



Looking northwest over eastern portion of Northwest parcel



Looking west over Northeast parcel



Looking south west from eastern portion of Northwest parcel



Looking west over San Juan Wash within the Northeast parcel



Looking west over Northeast parcel



Looking northwest over Northeast parcel from 36th Street and Greasewood Road alignment



**Looking south along easement area /
Greasewood Road alignment at eastern
edge of Northeast parcel**



**Looking west over northern portion of
South parcel**



**Looking south over South Parcel from
Greasewood Road**



**Looking south over the eastern boundary
of South parcel**



**Looking east from northern portion of
South parcel**



**Looking west from east boundary of South
parcel**



Looking west along Enchanted Hills Wash within the South parcel



Looking north over South parcel toward homes within the Paradise Mountain Estates subdivision



Looking east from southern area of South parcel

Zoning

The subject property is zoned MH-1 and SR, Mobile Home and Suburban Ranch, per the City of Tucson Land Use Code and are also subject to the HDZ, Hillside Development Zone, and ERZ, Environmental Resource Zone, overlays.

The MH-1 zone provides for low to medium density, residential development primarily in mobile home structures on individual lots and within mobile home parks. Site-built single-family dwellings are also permitted as are civic, educational, recreational, and religious uses. Residential uses typically require a minimum lot area of 7,000 square feet, although smaller lots could be developed under a "Flexible Lot Development" with an overall maximum density of 5.14 to 6.25 residences per acre and a maximum site coverage of 50% to 70%.

The SR zone allow for very low density, large lot, single-family residential development and suburban ranch uses. Permitted uses also include adult care service, physical and behavioral health service, agricultural use, civic use, including elementary and secondary schools, religious use, commercial services, including day care and travelers' accommodation, and recreation use, including golf course and neighborhood recreation. Residential uses typically require a minimum lot area of 144,000 square feet (3.31 acres) although smaller lots could be developed under a "Flexible Lot Development" (FLD) with an overall maximum density of 0.25 residences per acre and a maximum site coverage of 8%.

The HDZ zone provides for the reasonable use of hillside areas and related lands while protecting the public health, safety, and general welfare by:

- A. Determining whether certain types of soil conditions exist, such as loose or easily eroded soils or rocky soils which may require blasting, and utilizing appropriate engineering technology to result in stable slopes during and subsequent to development.
- B. Reducing water runoff, soil erosion, and rock slides by minimizing grading and by requiring revegetation.
- C. Permitting intensity of development compatible with the natural characteristics of hillside terrain, such as degree of slope, significant landforms, soil suitability, and existing drainage patterns.
- D. Preserving the scenic quality of the desert and mountain environment through the retention of dominant peaks and ridges in their natural states.
- E. Reducing the physical impact of hillside development by encouraging innovative site and architectural design, minimizing grading, and requiring restoration of graded areas.
- F. Providing safe and convenient vehicular access by encouraging development on the less steeply sloped terrain.
- G. Promoting cost-efficient public services by encouraging development on the less steeply sloped terrain, thereby minimizing service extensions and utility costs and maximizing access for all necessary life safety services.

The provisions of the HDZ apply to development in the following situations:

- A. Protected Peak and Ridge Areas. Any lot or parcel containing protected peak and ridge areas designated for protection by the Mayor and Council, as shown on the City Zoning Maps.
- B. Slope Areas of Fifteen (15) Percent or Greater. Any lot or parcel containing slopes of fifteen (15) percent or greater, as shown on the HDZ Maps. Methods of analyzing slope are given in Development Standard 9-10.0. (Ord. No. 9967, §2, 7/1/04)
- C. Approved Subdivisions. Any recorded subdivision plat approved in compliance with the Pima County HDZ or the City of Tucson HDZ may be developed in compliance with the conditions and stipulations as approved. If the plat is resubdivided, it must comply with all provisions of the HDZ currently in effect.

There are exceptions where the HDZ does not apply but these do not appear to be applicable in the case of the subject property, which will almost certainly require "land division" (subdivision) to facilitate future development. Essentially, the greater the average natural cross slope for the entire site, the larger the lot size and lower the density and maximum grading permitted for each lot to be developed. For standard lot development, the minimum lot area is 1 acre and the maximum density is 1 residence per acre, unless a more restrictive density is stipulated by underlying zoning. The Flexible Lot Development (FLD) option is permitted in the HDZ and is intended to preserve the sloped areas while encouraging development on the flatter portions of a lot or parcel. In general, the FLD requires the steeper areas of the site to be preserved as natural open space. Maximum building heights are limited to 24 feet in the HDZ.

The ERZ is an overlay zone intended to preserve and protect Tucson's natural open space resources, particularly the critical and sensitive wildlife habitat associated with significant washes. These regulations relate to areas associated with Tucson's public lands and preserves, including Saguaro National Park, Coronado National Forest, and Tucson Mountain Park. Development, compatible with these public resources, is allowed. The ERZ is overlay zone specifically serves to:

- A. Recognize the social, economic, environmental, biologic, and cultural importance of Saguaro National Park and Tucson Mountain Park to the city of Tucson.
- B. Buffer Saguaro National Park and Tucson Mountain Park from the impacts of new development by allowing development which is compatible with preservation of critical wildlife habitat and the Park environs.
- C. Conserve certain designated washes which extend from the Parks as areas of natural and scenic resources and provide valuable wildlife habitat.
- D. Complement the City of Tucson Interim Watercourse Improvement Policy which provides for flood control, erosion mitigation, and groundwater recharge through the preservation of designated washes in natural and undisturbed states.
- E. Assist in implementing the General Plan policies which call for the preservation of Tucson's significant natural areas along designated watercourses where identified in adopted area and neighborhood plans. (Ord. No. 9517, §2, 2/12/01)

Properties that are impacted by the ERZ are shown on maps prepared by the City of Tucson. New development which occurs on parcels or proposed subdivisions which include a designated ERZ wash will generally be subject to ERZ compliance, although some exceptions do exist. In general, development in the ERZ requires preservation of critical riparian habitat. Residential development of 4 or more dwelling units is only allowed under the Flexible Lot Development (FLD) option. Non-residential development is allowed based on underlying zoning. There are also options for a mitigation plan if critical riparian habitat cannot be fully preserved and there are also options for roadway and utility encroachment.

Development of the subject property would be governed by the Tumamoc Area Plan, which is intended to provide land-use policy direction and design guidelines for new development within the plan boundaries. The Tumamoc Area Plan covers a large area on the western edge of the City of Tucson and the subject parcels are within subareas 7, 8 and 13. Subarea descriptions and guidance are limited but several important comments are noteworthy:

Subarea 7 - impacts Northeast parcel and MH-1 zoned (eastern) portion of Northwest parcel

New development south of San Juan Wash should be in accordance with Residential Cluster (now flexible lot development) to preserve the area north of the wash.

Shannon Road should not be extended south across the San Juan Wash

Subarea 8 – impacts South Parcel

Development is discouraged from the northern edge of Enchanted Hills Wash to the southern border of subarea 8 and development should be clustered in the northeastern corner of the area

Subarea 13 – impacts SR-zoned portion of Northwest Parcel

Densities in this subarea should remain low due to slope and drainage constraints and new development should be located south of the San Juan Wash

[Impact on Subject Parcels](#)

The Northwest parcel is primarily zoned SR, with the eastern 21.9 acres (15% of the parcel) being zoned MH-1. The parcel is fully contained within the HDZ and ERZ overlay zones. The western portion includes an area of protected peaks and ridges. The ERZ relates to the San Juan Wash, which traverses the parcel. Any development would apparently have to employ the Flexible Lot Development (FLD) option due to the location within the ERZ. The SR-zoned portion would appear to be limited to development of no more than 30 lots (0.25 dwellings per acre) while the development of the MH-1 portion would potentially allow higher overall density. The DR Horton conceptual plan, which reflected a typical lot size of about 7,000 to 8,000 square feet, indicated development potential of 71 lots on the MH-1 portion. This equates to 3.2 dwellings per acre, but it is unclear if it adequately addressed the ERZ, which could reduce the number of lots. The conceptual plan shows lots and a roadway in the apparent location of the San Juan Wash.

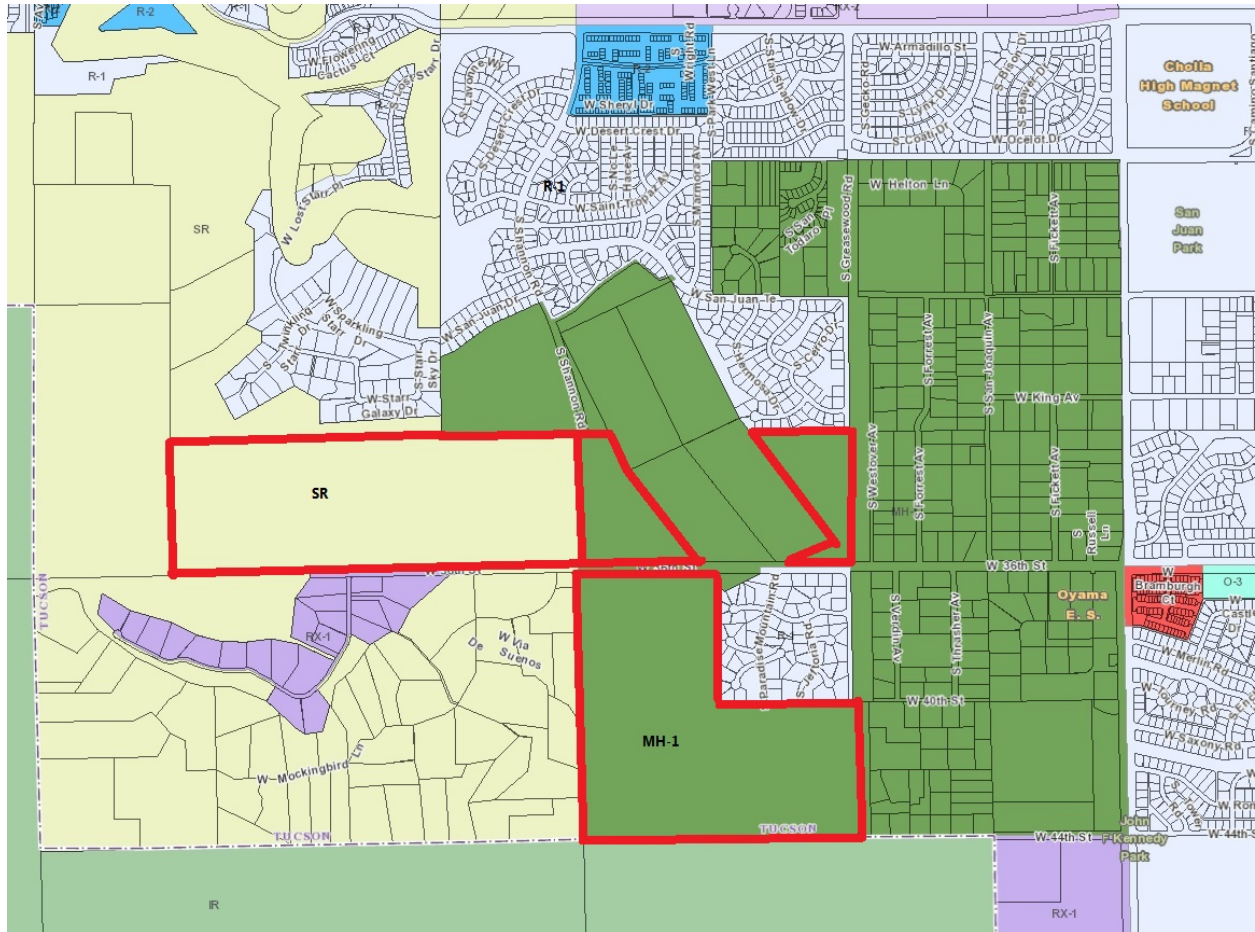
The Northeast parcel is entirely zoned MH-1. The parcel is fully contained within the HDZ and ERZ overlay zones. There are no protected peaks and ridges. The ERZ relates to the San Juan Wash, which traverses the parcel. Any development would apparently have to employ the Flexible Lot Development (FLD) option due to the location within the ERZ. Realistic development potential may be similar to the 37 lots (2.3 dwellings per acre) noted by the DR Horton conceptual plan, although it could be lower depending on ERZ requirements. The conceptual plan shows lots and a roadway in the location of the San Juan Wash.

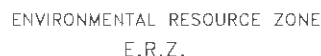
The South parcel is entirely zoned MH-1. The parcel is fully contained within the HDZ and ERZ overlay zones. There are no protected peaks and ridges. The ERZ relates to the Enchanted Hills Wash, which traverses the parcel. Any development would apparently have to employ the Flexible Lot Development (FLD) option due to the location within the ERZ. Realistic development potential may be similar to the 258 lots (2.2 dwellings per acre) noted by the DR Horton conceptual plan, although it could be lower. Again, it is unclear if the conceptual plan adequately reflects the requirements that would be imposed by the ERZ. The lots and roadways appear to be outside of the Enchanted Hills Wash but it is uncertain if adequate setbacks are provided.

With respect to the overall property, 56% is zoned MH-1 and 44% is zoned SR.

For the portion located north of 36th Street (Northwest and Northeast Parcels), 24% is zoned MH-1 and 76% is zoned SR.

ZONING MAPS





RECEIVED, HONORARY RE. 2850, 41-11 10-1-1961
11-1-1961, 2854-5

SAN JUAN, WASH
SILVERCRAFT WAS-1

APR 1970 BY 223

RECORDED SUBDIVISION WHICH MAY BE AFFECTED BY PLAT, - SUBDIVISION 1-1711 (REV) 1-20-85

NATURAL OPEN SPACE DESIGNATED BY PLAT

THE FOLLOWING SUBDIVISIONS HAVE BEEN PERFORMED PRIOR TO THE POSITIVE DET OF THE ENVIRONMENTAL RESOURCE ZONE REGULATIONS AND MAY BE DEVELOPED AS PROTECTED IF ANY CHANGE OCCURS WHICH RESULTS IN A RE-SUBDIVISION. THE ENVIRONMENTAL RESOURCE ZONE REGULATIONS SHOULD BE CONSULTED TO DETERMINE POTENTIAL APPLICATION OF THE E.R.Z.

* 1995/96 年 4 月 2 日 至 4 月 10 日 在 加 拿 大 魁 北 克 市 舉 行

¹¹ "THE DETERMINING PRINCIPLES SUBSISTING AMONG THE
E.C.M. REGULATIONS."

STAR PASS (on 8/3/87) 40, PG, 32

THESE MAPS ARE NOTED FOR THE PURPOSE OF IDENTIFYING AREAS WHICH REQUIRE FURTHER INVESTIGATION WITH REGARD TO SEC. 23 34, ENVIRONMENTAL RESOURCE OVERLAY ZONE. THESE MAPS INDICATE AREAS OF POTENTIAL AFFILIATION OF THE E.R.Z. BASED ON THE PRESENCE OF RIPARIAN HABITAT.

E.P.S. MAPS ADAPTED BY THE WATER AND COUNCIL ON JULY 3, 1960
BY ORIGINAL NUMBER 4480; CH. OF THOSE, APPROX. 1-17-1960
DATE: AUG. 27, 1960.

SEC. 10. S. P. E.

REVISÉD



UNIT DESIGNATION: _____

PROTECTED AREAS WITHIN 300' OF PEAKS AND RIDGES ADOPTED BY MAYOR AND COUNCIL ON 9/8/80 BY ORDINANCE NO. 5223.

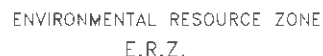
* THE FOLLOWING SUBDIVISIONS HAVE HILLSIDE DEVELOPMENT ZONE RESTRICTIONS AND MAY BE DEVELOPED AS APPROVED. IF ANY ARE PROPOSED FOR DEVELOPMENT OTHER THAN AS APPROVED, THE HILLSIDE DEVELOPMENT ZONE CURRENTLY IN EFFECT SHOULD BE CONSULTED TO DETERMINE WHETHER FURTHER REVIEW IS REQUIRED.

1. TULSON PARK AVE. 10. S BR. 25, PG. 30 OF MAPS AND PLATS
2. SLOP FORD HW. 40, PG. 33 OF MAPS AND PLATS

THESE MAPS ARE SOLELY FOR THE PURPOSE OF IDENTIFYING LAND AREAS WHICH REQUIRE REVIEW IN ACCORDANCE WITH SEC. 23-462, HILLSIDE DEVELOPMENT ZONE, TUCSON CODE. THEY ARE NOT TO BE USED TO CALCULATE THE AVERAGE CROSS SLOPE ON PROPERTY.

H.D.Z. MAPS ADOPTED BY THE MAYOR AND COUNCIL ON JUNE 19, 1989
BY ORDINANCE NUMBER 7184, CITY OF TUCSON, ARIZONA, EFFECTIVE
DATE: JULY 19, 1989.

SEC 20 T 14 S R 13 E



SAN JUAN WASH
SILVERCROFT WASH

THE FOLLOWING SUBSIDIARIES HAVE BEEN RECORDED PRIOR TO THE EFFECTIVE DATE OF THE ENVIRONMENTAL RESOURCE ZONE REGULATIONS AND MAY BE DEVELOPED AS REQUIRED, IF ANY CHANGE OCCURS WHICH RESULTS IN A REGULATION ZONE, THE ENVIRONMENTAL RESOURCE ZONE, ACTIONS SHOULD BE CONSULTED TO DETERMINE PRIOR APPLICATION OF THE E.R.Z.

1. LUGER PARK WEST TOWNSHIPS BE 20, 21, 59 OF MAPS AND PLATS

THESE MAPS ARE SOLELY FOR THE PURPOSE OF IDENTIFYING LAND AREAS WHICH REQUIRE REVIEW IN ACCORDANCE WITH SECTION 401 OF THE FEDERAL WATER POLLUTION CONTROL ACT. THEY ARE NOT TO BE USED TO DETERMINE THE ADEQUATE AREAS OF POTENTIAL APPLICABILITY OF THE C.R.P. 2., BASED ON THE PRESENCE OF RIPARIAN HABITAT.

E.P. 44-2 ADOPTED BY THE MAYOR AND COUNCIL ON JULY 3, 1982
BY ORDINANCE NUMBER 7450, CITY OF TUCSON, ARIZONA, EFFECTIVE
8-1-2002, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 2680, 2681, 2

SEC. 1. S. P. L.



 HILLSIDE DEVELOPMENT ZONE

 PROTECTED AREAS WITHIN 300' OF PEAKS AND RIDGES ADOPTED BY MAYOR AND COUNCIL ON 9/8/80 BY ORDINANCE NO. 5223.

- * THE FOLLOWING SUBDIVISIONS HAVE HILLSIDE DEVELOPMENT ZONE RESTRICTIONS AND MAY BE DEVELOPED AS APPROVED. IF ANY ARE PROPOSED FOR DEVELOPMENT OTHER THAN AS APPROVED, THE HILLSIDE DEVELOPMENT ZONE CURRENTLY IN EFFECT SHOULD BE CONSULTED TO DETERMINE WHETHER FURTHER REVIEW IS REQUIRED.

1. "GENERAL PAPERS AND BOOKS," PG. 93 OF MAPS AND PLATS.

THESE MAPS ARE SOLELY FOR THE PURPOSE OF IDENTIFYING LAND AREAS WHICH REQUIRE REVIEW IN ACCORDANCE WITH SEC. 23-462, HILLSIDE DEVELOPMENT ZONE, TUCSON CODE. THEY ARE NOT TO BE USED TO CALCULATE THE AVERAGE CROSS SLOPE ON PROPERTY.

H.D.Z. MAPS ADOPTED BY THE MAYOR AND COUNCIL ON JUNE 16, 1989
BY ORDINANCE NUMBER 7184, CITY OF TUCSON, ARIZONA, EFFECTIVE
DATE: JULY 19, 1989.

SGC 71 T 1-5 R 13 F



ENVIRONMENTAL RESOURCE ZONE E.R.Z.

RIPIARIAN HABITAT IS ASSOCIATED WITH THE
FOLLOWING WASHES:
ENCHANTED HILLS WASH

PARCELS AFFECTED BY E.R.Z.

THESE MAPS ARE SOLELY FOR THE PURPOSE OF IDENTIFYING LAND AREAS WHICH REQUIRE REVIEW IN ACCORDANCE WITH TUCSON CODE SEC. 23-24, ENVIRONMENTAL RESOURCE OVERLAY ZONE. THESE MAPS INDICATE AREAS OF POTENTIAL APPLICABILITY OF THE E.R.Z., BASED ON THE PRESENCE OF RIPARIAN HABITAT.

E.R.Z. MAPS ADOPTED BY THE MAYOR AND COUNCIL ON JULY 3, 1990 BY ORDINANCE NUMBER 7450, CITY OF TUCSON, ARIZONA, EFFECTIVE DATE: AUGUST 3, 1990.

SEC. 1 T. 3 S. R. E.
REVISED -- --



HILLSIDE DEVELOPMENT ZONE MAP H.D.Z.

HILLSIDE DEVELOPMENT ZONE

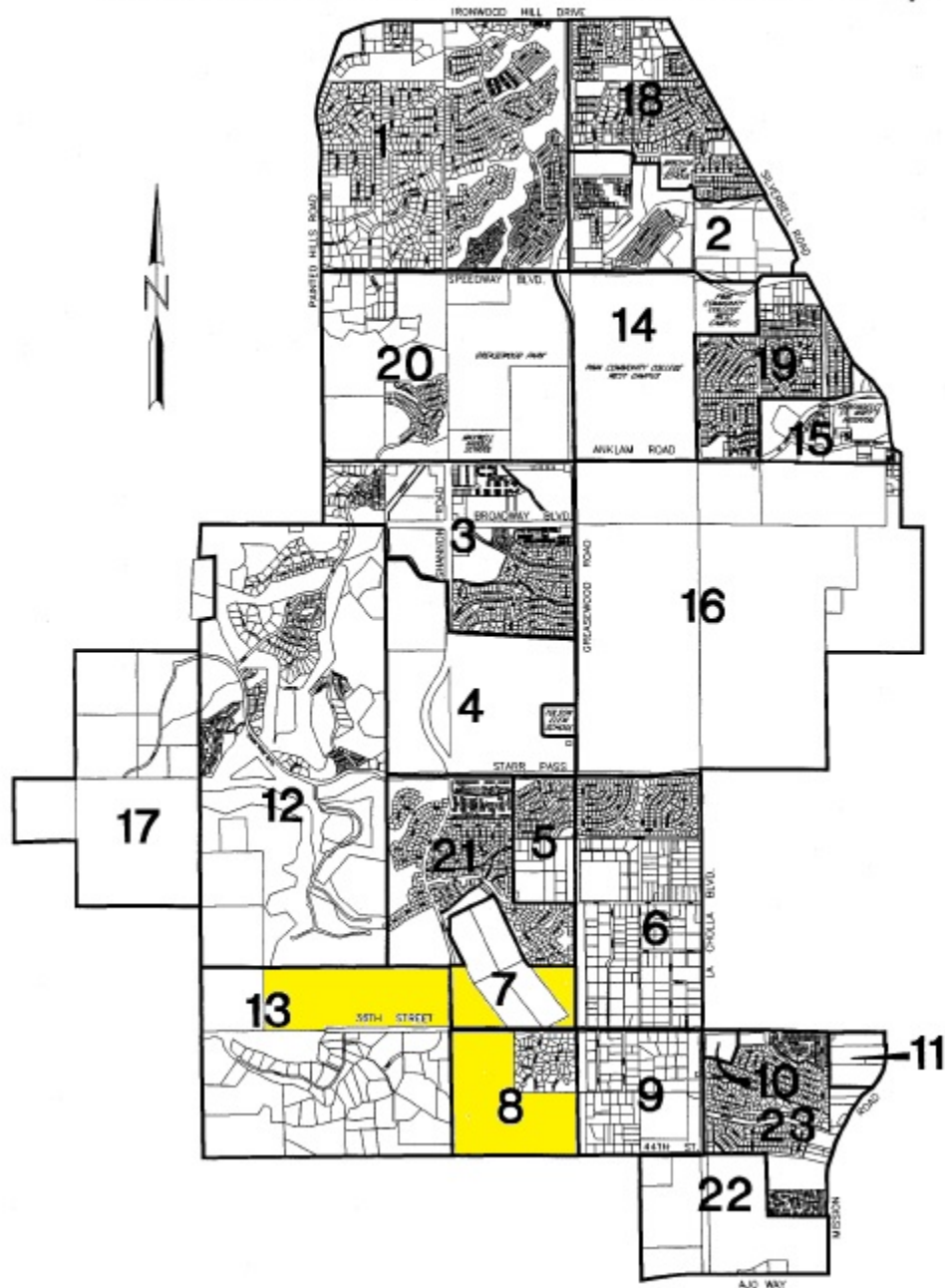
THESE MAPS ARE SOLELY FOR THE PURPOSE OF IDENTIFYING LAND AREAS WHICH REQUIRE REVIEW IN ACCORDANCE WITH TUCSON CODE SEC. 23-465, HILLSIDE DEVELOPMENT ZONE, TUCSON CODE. THEY ARE NOT TO BE USED TO CALCULATE THE AVERAGE CROSS SLOPE ON PROPERTY.

H.D.Z. MAPS ADOPTED BY THE MAYOR AND COUNCIL ON JUNE 19, 1989 BY ORDINANCE NUMBER 7184, CITY OF TUCSON, ARIZONA, EFFECTIVE DATE: JULY 19, 1989.

SEC 28 T 14 S R 13 E

TUMAMOC AREA PLAN MAP

Tumamoc Subarea Boundaries Map



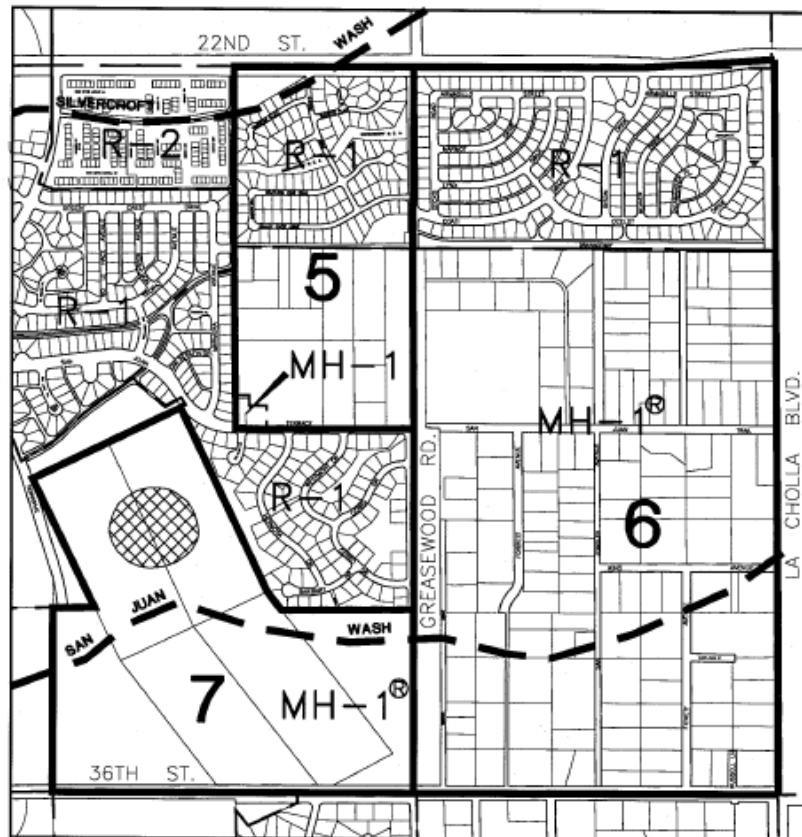
SUBAREA 7

Total Acres: 118

Vacant: 118





Proposed Use: Residential, at rural to suburban densities. Densities are dependent largely on design and terrain. Lower densities should generally be to the west. Higher densities should be closer to 36th Street and Greasewood Road. New development south of San Juan Wash should be in accordance with Residential Cluster to preserve the San Juan Wash, the area north of the wash, and conservation linkages to the south of the subarea. Due to negative impacts on terrain and drainage, Shannon Road should not be extended across the San Juan Wash.

Tumamoc Area Plan



AREA 5,6 and 7

Legend

- R-3** Zoning
-  Protected Areas Within 300' of Peaks and Ridges
-  Subarea Boundary
-  Environmental Resource Zone Wash
-  Zoning Boundary

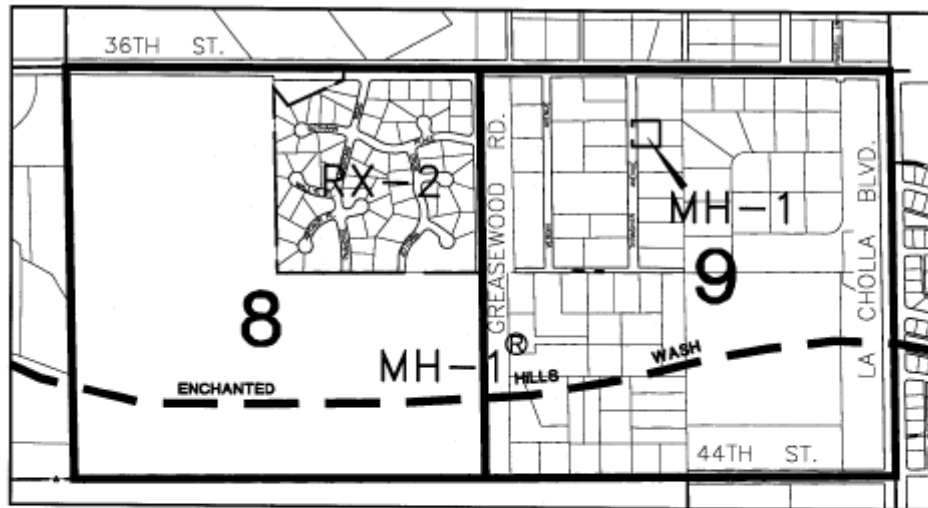


SUBAREA 8

Total Acres: 161

Vacant: 120

Proposed Use: Residential, at rural and suburban densities. Because of slope and drainage constraints, densities should remain low in this subarea. Conservation linkages to the north should be preserved. Development is discouraged from the northern edge of Enchanted Hills Wash to the southern boundary of subarea 8. Development should be clustered in the northeastern corner of the area. Rezoning to R-1 suburban density is appropriate for the Paradise Mountain Estates subdivision, located at the southwest corner of 36th Street and Greasewood Road.



AREA 8 and 9

Legend

R-3	Zoning
	Subarea Boundary
	Environmental Resource Zone Wash
	Zoning Boundary

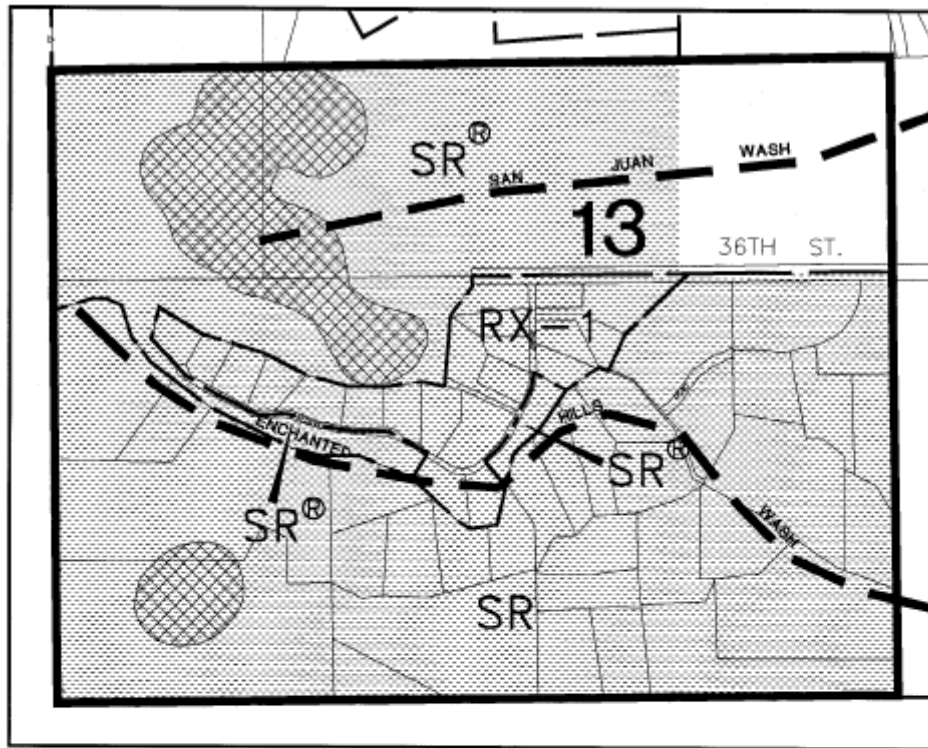


SUBAREA 13

Total Acres: 482

Vacant: 443

Proposed Use: Residential, at rural density. Densities should remain low in this subarea due to slope and drainage constraints. Because the area north of San Juan Wash is a conservation linkage, new development should be located south of San Juan Wash and should recognize and maintain protected washes. The existing Tucson Mountain Park Buffer Zone, which is designated as low density by the Tucson Mountain Park Plan should be maintained. Vacant parcels should be purchased for expansion of the Tucson Mountain Park.



AREA 13

Legend

R-3



Zoning

Protected Areas Within 300' of Peak and Ridges



Subarea Boundary



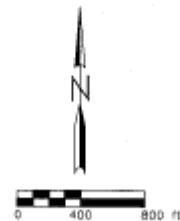
Environmental Resource Zone Wash



Zoning Boundary



Tucson Mountain Park Buffer Zone



Highest and Best Use

The Highest and Best Use of a property is the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Legally Permissible

The property is zoned for low density residential uses and potential for rezoning for more intensive uses is considered low. In addition to the underlying zoning, all of the parcels are subject to overlay zones, including hillside development and environmental resource which additional development constraints. All of the parcels would likely be limited to cluster-type (flexible lot) development plans due to the impact of natural washes and proximity to protected peaks and ridges. The SR portion of the property is limited to a maximum density of 0.25 dwellings per acre while the MH-1 zoned portion is probably limited to development of 2 dwelling units per acre or less. The DR Horton conceptual plan indicated an effective density of 2.35 dwellings per acre for the MH-1 portion of the property but I do not believe that this plan reflected the probable restrictions associated with the overlay zones and additional development guidelines noted by the Tumamoc Area Plan. None of the parcels have been subdivided to date. The zoning issues were addressed in detail in the prior section but it is clear that any development of the parcels would be residential in nature and low in terms of density.

Physically Possible

The subject property is comprised of three non-contiguous parcels of vacant land with a combined site area of approximately 276 acres. This includes 158 acres within two parcels located on the north side of 36th Street which I have identified as the Northwest and Northeast parcels. The Northwest parcel totals about 142 acres while the Northeast Parcel totals about 16 acres. The third parcel, which I have identified as the South parcel, comprises about 118 acres and is located on the south side of 36th Street. The physical attributes of the parcels were detailed in the property description section of the report. All of the parcels are significantly impacted by topographic issues, including natural washes. The terrain is very steep along the western half of the Northwest parcel and includes an area of protected peaks and ridges; development will also be limited by the San Juan Wash, which is fairly minor in scale at this parcel but is nonetheless protected. The Northeast parcel has a dysfunctional shape and is also impacted by the San Juan Wash. The South parcel is impacted by some steep terrain on its western and southern sides but is also substantially impacted by the Enchanted Hills Wash, which is fairly large and much of this wash has been designated as a special flood hazard area. Water and electric lines are located adjacent to the parcels within existing or probable future roadways, but the most probable sewer connection appears to be located about 0.35 miles to the east of the southeast corner of the South Parcel, along 44th Street. All of the brokers interviewed for this assignment also commented on the probable high cost of site development due to the rocky nature of the terrain.

Financially Feasible

Financially feasible uses are those which when developed on the site would produce a net income or value sufficient to support the use and yield a positive land value. The recent statistics of Tucson's

residential market are again presented below, followed by those of the West submarket (per MLS), where the subject property is located.

Tucson Single-Family Market

Year	# Sales	Avg. SF	Avg. Sale Price	% Change	Avg. Price/SF	% Change	DOM
2011	10,702	1,723	\$156,611	-13.04%	\$90.89	-12.63%	103
2012	11,245	1,752	\$167,787	7.14%	\$95.77	5.36%	70
2013	11,502	1,750	\$184,523	9.97%	\$105.44	10.10%	63
2014	10,616	1,771	\$196,987	6.75%	\$111.23	5.49%	76
2015	11,468	1,776	\$202,568	2.83%	\$107.94	-2.96%	79

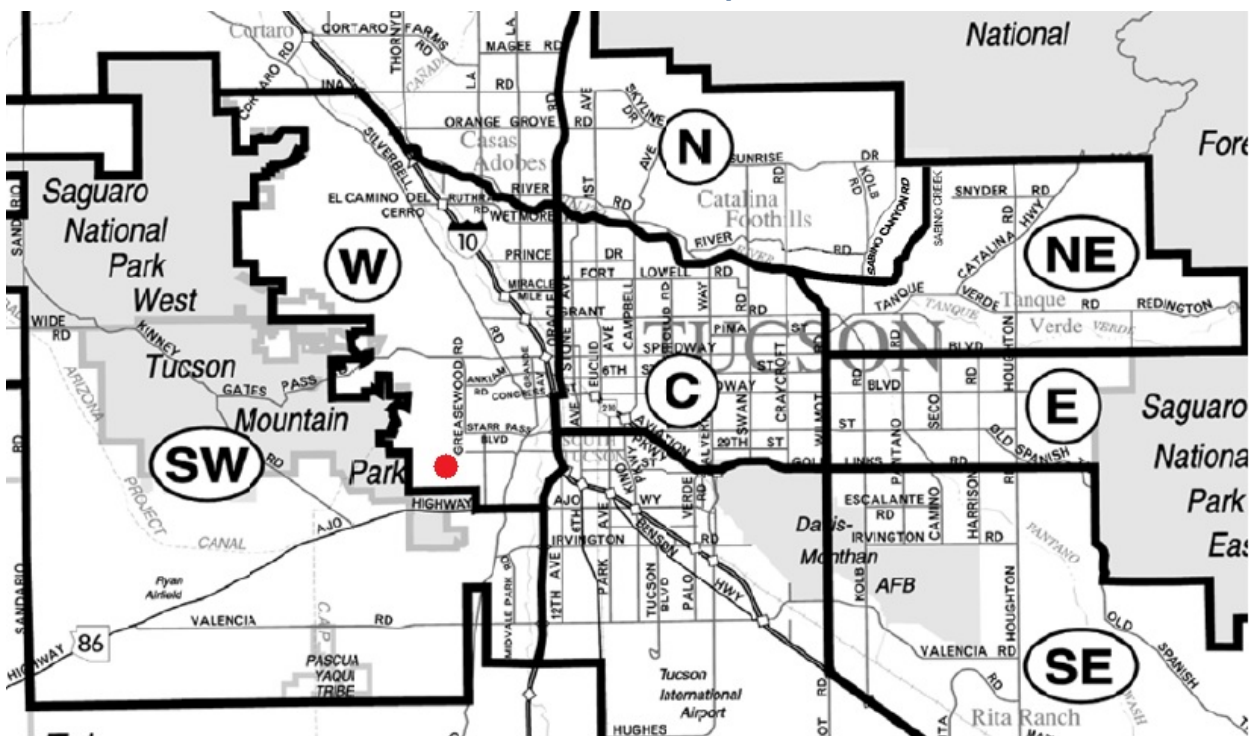
source: Tucson MLS

West Tucson - Single-Family Market

Year	# Sales	Avg. SF	Avg. Sale Price	% Change	Avg. Price/SF	% Change	DOM
2011	740	1,620	\$137,277		\$76.97		96
2012	751	1,685	\$151,569	10.41%	\$82.73	7.48%	68
2013	781	1,624	\$159,790	5.42%	\$136.93	65.51%	58
2014	761	1,701	\$176,925	10.72%	\$97.03	-29.14%	78
2015	827	1,665	\$177,863	0.53%	\$100.42	3.49%	71

source: Tucson MLS

Tucson MLS Map



Tucson's residential market is clearly in a growth stage although average home prices are still well below the \$264,000 peak demonstrated in 2007. The increase in pricing has also declined considerably over 2015 when compared to prior years.

The West Tucson market (per MLS) includes a large area that includes various submarkets with different pricing trends. The average home price in 2015 was 12% below the metro Tucson average and similar growth trends have also generally been demonstrated. The West Tucson market area captured about 7% of the total 2015 metro Tucson sales. New construction has been fairly limited in the area near the subject property, mostly limited to a few custom homes in the low density area adjacent west of the South parcel. The Wildcat Pass subdivision located adjacent north of the Northwest parcel has had some recent construction as well, but this has been fairly limited. The older subdivisions located near the subject (generally adjacent north and east of Wildcat Pass) reflect average pricing near \$150,000, with most homes selling in the \$125,000 to \$160,000 range. The Paradise Mountain Estates subdivision at the southwest corner of 36th Street and Greasewood Road (wrapped by the South parcel) has reflected pricing from about \$150,000 to \$175,000 over the past two years. Thus, when large lot or master planned community (Starr Pass) sales are excluded, average pricing in the subject area is likely below the averages for the West Tucson market area overall.

As part of my research for this assignment, I interviewed a number of local brokerage land specialists, including Jim Marian (the subject's listing broker), Will White with Land Advisors, Thrac Paulette with Cantera Real Estate, and Carl Schroeder of Realty Executives – Tucson Elite. All of the brokers are familiar with the subject property and Mr. Paulette and Mr. Schroeder were involved in the failed 2014 sale to DR Horton.

Mr. White reported that the site is hampered by relatively low priced housing in the area coupled with probable high development costs due to terrain and utilities. At an average home price of \$175,000, a production homebuilder could only afford to pay \$35,000 (20% of home price) for a finished lot. Lot development costs are running \$25,000 to \$30,000 for lots on former agricultural land so development costs at the subject property would be much higher, suggesting that there is no value today to a building. Mr. White felt that if DR Horton couldn't make the deal work, other homebuilders would also be unlikely to make development "pencil out".

Mr. Paulette was the broker that brought DR Horton to the 2014 deal and has a very high regard for the property but also pointed out that it is negatively impacted by rocky terrain, natural washes, a positive test for radon gas, and poor quality surrounding housing to the east and northeast. He believes that a builder would need to achieve an average housing price of \$250,000 in order to consider development of site, which would probably have development costs in the mid-\$40,000 per lot range. With an average home price of \$250,000, the finished lots would be worth \$50,000 (20% of home price) to a builder. While the parcels benefit from great views and access to Tucson Mountain Park, such pricing is probably not realistic today and may not be achievable for another two years. A homebuilder would probably have to acquire the property for free to justify immediate development. Given these conditions, it is unlikely that a homebuilder would acquire the property today.

Carl Schroeder was the listing broker in 2014 at the time of the DR Horton escrow and reported that the property is negatively impacted by the rocky terrain and lack of top soil, as well as by high radon gas readings. He did not believe that residential development of the site would likely be economically feasible at this time, unless that land was acquired for a very low price, certainly well below the \$15,000 per acre asking price in 2014.

In October of 2014, national homebuilder DR Horton executed a contract of sale for the entire subject property. This transaction was ultimately terminated during the due diligence period but I have been provided with a conceptual development plan that covered the 156 acres of the property that was zoned MH-1. The plan included a total development of 366 lots at an effective density of 2.35 dwellings per acre. As noted, I believe that this may have been an optimistic, maximum density plan that did not fully reflect the probable restrictions of the HDZ and ERZ overlay zones or the Tumamoc Area Plan. Thrac Paulette reported that there had been a change in local administration at DR Horton soon after escrow opened and this could have been a factor in the termination of the escrow.

Given the legal and physical characteristics, the parcels could potentially support low-density residential uses; however, as noted by the discussions above, the financial feasibility of such development is highly questionable in the current market environment.

Conclusions

Based on the current economic circumstances, the insights of the brokers, and the market conditions summarized above, I concluded that the highest and best use of the subject property was most likely for speculative investment. Given the nature of the subject property, one might also be led to conclude that the highest and best use could be for public ownership as natural open space. This is the use the Pima County would make of the property if it were to be acquired. Highest and best use is an area of uncertainty with the subject property and there is no absolute correct and supportable conclusion. In any event, it does not appear that a homebuilder would represent a probable purchaser of the property in the near term.

Sales Comparison Approach

The sales comparison approach considers comparable sales of competitive properties in order to develop a market value opinion of the subject property. The unit of comparison depends on land use economics and how buyers and sellers use the property. The unit of comparison in this analysis is price per acre of land area as this is most commonly utilized for similar land with a highest and best use for speculative investment.

I have initially analyzed the sales and completed adjustments with respect to the 118-acre South parcel, which is considered to offer the best overall development potential of the subject parcels. I have then addressed the value of the other subject parcels.

Comparable Land Sales Map

