

TONTO HILLS IMPROVEMENT ASSOC

Ad Hoc Committee on the C2 Lots

Summary of Discussion

Summary of the arguments for and against each of the alternatives considered by the committee.

I. Potential Courses of Action

There are really only two sets of interested parties in this situation: The C2Os who are primarily interested in recovering their investments, and the Tonto Hills Home Owners (HO) who want to protect the beauty of the development and the value of their homes. So any workable solution to the problem will be some sort of win-win arrangement for these two potentially conflicting interests.

The committee has considered the following courses of action (listed in order of increasing complexity). [

A. Do Nothing

Advantages

- Would require little work or expense in the near term.
- Would not involve polling or consulting the HOs as a group or the C2Os as a group.

Disadvantages

- Will surely lead to some unsatisfactory construction.
- Will eventually cause great controversy and ill will among the HOs who have diverse views on the degree of control that should be exercised by the community.

B. Establish Architectural Guidelines for the C2 properties that would preserve the beauty of the development

Advantages

- Would not require rezoning
- Minimal work and expense

Disadvantages

- The Board/ACC lacks the authority to make such changes without approval of the HOs as a whole
- Current C2Os would object to any change that would reduce the value of their investment, and would probably prevail in a suit to prevent implementation of the new guidelines
- New guidelines would require formal agreement of the HOs, which would necessitate extensive discussion and education on the issue and the available alternatives

C. Have the property rezoned:

There are several zoning options each of which has its own advantages and disadvantages. Each option that we considered is discussed separately with general comments about the process of rezoning.

General Discussion

Advantages

- Zoning rules are recognized by the county and would be less vulnerable to local lawsuit

Disadvantages

- Rezoning is a complicated process involving public hearings, and requiring near unanimous agreement of interested parties. (the most interested parties are the C2Os)

1. Rezone option 1= CO-"Nice" Commercial.

Advantages

- Prevent the ugliest and junkiest of establishments.

Disadvantages

- Offers no advantages to C2Os. Their property would become even harder to sell
- Could still lead to an unattractive jumble of styles and uses

2. Rezone option 2=R6-Townhouses or Apartments

Advantages

- Townhouses would be much more attractive than commercial buildings
- A single and ACC-compatible style might be enforced
- If the money were available, C2Os would have an opportunity to get out without loss

Disadvantages

- Without a committed developer the project might never get off the ground.
- THIA lacks the authority to initiate the process by itself.
- C2Os would likely require financial guarantees to cooperate with the rezoning, and we might have to make certain commitments to entice a developer into the undertaking (e.g. paving the entrance)

4. Rezone option 3=R8-Residential buildings on lots larger than 8,000 ft²

Advantages

- The existing lots fall into this size category
- The value of the lots for residential use is much the same as for commercial
- Existing AC Guidelines would apply

Disadvantages

- Small crowded homes would not serve to maintain property values in Tonto Hills
- Maintenance of style standards would have to go far beyond what is allowed today for the rest of the development

6. Rezone option 3=R35-Residential, *i.e.* the same as the rest of Tonto Hills

Advantages

- This would be the best result from the HO point of view.
- As a whole the property is worth as much residentially as commercially so C2Os would have an opportunity to get out without loss
- Investment funds would be easier to obtain than for apartments

Disadvantages

- The property is broken up in a way as to make this conversion impossible.
- Someone, or group would have to buy the properties individually, combine them for residential dwellings and resell them as newly defined lots.

D. Have the Home Owner's Association buy the properties with some stipulated intention for its use.

Advantages

- The problem would be within the control of the HO
- The property could be used for some community function (e.g. a swimming pool) as determined by the HO.

Disadvantages

- The HO leadership is ever changing and contradictory
- Every decision regarding the property would require a HO vote
- Raising the purchase funds (app \$300,000) might be impossible
- An earlier Board rejected this solution after community discussion

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**TONTO HILLS COMMERCIAL PROPERTY
ACREAGE AND HOMESITE CALCULATIONS
Provided by Samer and Associates on 12/27/94**

**TRACT I.D. ACREAGE IN TRACT SQUARE FOOTAGE NUMBER OF
RESIDENTIAL LOTS**

GROUP F:	3.40555	148,345.796	4
GROUP G:	1.67691	73,046.159	2
GROUP H:	2.5865	112,657.208	3
GROUP J:	2.28345	99,466.962	2

NOTE: The "Groups" listed above are comprised of the tracts (tract F, etc.) along with the commercial lots that adjoin the tract. (i.e. group F is the area that includes tract F and lots 201 through 208).