 | 3/99 | \$1,910 |
| 160 | 2/00 | \$3,500 |
| 82.2 | 10/99 | \$5,545 |
| 76.7 | 12/99 | \$5,020 |
| 67.0 | 11/99 | \$9,145 |
| 63.2 | 1/00 | \$4,900 |
| 58.9 | 3/00 | \$1,725 |
| 40.2 | 4/00 | \$815 |
| 40 | 1/00 | \$4,000 |
| 39.8 | 5/00 | \$2,515 |

| SIZE (ACRES) | DATE | PRICE/ACRE |
|--------------|-------|------------|
| 30.8 | 2/00 | \$8,120 |
| 25.0 | 3/00 | \$7,020 |
| 24.8 | 1/00 | \$10,400 |
| 20 | 2/00 | \$5,000 |
| 12.4 | 4/99 | \$4,830 |
| 9.1 | 12/99 | \$2,645 |
| 8.7 | 6/99 | \$3,105 |
| 5 | 5/00 | \$10,000 |
| 4.2 | 5/00 | \$8,155 |
| 4.1 | 1/00 | \$2,000 |
| 4.1 | 6/00 | \$8,960 |

If the County would like a re-appraisal of Canoa Ranch, considering the time that has transpired and the changes in zoning since the last appraisal, then a revised appraisal would be recommended, using accepted methods of valuation, including a possible subdivision analysis.

DL:dh

c: Brooks A. Keenan, Director
Linda Closs, Manager

Behan.mem