

Adaptive Reuse Feasibility Report for Steam Pump Ranch

FINAL REPORT

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ConsultEcon, Inc.**

**Prepared for:
Town of Oro Valley, Arizona**

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EXECUTIVE SUMMARY

The Town of Oro Valley, AZ retained ConsultEcon, Inc. to evaluate the feasibility of adaptive reuse opportunities at Steam Pump Ranch (SPR). SPR has evolved over time organically, without investment in the buildings to make them modern and useable, and become, at the same time, the most popular park in the Town's system. The current uses and the activities at the site have spurred the Town to revisit how the buildings are used and then adjust the master plan as needed.

Site and Building Opportunities

The historic structures and buildings create a unique sense of place and preserving these features is important to the character and identity of SPR. All uses identified by the Town offer opportunities to retain historical features and to offer interpretive panels and signage; wayfinding; and orientation onsite through both guided and unguided visitor experiences. As historic structures however, there are certain constraints for uses.

- ◆ Adaptive reuse requires matching uses to available spaces rather than traditional development process where spaces are developed for specific uses.
- ◆ Existing buildings and interior rooms are small and have inefficient configurations to create a critical mass of any one of the potential uses within the available space within the existing buildings at Steam Pump Ranch.

Given these constraints, the strategy of identifying the appropriate mix of uses that build SPR as a community destination is more important than simply targeting particular single uses. Among the uses identified by the Town, several small scale uses associated with supporting and expanding cultural and recreational activities onsite are the most feasible option because they build on existing uses and reinforce existing visitation patterns. In addition, providing regular food service through a café or restaurant or catering option onsite is desired by the Town because it complements the existing activity and supports renting Steam Pump Ranch for facility rentals and events.

In addition, because many of SPR's recreational and education programs, events, programs, and receptions occur outdoors, the interior building areas can take on the role of supporting the outdoor events, programs, and receptions.

Market Considerations

SPR will draw visitation from nearby resident and tourist markets. With its location in suburban Oro Valley and the programming offered by the Town's Parks and Recreation Department, visitation will primarily come from the resident market with additional visiting friends and family and area tourists.

SPR's activity is driven by the farmers market, recreation programs and events, heritage ranch programs, general park, and recreational trail use. Improving facilities and enhancing

programming onsite will deliver a better visitor experience that will translate to increased public use. In addition to activity at SPR, there are nearby attractions, such as the children’s museum, that are supportive of commercial and programmatic uses of the targeted buildings.

The real estate market for retail and office space at SPR is influenced by other available spaces in Oro Valley and the Tucson region as well as the site’s unique and historic use and characteristics. Retail rents range from \$17 to \$18 per square foot and office rents range from \$19 to \$26 per square foot for available listings in Oro Valley. (Table IV-6 shows a list of spaces available for rent in the area).

Adaptive Reuse Opportunities

Adaptive reuse opportunities for each building were evaluated for compatibility with surrounding uses, suitability for proposed uses, market support, historic preservation opportunities, operational funding, capital funding and community benefits/impacts. In addition, the overall site use and activity informs recommendations for adaptive reuse of the buildings. Generalized zones of site activity include the marketplace, the food/community events area, and the heritage ranch, as shown in Figure 1.

Figure 1
Site Map with Three Zones



Source: Google Earth and ConsultEcon, Inc.

Economic Feasibility Assessment

Economic feasibility criteria include potential for generating earned revenue, private grants and contributions, and government support; rehabilitation and redevelopment costs; operating costs; and potential staffing.

Operating Revenue

Public parks and historic attractions typically do not earn enough revenue to cover operating costs. Most revenue for public park operations is provided by government agencies. Heritage attractions also receive private philanthropy and earned revenue such as admissions. SPR's operations are supported by the Town's general fund. SPR generated \$46,000 in the fiscal year ending June 30, 2020, mostly through programming and internal special events, as well as external rentals and concessions/vendors.

Based on the identified building adaptive reuse opportunities, there is potential to increase all sources of earned revenue because the facilities will be more functional, useable, and marketable.

- ◆ The Town's Parks and Recreation Department can increase earned revenue through expanding its schedule of programs and events and offering facility rentals.
- ◆ A new source of earned revenue the Town should pursue is lease income from rent or commissions from a restaurant or other food service onsite and/or complementary small businesses or non-profit organizations.
- ◆ A third source of operating revenue and capital funds could be new and expanded public-private partnerships. SPR public-private partnerships have already contributed to the growth in use and development of SPR over time.

Operating Costs

To increase SPR use and earned revenue requires commensurate investments in operating budgets and potentially Town staff. The Town currently provides basic site and building maintenance and operations which are largely fixed costs. It also delivers programming and internal special events that are variable costs but also have the potential to generate revenue; and with the plan, increased revenue. Private partner operating costs onsite are currently variable based on site use. If private partners establish permanent onsite presence they will provide for their own operations (staffing and program costs) and maintenance and operations for the buildings and site they lease.

Staffing

The Town of Oro Valley will provide most staff. Locating parks and recreation staff at SPR will help to increase efficiency and delivery of public programming and internal special events and coordinate with facility renters and vendors.

Future Operating Options

Moving forward, other partners or expanded Town operations will be needed to further activate SPR. Overall, the Town of Oro Valley should leverage existing and new private partners to generate programming activity at SPR, to garner greater public benefits and additional Town revenue. Several approaches are possible:

- ◆ There is an opportunity for a private operator to reuse the Proctor-Lieber House for food service and/or small business or a non-profit organization that can generate Town revenue from rent or sales commissions. This may enable the Town to pass through the costs of operating and maintaining not only the building but a portion of the site. A private operator with a viable business plan will be important to establishing the economic basis for the capital improvements to the Proctor-Lieber House and other areas of the site that may need improvements. The business plan will also identify any need for Town capital improvement program expenditures or other expenditures.
- ◆ Alternatively, the Town could undertake adaptive reuse of the Proctor-Lieber House itself. A Town-led project would require a different development program and operation geared towards enabling outside caterers, food services, or other compatible uses. If the focus is on public use of the facilities on a daily or lease basis, the capital cost would likely be lower with downscaled kitchen facilities.
- ◆ A non-profit organization, a “friends group,” may be established to raise funds for SPR preservation, rehabilitation, and development because they can access different sources of funding compared to the Town. This group in turn could be an operator or support the Town as it creates public-private commercial relationships.

Capital Funding

Adaptive reuse of historic buildings often does not create financial returns sufficient for initial capital investment without public subsidy to fill the “financing gap.” Because of their unique nature and historic significance, federal, state, and local government policies support designation of historic properties for protection and create subsidies for adaptive reuse projects.

Prior Town building assessments have indicated that SPR’s historic buildings and structures will be costly to rehabilitate. The buildings contain a suboptimal amount and type of space to create a critical mass of any single use. The project’s underlying economic feasibility is largely dependent upon the Town allocating or attracting sufficient capital funds and increasing its parks and recreation budget to accommodate the growth in SPR site use and programming. However, there may be opportunities to attract private grants and contributions and other governmental support to contribute to capital costs.

Ultimately, the Town will need to be responsible for identifying the vision for the site that will galvanize the community to support the adaptive reuse of the buildings. SPR’s growth and

popularity has created momentum that will facilitate the implementation of the proposed site improvements and the adaptive reuse of the buildings within its historic core.

Implementation/Next Steps

Based on the findings and analysis in the report, the following are the recommended next steps for the Town to take to implement the adaptive reuse of Steam Pump Ranch buildings. The needs or priorities identified below are not in a specific order.

- ◆ Open parks and recreation offices onsite in the Garage (the Oro Valley Town Council approved CIP funding for the Garage building at SPR for an office for the Recreation and Cultural Services division for FY 21).
 - Expand calendar of community recreational programming and use of site for events and facility rentals.
 - Use new experience gained with programs and events onsite to prioritize facility improvements and increase staff resources as needed.
- ◆ Identify and survey potential restaurant/café/catering operators/ or other compatible small businesses or not-for-profit organization about their interest in locating at Steam Pump Ranch in the Proctor-Lieber House and the location and facility requirements.
- ◆ Prepare and issue a request for proposals, if appropriate, for food service operators or other compatible small business.
- ◆ Develop strategy and implementation plans for exterior SPR spaces that will most effectively support the proposed building reuses.
 - Community events and rental facilities
 - Motorized and non-motorized circulation
 - Parking
 - Interpretive/visitor experience
 - Wayfinding/Signage
- ◆ Research and identify potential funding sources for the project, including sources related to parks and recreation development, historic preservation, economic and cultural development.
- ◆ Convene community partners and stakeholders to explore establishing the non-profit “friends” group as a conduit for funding Steam Pump Ranch.

Section I

INTRODUCTION AND ASSUMPTIONS

The Town of Oro Valley, AZ retained ConsultEcon, Inc. to evaluate the feasibility of adaptive reuse opportunities at Steam Pump Ranch (SPR).

SPR is a heritage park listed on the National Registry of Historic Places for its local significance. It is owned and operated by the Town of Oro Valley and was founded in the late 19th century as an early Anglo settlement in the area. The site contains numerous historic buildings and structures from throughout different eras of its history, including the Pusch era ranch house and steam pump, which is a ruin today. The Town has operated SPR as a community park, with a weekly farmers market, community events, recreation, and a trailhead to the regional trail network.

The building and site uses envisioned in the original and subsequent updates to the master plan have not materialized without the investments necessary to make the buildings useable. Instead, SPR has become the most popular park in Oro Valley through intentional programming by the Towns Parks and Recreation Department. This programming brings more individuals to the ranch and creates a sense of community. The current uses and activities at the site have spurred the town to revisit how the buildings are used and then adjust the master plan accordingly. This feasibility report focuses on the market, economic, and operational implications presented by various types of uses (identified in detail in Section II) that inform the potential adaptive reuse opportunities onsite.

Assumptions

In preparing this report, the following assumptions were made. This study is qualified in its entirety by these assumptions.

1. Every reasonable effort has been made in order that the data contained in this study reflect the most accurate and timely information possible and it is believed to be reliable. This study is based on estimates, assumptions and other information developed by ConsultEcon, Inc. from its independent research efforts, general knowledge of the industry, and consultations with the client. No responsibility is assumed for inaccuracies in reporting by the client, its agents and representatives, or any other data source used in the preparation of this study. No warranty or representation is made that any of the projected values or results contained in this study will actually be achieved. There will usually be differences between forecasted or projected results and actual results because events and circumstances usually do not occur as expected. Other factors not considered in the study may influence actual results.
2. Possession of this report does not carry with it the right of publication. This report will be presented to third parties in its entirety and no abstracting of the report will be

made without first obtaining permission of ConsultEcon, Inc., which consent will not be unreasonably withheld.

3. This report may not be used for any purpose other than that for which it was prepared. Neither all nor any part of the contents of this study shall be disseminated to the public through advertising media, news media or any other public means of communication without the prior consent of ConsultEcon, Inc.
4. This report was prepared during April through August 2020. It represents data available at that time.

Section II

OPPORTUNITIES TO RETAIN HISTORICAL FEATURES

This section identifies opportunities to retain historical features at Steam Pump Ranch (SPR) based on various types of uses.

Priority in the planning is given to the most significant historical features. These features can be highlighted as site interpretive elements. Some historical features however may be compromised or covered up by certain uses due to the need to modernize the buildings for future use. Depending on the intensity of user activity, some historical features may be at risk of deterioration due to wear and tear. Therefore, consideration of the appropriate uses for the historic features is important to retaining its historical integrity.

The Historic Register nomination for SPR identifies eight buildings and five structures that are contributing features of the historic district. The matrix shown in Table II-1 identifies seven of the historical structures and identifies reuse opportunities to retain historical features for the uses proposed for SPR.

SPR is already used for retail and food services through the farmers market, and public and private events. These uses are seasonal and episodic, which has enabled the site to accommodate market demand on an ongoing basis. These temporary uses occur for the most part outdoors and therefore retaining historical structures and buildings is straightforward. They provide a backdrop for activity. Historic uses such as food manufacture (chickens) and cooking (BBQ) can be reintroduced to the site, adapting the historic facilities for modern use, and establishing a connection to historical uses. Permanent year-round retail may occur within existing buildings (or in new buildings or structures not contemplated in this building reuse study).

The spatial organization of the historical features and the future use and activity onsite inform which historical features may be retained. Some contributing structures, such as the pump house, will not be useable but can function as interpretive opportunities onsite. It is assumed that historic and other educational interpretation will continue to be offered by Oro Valley and its partners. Interpretive signage, wayfinding, and the delineation of program areas for educational offerings will support interpretive programming onsite that will highlight the historical features, including buildings, structures, and outdoor areas.

The reuse types include:

- ◆ Retail
- ◆ Hospitality
- ◆ Cultural
- ◆ Studio
- ◆ Offices
- ◆ Education

**Table II-1
 Opportunities to Retain Historical Features**

Use	Steam Pump Building (ruin) and Water Tanks	Pusch Ranch House	East and West Bunk Houses	Proctor-Lieber House
Retail	Not Applicable	Retail use would enable the retention of historical features.	Retail use would enable the retention of historical features.	Retail use would enable the retention of historical features.
Hospitality	Not Applicable	Hospitality use would enable the retention of historical features.	Hospitality use would enable the retention of historical features.	Hospitality use would enable the retention of historical features.
Cultural	Outdoor museum use	Cultural use would enable the retention of historical features.	Cultural use would enable the retention of historical features.	Cultural use would enable the retention of historical features.
Studio	Not Applicable	Studio use would enable the retention of historical features.	Studio use would enable the retention of historical features.	Studio use would enable the retention of historical features.
Offices	Not Applicable	Office use would enable the retention of historical features.	Office use would enable the retention of historical features.	Office use would enable the retention of historical features.
Education	Not Applicable	Educational use would enable the retention of historical features.	Educational use would enable the retention of historical features.	Educational use would enable the retention of historical features.
<i>Discussion</i>	As a ruin, the Steam Pump Building is a feature of the heritage park and can be interpreted as a part of a museum program.	The Pusch House is the second largest building onsite with 1,337 SF. Any of the proposed uses would offer the retention of this historic resource.	The bunk houses offer approx. 465 SF of space each. Any of the proposed uses would offer the retention of this historic resource.	The largest building in the best condition at SPR, centrally located, with 4,690 SF. Any of the proposed uses would offer the retention of this historic resource.

Table II-1 (continued)
Opportunities to Retain Historical Features

Reuse	Chicken Coops	Garage	Carlos' House
Retail	Not Applicable	Retail use would enable the retention of historical features.	Retail use would enable the retention of historical features.
Hospitality	Not Applicable	Not Applicable	Hospitality use would enable the retention of historical features.
Cultural	4-H use/chicken coops and/or other agricultural activity	Cultural use would enable the retention of historical features.	Cultural use would enable the retention of historical features.
Studio	Not Applicable	Studio use would enable the retention of historical features.	Studio use would enable the retention of historical features.
Offices	Not Applicable	Office use would enable the retention of historical features.	Office use would enable the retention of historical features.
Education	Not Applicable	Educational use would enable the retention of historical features.	Educational use would enable the retention of historical features.
<i>Discussion</i>	This open-air structure is not suitable for uses that require indoor space. The Chicken coops can be retained as ruins or improved to accommodate chickens or other agricultural activity and retain the historic resource.	The garage is centrally located with 1,494 SF. Any of the proposed uses would offer the retention of this historic resource. It is noted that hospitality is an unlikely reuse for this structure.	Carlos' House offers over 732 SF. Any of the proposed uses would offer the retention of this historic resource.

Source: ConsultEcon, Inc.

Section III

SITE AND BUILDING OPPORTUNITIES AND CONSTRAINTS

This section evaluates the site opportunities and constraints including current building conditions impacting the preliminary list of proposed uses. Please refer to the prior section Opportunities to Retain Historical Features for a list of proposed uses.

Existing buildings and most interior rooms are too small and have inefficient configurations for many of the proposed uses. Adaptive reuse requires matching uses to available spaces rather than traditional development process where spaces are developed for specific uses. Many of the site and building opportunities and constraints apply to all of the potential uses. Creating modern facilities within an adaptive use context can be a challenge due to the size, condition and configuration of buildings and available spaces. Air conditioning, utilities, and Wi-Fi will be required in buildings for all proposed reuses. Therefore, the capital investment required often makes obtaining an adequate return on investment infeasible.

Data in **Table III-1** identify site and buildings opportunities and constraints specific to each of the proposed use types. The six use types can be summarized into three groups—Cultural and Studio Use, Retail and Office Use, and Education and Hospitality Uses—in order from most to least appropriate for the available SPR site and building areas.

Culture and Studio Uses - Cultural and studio uses can be accommodated within indoor spaces at SPR and in the case of performing arts, in outdoor areas. Moreover, these uses are complimentary to the existing use of SPR focused on recreation, community events, and the farmers market. Having a multi-purpose meeting space or studio would support the Town's recreation programming and offer a facility that is rentable, thereby increasing earned revenue opportunities.

Retail and Office Uses - The buildings at SPR are inadequately scaled to provide sufficient space for a critical mass of office or retail use, that would make for profitable development. The configuration too is not suitable for modern retail and office space. However, small scale retail uses, restaurant or a café, and office uses at SPR can support existing activity onsite, by the Town's Parks and Recreation Department and its partners.¹ Due to the small amount of available space, it is reasonable to assume that the Town can attract a single office user or retail business to the site. Office users might include community oriented non-profit organizations, such as the Chamber of Commerce. A single retailer may not be economically viable without being a strong destination. Unlike product based retail uses, food service uses, such as a café, restaurant or catering operation, are more viable at SPR because a restaurant (in the Proctor-Lieber House, the only suitable building) can be a destination, is complementary to existing uses onsite, and can support the growth of events and rentals and create additional revenue for the business. Other retail onsite could be encouraged through

¹ It should be noted that during the study period, the Town of Oro Valley decided to move parks and recreation staff to SPR.

“pop up” stores, carts, food trucks and other temporary vendors synced with public events and other high visitation days. “Pop up” stores also have the added benefit of being low cost and implementable within a short period of time.

Education and Hospitality Uses - Available buildings at SPR are inadequate for long-term, daily educational and hospitality uses because they do not offer sufficient space for the type of use. The exception is event and reception use of building areas to support the use of outdoor areas for receptions and events. The event and reception activity would support the growth of existing community events and facility rentals. Improvements to the site and the buildings can make the events spaces more functional, efficient, and functional thereby improving the visitor experience, enhancing community events, and generating additional facility rental and event revenue.

**Table III-1
 Site and Building Opportunities and Constraints**

Site/Building	Opportunities	Constraints
Site	Interpretation throughout the site and incorporation of building ruins in visitor experience. Outdoor areas for community events and performances, and facility rentals, including picnic pavilions and other areas for more formal affairs, New recreation facilities, such as nature play area, and enhancement of Steam Pump Ranch as a trailhead and key node in the regional trail system.	Vehicular access, circulation and parking are challenging. The Town is addressing this issue, but future reuse of buildings may require additional improvements in access, circulation, and parking with changes to the site’s use.
Steam Pump Building (ruin) and Water Tanks	Historical ruin, key interpretive feature of the site, subject of heritage site tour and educational programming.	Delicate historic resource that needs to be preserved.
Pusch Ranch House	A museum could support site orientation and education. Alternatively, community art galleries or studios or meeting room are also appropriate for the building.	Museum use can be expensive to develop and operate, requiring substantial support for regular operations.
East and West Bunk Houses	Master planned for at least one restroom building, ideally with dressing rooms to support events and facility rentals. The restrooms could be themed, with historically appropriate artifacts and pictures. These buildings could also include vending machines that offer snacks and beverages or a photo booth.	Small spaces limit the range of uses, so supportive visitor amenities are most appropriate.

Table III-1 (continued)
Site and Building Opportunities and Constraints

Site/Building	Opportunities	Constraints
Proctor-Lieber House	Because of its size and current condition, the Proctor-Lieber house, restaurant, coffee shop, tasting room, tearoom or other food service business is complementary use, supportive of recreational activity and may offer catering onsite, a benefit for events and facility rentals. Other small boutique, retail or compatible small business would also be appropriate to rent the facility. Small office spaces could support other activity on the site.	Centrally located and therefore impacts other uses onsite. Locating a private business here may not be acceptable to some in the community because SPR is a public park.
Garage	The garage has been slated for reuse as Town Parks and Recreation office and program space, which will support the expansion of activity.	Not applicable with planned Town use.
Carlos' House	Given its size and location, this building has good potential to be classroom/rentable space. The building can be configured to add year-round use of larger covered space in front of BBQ for use during summer or rain. Storage and a small sink/washing area can support activities and any food prep.	Small spaces and condition impact the potential reuse.

Source: ConsultEcon, Inc.

Section IV

MARKET CONSIDERATIONS

This section reviews the characteristics of the resident and tourist markets for Steam Pump Ranch (SPR). Due to its location in Oro Valley, a suburb of Tucson, and the programs offered by the Town of Oro Valley at SPR, visitation will primarily draw from the resident market, though some tourism may spill over from the Tucson area. People in the resident market, who are more likely to be repeat visitors, may also bring visiting friends and relatives to SPR to experience the local culture.

RESIDENT MARKET

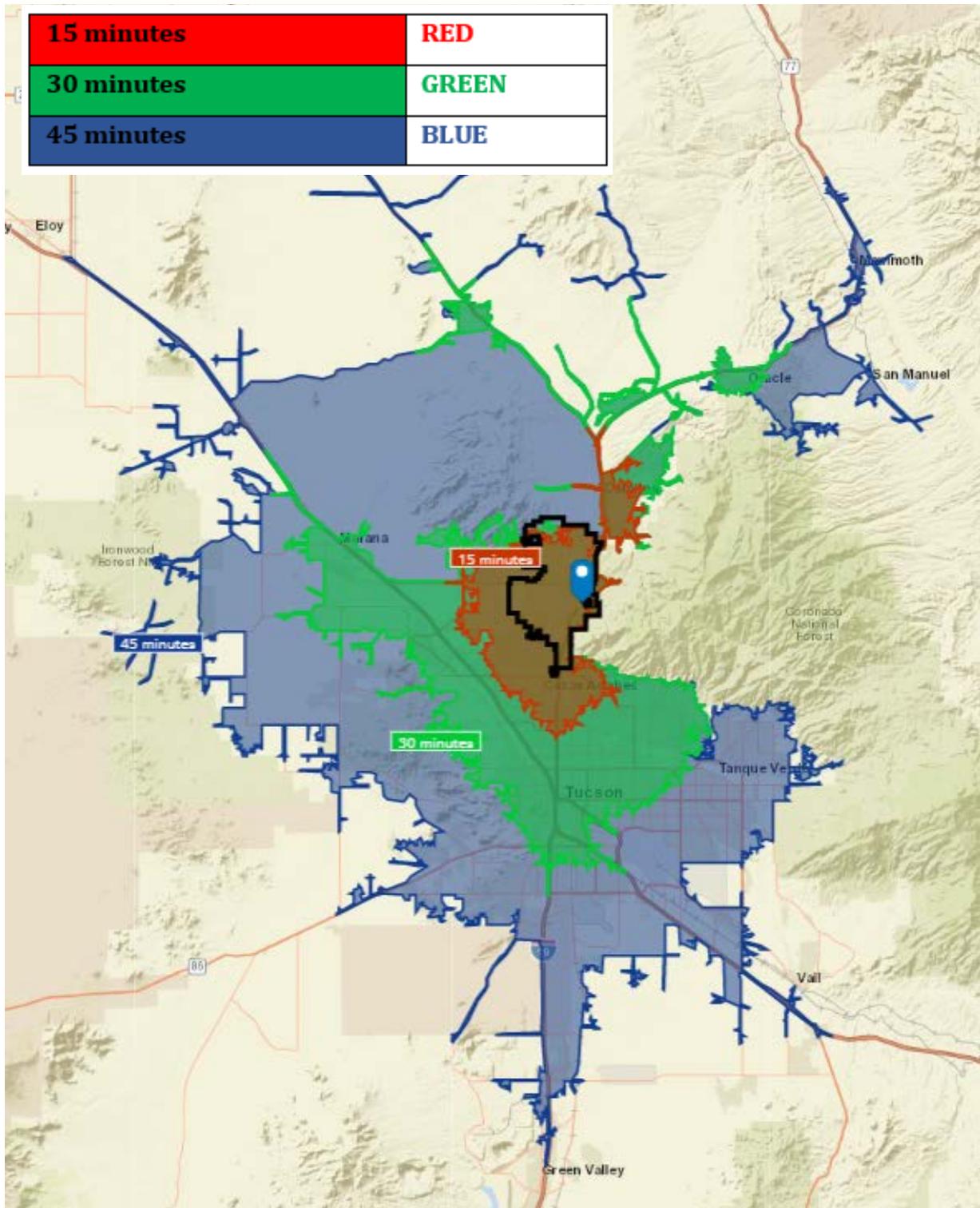
The Resident Market Area for SPR is defined as the area in which residents would visit the park as a primary purpose or as an important part of a day trip. Resident markets for heritage and recreational attractions like SPR are defined using a “gravity model” approach, where those living closer to an attraction are more likely to visit than those living farther away. On its periphery, the resident market changes over into the tourist market.

For the purposes of this analysis, the Resident Market Area is defined as the area within a 45-minute driving distance from the project site. The Resident Market is further segmented as follows:

- ◆ **The Primary Market Area** – the area within a 15-minute drive of the site.
- ◆ **The Secondary Market Area** – the area within a 15- to 30-minute drive of the site.
- ◆ **The Tertiary Market Area** – the area within a 30- to 45-minute drive of the site.

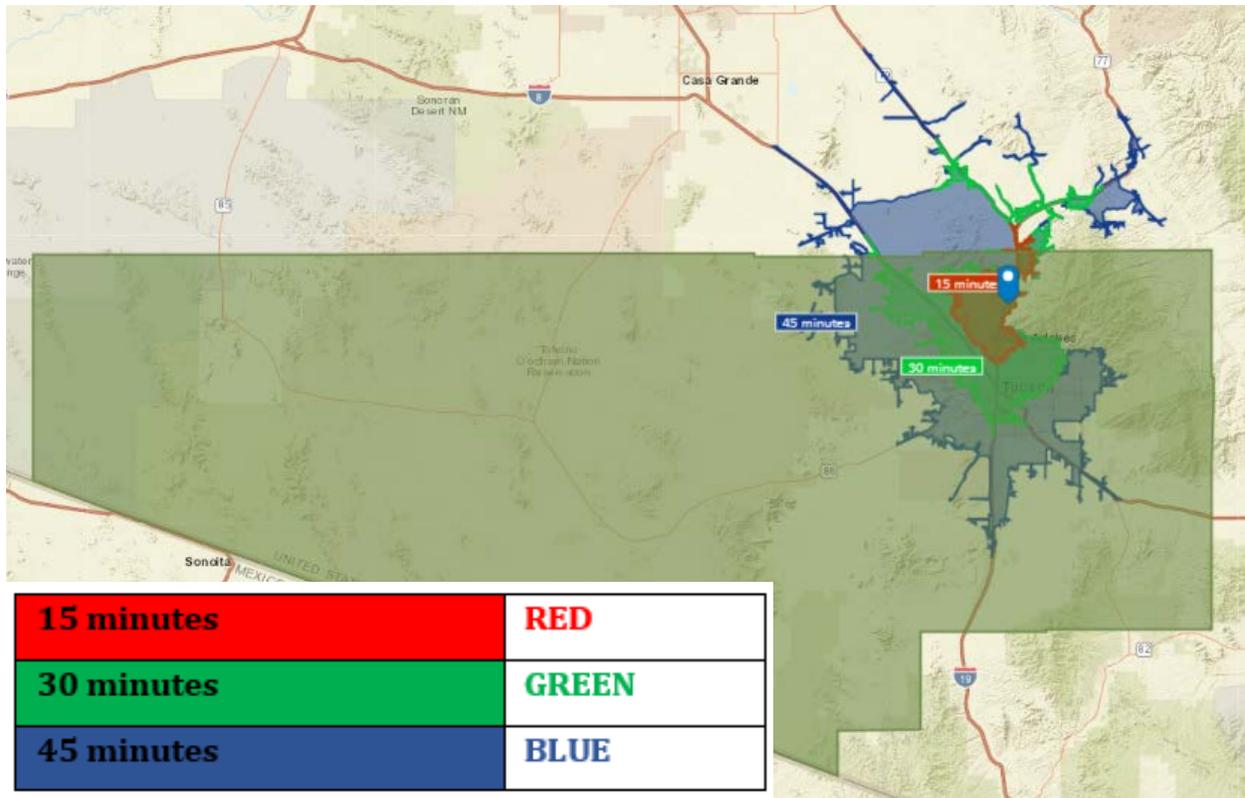
Figure IV-1 is a map of the Resident Market Area with the outline of the town of Oro Valley and **Figure IV-2** shows the regional context of the Resident Market Area in relation to the Tucson Metropolitan Statistical Area (MSA).

Figure IV-1
Resident Market Area with Town of Oro Valley



Source: ESRI

Figure IV-2
Regional Context of Resident Market Area with Tucson MSA



Source: ESRI

Resident Market Characteristics

The following sections describe characteristics of the population in the Resident Market Area, including population projections, age groups, household types, and household income cohorts.

Population Trend

Data in **Table IV-1** show the population of the Resident Market Area, based on 2010 census data with population estimates for 2020 and projections for 2025. In 2020 the Resident Market Area had a population of about 970,000, which is projected to grow 4.6 percent, to approximately 1.0 million, by 2025. The Resident Market Area is growing slower than the Town of Oro Valley and faster than the Tucson MSA.

Table IV-1
Resident Market Area Population, 2010, 2020, 2025

Market Area	2010	2020	2025	Percent Change, 2020 - 2025
Primary Market Area	119,712	132,734	138,912	4.7%
Secondary Market Area	376,522	408,054	429,642	5.3%
Tertiary Market Area	400,114	427,982	445,245	4.0%
Total Resident Market Area	896,348	968,770	1,013,799	4.6%
<i>Town of Oro Valley</i>	<i>41,040</i>	<i>46,556</i>	<i>49,032</i>	<i>5.3%</i>
<i>Tucson MSA</i>	<i>980,263</i>	<i>1,066,136</i>	<i>1,112,948</i>	<i>4.4%</i>

Note: The Resident Market Area is defined as the area within a 45-minute drive time of the Steam Pump Ranch site. The Primary Market Area includes residents that live within a 15-minute drive of the site, the Secondary Market Area includes residents that live between 15 and 30 minutes from the site and the Tertiary Market Area includes residents that live between 30 and 45 minutes from the site.

Sources: ESRI and ConsultEcon, Inc.

Population Near SPR

SPR is proximate to several apartment buildings and is walkable for nearby residents. ESRI reports about 600 residents live within a 20 min walk. Most SPR users would drive to the site.

Age Profile

As an attraction focused primarily on cultural history and heritage, SPR will likely have broad appeal to multiple age groups including school groups, families with children, and older adults. Data in **Table IV-2** show the age profile for the Resident Market Area population in the year 2020. This population had a median age of 38.6, significantly younger than that of the town and younger than that of the MSA. Important audiences for SPR are adults in their mid-20s through 40s with children and adults in their 40s and 50s who have more time and disposable income for recreational activities. The population in the Primary Market Area was slightly older on average, and the median age for the town of Oro Valley was 54.0 years old, showing that the immediate resident market fits into that older age group. The farthest parts of the Resident Market, in the 30 to 45-minute driving range, have a higher percentage of residents between ages 0 and 17 in comparison to the Primary Market Area.

**Table IV-2
Resident Market Area Age Profile, 2020**

Market Area	Median Age	0 - 17	18 - 24	25 - 34	35 - 54	55+
Primary Market Area	48.7	17%	7%	11%	22%	42%
Secondary Market Area	37.6	20%	12%	15%	22%	31%
Tertiary Market Area	36.5	24%	9%	15%	23%	29%
Total Resident Market Area	38.6	21%	10%	14%	23%	32%
<i>Town of Oro Valley</i>	<i>54.0</i>	<i>16%</i>	<i>6%</i>	<i>8%</i>	<i>22%</i>	<i>48%</i>
<i>Tucson MSA</i>	<i>39.2</i>	<i>21%</i>	<i>10%</i>	<i>14%</i>	<i>23%</i>	<i>32%</i>

Sources: ESRI and ConsultEcon, Inc.

Households

Families make up an important part of visiting parties to cultural and education attractions like SPR, as families are often looking for entertaining and educational activities to do together. Data in **Table IV-3** summarize the household characterization of the population of the Resident Market Area in 2020. Family households made up about 61 percent of households in the Resident Market Area, compared to 70 percent of the town of Oro Valley and 62 percent of the Tucson MSA. The average household size for the total Resident Market Area was 2.45, higher than that of the town and about the same as that of the MSA.

**Table IV-3
Resident Market Area Household Profile, 2020**

Market Area	Estimated Number of Households	Estimated Number of Family Households	Percent of Families to Total Households	Average Household Size
Primary Market Area	57,108	37,132	65.0%	2.31
Secondary Market Area	171,866	92,677	53.9%	2.28
Tertiary Market Area	157,540	107,521	68.2%	2.68
Total Resident Market Area	386,514	237,330	61.4%	2.45
<i>Town of Oro Valley</i>	<i>20,354</i>	<i>14,283</i>	<i>70.2%</i>	<i>2.28</i>
<i>Tucson MSA</i>	<i>423,733</i>	<i>262,622</i>	<i>62.0%</i>	<i>2.46</i>

Note: Family households are defined by ESRI as households in which one or more persons in the household are related to the head of household by birth, marriage, or adoption.

Sources: ESRI and ConsultEcon, Inc.

Household Income

The amount of income that a household has may indicate a household's ability, both regarding the amount of disposable income and time inclination to visit attractions such as SPR. Further, higher incomes may also indicate a higher level of education, and, therefore, an interest in visiting educational attractions. Data in **Table IV-4** summarize the income characteristics of households in the Resident Market Area. The median household income is \$53,700, which is less than that of the town of Oro Valley and the Tucson MSA. Households in the Primary Market Area are more affluent than those in the Secondary and Tertiary Market Areas.

Table IV-4
Resident Market Area Income Profile, 2019

Market Area	Median Household Income	Less than \$25,000	\$25,000 - \$49,999	\$50,000 - \$74,999	\$75,000 - \$99,999	\$100,000+
Primary Market Area	\$72,033	12%	20%	20%	14%	35%
Secondary Market Area	\$48,262	26%	24%	17%	10%	22%
Tertiary Market Area	\$52,893	20%	26%	21%	13%	20%
Total Resident Market Area	\$53,662	21%	25%	19%	12%	23%
<i>Town of Oro Valley</i>	<i>\$86,386</i>	<i>9%</i>	<i>18%</i>	<i>16%</i>	<i>14%</i>	<i>44%</i>
<i>Tucson MSA</i>	<i>\$54,382</i>	<i>21%</i>	<i>24%</i>	<i>19%</i>	<i>12%</i>	<i>24%</i>

Sources: ESRI and ConsultEcon, Inc.

Participation in Recreational Activities

The popularity and level of participation in different recreational activities in the Resident Market Area give an idea of what reasons visitors might have for coming to SPR as well as an idea of what kinds of programming may be popular at the site. With SPR's location along popular walking and biking trails, residents participating in activities like road biking, jogging/running, and walking for exercise on those trails would have a higher chance of interacting with programs and activities at SPR. In the Resident Market Area, about 10 percent of residents participated in road biking, about 12 percent in jogging/running, and 23 percent in walking for exercise over the past 12 months.² Programming opportunities for community recreation in adaptive reuse spaces at SPR include fitness classes like yoga or Pilates, which are less popular than walking, jogging, and biking but would provide a complimentary option to those activities, as well as other community programming like adult education classes. Other reuse opportunities for the historic buildings and spaces at SPR include cultural uses such as an art gallery or museum and live music performances (which are already popular on site) and theatre performance. People living in the Resident Market Area have demonstrated interest in such cultural activities, with about 8 percent visiting an

² ESRI.

art gallery and about 15 percent visiting a museum in the past 12 months.³ Some types of music performances were more popular than others, with more residents attending rock and country performances than classical music and opera performances, and about 12 percent of residents attended a live theater performance in the past 12 months. One of the potential uses for the Proctor-Lieber House is a small restaurant or café. About 50 percent of the Resident Market Area, nearly half a million people, said they dined out in the last 12 months. With SPR's connection to walking trails and other recreational activities onsite, a small coffee shop or café could appeal to many visitors.⁴

Resident Market Summary

The Resident Market Area for SPR is defined as the area within a 45-minute drive time from the site. Within the Resident Market Area, the markets are further broken out into the Primary Market Area (the area within a 15-minute drive), the Secondary Market Area (the area within a 15 to 30-minute drive), and the Tertiary Market Area (the area within a 30 to 45-minute drive). This Resident Market Area had the following characteristics in 2019:

- ◆ An estimated population of about 970,000, which is projected to grow 4.6 percent by 2025, to 1.0 million. The population is growing slower than that of the town of Oro Valley and faster than that of the Tucson MSA.
- ◆ A median age of 38.6, younger than the population of Oro Valley and older than that of the Tucson MSA.
- ◆ An average household size of 2.45 persons, larger than households in Oro Valley and about the same as households in the Tucson MSA. Approximately 61 percent of households were family households, less than that of Oro Valley and more than that of the Tucson MSA.
- ◆ A median household income of approximately \$53,700, lower than in Oro Valley and in the Tucson MSA. The most affluent population lives in the Primary Market Area.
- ◆ Interest in recreational activities that relate to opportunities for adaptive reuse of spaces at SPR, such as outdoor activities on the area's trail system like walking, jogging, and biking, community recreation activities like fitness classes and adult education classes, and cultural activities like art galleries, museums, and live music and theatre performances, give an idea of what kind of programming and/or tenants might appeal to area residents. There is also an interest in eating at restaurants, which would also compliment any recreational activities at SPR.

According to the Town of Oro Valley Parks and Recreation Master Plan – Phase One 2020 Report, key market considerations in the area include:

- ◆ a need for increased parks and recreation services as the population grows;

³ Ibid.

⁴ Ibid.

- ◆ a need for programming geared towards various age groups;
- ◆ an ability to generate revenue through unique and high service level amenities from the affluent population in the surrounding area; and,
- ◆ an aging population in the area that is in or is approaching retirement and therefore has additional leisure time to spend.

The same report included key inputs from the community regarding the potential for development, investment, preservation, advocacy, and earned revenue opportunities at SPR. The community expressed their desire for reinvestment and development at SPR as well as enhanced economic opportunities for the town through festivals and community events. SPR is an attractive venue for festivals and community events. Other opportunities supported by the community include meeting the recreational needs of community organizations such as the school district, the further development of a connected and accessible trail system, and the importance of continuing to secure funding through earned revenue opportunities and grants for park development. These considerations support adaptive reuse opportunities at SPR that include programming geared towards the specific needs and interests of the Resident Market Area as well as small food service or retail businesses on site.

TOURIST MARKET

Arizona Tourism

The state of Arizona received 45.5 million overnight visitors in 2018 with internationally known sites like the Grand Canyon, Saguaro National Park, Monument Valley, and many more.⁵ About 39.6 million (or 87%) of overnight visitors came from within the United States and 5.9 million came from international origins (13%).⁶ With their shared international land border, Mexico is by far the largest source of international visitors to Arizona, with 3.8 million overnight trips in 2018.⁷ Domestic overnight visitation increased 3.4 percent from 38.3 million visitors in 2017. About 84 percent of domestic overnight visitors to the state were traveling on leisure (16% on business) and about 28 percent were in-state visitors (72% out of state).

Tucson Area Tourism

SPR in Oro Valley is within the Tucson Metropolitan Statistical Area, 14 miles north of downtown Tucson (30 minutes driving) and about 115 miles southeast of downtown Phoenix (about 2 hours driving).⁸ The Tucson and Southern Arizona region, as defined by *Visit Arizona* and shown in **Figure IV-3**, received 6.8 million domestic overnight visitors in 2018, about 17 percent of total domestic overnight visitation to the state.⁹ Most domestic overnight visitors

⁵ Arizona Office of Tourism, *Arizona Travel Industry Impacts Interactive Dashboard*, <https://www.travelstats.com/dashboard?ucode=300>.

⁶ Arizona Office of Tourism, *Arizona Domestic Overnight Visitor Profile*, 2018.

⁷ Visit Tucson, *2018-19 Annual Report and 2019-20 Marketing Plan*, 2019.

⁸ Google maps.

⁹ Arizona Office of Tourism, *Arizona vs. Tucson and Southern Region Domestic Overnight Visitor Profile*, 2018.

were traveling on leisure (84%) and came from out of state (59%). The average length of stay was 3.1 nights and the most popular activities for visitors were shopping, national and state parks, landmarks and historic sights, and hiking/backpacking. State and national parks in the southern half of the state received 3.5 billion visits in 2019, with 428.3 million visits to parks in the historical category (the other categories are scenic and water-based).¹⁰ SPR would also benefit greatly from day trip visitors to Tucson, with just under 6.5 million residents within a 3-hour drive of the ranch.¹¹ The site is about 80 miles and 1.5 hours driving from the nearest border crossing into Nogales, Mexico.

Figure IV-3
Map of Tucson & Southern Arizona Tourism Region, 2020



Source: Visit Arizona.

¹⁰ University of Arizona Economic and Business Research Center, *Arizona State and National Park Visitation, 2015 – 2019, 2020*.

¹¹ ESRI.

LOCAL ATTRACTIONS

Data in **Table IV-5** present a list of 25 attractions in the Tucson area with their annual attendance, admission and membership pricing, and short descriptions of each. Many of the most popular attractions are nature-based, such as Saguaro National Park, the Sabino Canyon Recreation Area, and the Reid Park Zoo, as well as several other indoor-outdoor attractions and history and heritage-based attractions. Attractions in the Tucson area are spread out and most visitors and residents in the region use cars as their primary mode of transportation.

Table IV-5
Local Attractions, 2020
Ranked by Annual Attendance

Name and Location	Annual Attendance		Admission and Family Membership Pricing	Description
Saguaro National Park <i>Around Tucson, AZ</i>	1,020,226	^{1/}	Weekly park entrance pass costs \$25 per vehicle or \$15 per individual	National park named for the large native Saguaro cactus.
Sabino Canyon Recreation Area <i>Tucson, AZ</i>	1,000,000	^{2/}	Entrance fee of \$8 per vehicle	Located within the Coronado National Forest with hiking, wildlife viewing, and a tram that runs throughout.
Reid Park Zoo <i>Tucson, AZ</i>	525,000		Adults - \$10.50 Youth (2-14) - \$6.50 Children (Under 2) - Free Family Membership - \$80	24-acre city zoo with more than 500 animals.
Arizona-Sonora Desert Museum <i>Tucson, AZ</i>	378,489		Adults - \$21.95 Youth (3-12) - \$9.95 Children (under 3) - Free Family Membership - \$125	Nationally recognized museum that provides a fusion experience with a zoo, botanical garden, art gallery, natural history museum, and aquarium.
Catalina State Park <i>Tucson, AZ</i>	254,953	^{3/}	Park entrance fee of \$7 per vehicle or \$3 per individual	State park with 5,500 acres of foothills, canyons, and streams.
Tucson Museum of Art & Historic Block <i>Tucson, AZ</i>	237,000		Adult - \$10 Youth (13-17) - \$7 Children (under 13) - Free Family Membership - \$60	Art museum and education center.
Kartchner Caverns State Park <i>Benson, AZ</i>	176,464	^{3/}	Park entrance fee of \$7.00 per vehicle or \$3.00 per individual	State park featuring a cave with 2.4 miles of passages.
Pima Air & Space Museum <i>Tucson, AZ</i>	175,000		Adults - \$16.50 Junior (5-12) - \$10 Child (Under 5) - Free Family Membership - \$80	Museum dedicated to aviation history with several decommissioned military aircraft.

1/ National Park Service, <https://irma.nps.gov/STATS/>.

2/ National Forest Service, <https://www.fs.usda.gov/recarea/coronado/recreation/recarea/?recid=80532>.

3/ Arizona Office of Tourism, <https://tourism.az.gov/wp-content/uploads/2020/02/State-Parks-December-2019.pdf>.

Sources: Official Museum Directory; Facility Websites; and ConsultEcon, Inc.

Table IV-5 (continued)
Local Attractions, 2020
Ranked by Annual Attendance

Name and Location	Annual Attendance	Admission and Family Membership Pricing	Description
Tohono Chul Park <i>Tucson, AZ</i>	170,000	Adult - \$15 Youth (5-12) - \$6 Children (under 5) - Free Family Membership - \$65	49-acre desert botanical gardens and art exhibits.
Children's Museum Tucson <i>Tucson, AZ</i>	161,798	Adult - \$9 Children (under 1) - Free	Children's museum.
Tucson Botanical Gardens <i>Tucson, AZ</i>	100,000	Adults - \$15 Youth (4-17) - \$8 Children (under 4) - Free Family Membership - \$70	Sixteen residentially scaled urban gardens on 5.5 acres.
Boyce Thompson Arboretum <i>Superior, AZ</i>	85,000	Adults - \$15 Children (5-12) - \$5 Family Membership - \$85	Oldest and largest botanical garden in the state of Arizona.
Fort Huachuca Museum <i>Fort Huachuca, AZ</i>	70,000	No entrance fee	Museum on site of army camp from 19 th century.
Casa Grande Ruins National Monument <i>Coolidge, AZ</i>	68,379	^{1/} No entrance fee	Ruins of Ancestral Sonoran Desert farming community.
Kitt Peak National Observatory <i>Tucson, AZ</i>	60,000	No entrance fee	Most diverse collection of astronomical observatories on earth.
Flandrau Science Center and Planetarium <i>Tucson, AZ</i>	50,000	Adult - \$16 Youth (4-17) - \$12 Children (under 4) - Free Family Membership - \$105	Science museum and planetarium at the University of Arizona.
Titan Missile Museum <i>Green Valley, AZ</i>	50,000	Adults \$13.50; Seniors & Groups \$12.50; Juniors (5-12) \$10	Museum dedicated to a formerly operational Titan missile site from the Cold War.
DeGrazia Gallery in the Sun Museum <i>Tucson, AZ</i>	50,000	Adults - \$8 Youth (12-18) - \$5 Children (under 12) - Free Family Membership - \$55	National Historic District built by Arizona artist Ted DeGrazia in the 1950s.
International Wildlife Museum <i>Tucson, AZ</i>	48,119	Adult - \$10 Youth (4-12) - \$5 Children (under 4) - Free Family Membership - \$60	Museum with collections of insects, mammals and birds from around the world.

^{1/} National Park Service, <https://irma.nps.gov/STATS/>.

Sources: Official Museum Directory; Facility Websites; and ConsultEcon, Inc.

**Table IV-5 (continued)
 Local Attractions, 2020
 Ranked by Attendance**

Name and Location	Annual Attendance		Admission and Family Membership Pricing	Description
Arizona State Museum <i>Tucson, AZ</i>	34,847		Adult - \$8 Children (under 18) - Free Family Membership - \$75	Anthropological research museum that conducts all archaeological activity on state lands.
Oracle State Park <i>Oracle, AZ</i>	14,401	^{3/}	Park entrance fee of \$7.00 per vehicle or \$3.00 per individual	4,000-acre wildlife refuge located in the foothills of the Santa Catalina Mountains.
San Xavier del Bac Mission <i>Tucson, AZ</i>	2,000		No entrance fee	National Historic Landmark of Spanish Catholic mission on the Tohono O'odham reservation.
Old Tucson Studios <i>Tucson, AZ</i>	Not available		Adults - \$19.95 Youth (4-11) - \$10.95 Children (under 4) - Free	Former movie studio and current theme park.
Sentinel Peak Mountain <i>Tucson, AZ</i>	Not available		No entrance fee	Prominent landmark, hiking trail, and park.
Children's Museum Oro Valley <i>Oro Valley, AZ</i>	Not available		Adult - \$7 Children (under 1) - Free	Satellite children's museum to the Children's Museum Tucson.

^{3/} Arizona Office of Tourism, <https://tourism.az.gov/wp-content/uploads/2020/02/State-Parks-December-2019.pdf>.

Sources: Official Museum Directory; Facility Websites; and ConsultEcon, Inc.

Real Estate Market

Some of the uses considered for SPR such as retail and office space are available in other spaces in Oro Valley and the Tucson region. Therefore, potential site users have options for retail and office space in the region. Because of the historic use and characteristics of the site and buildings, they do not offer efficient or functional space for large amounts of retail and office use. Therefore, the most likely retail or office tenants are those that have a reason to locate at SPR due to the existing activity that is occurring there. Potential retail or office tenants may include but are not limited to the Town of Oro Valley Parks and Recreation Department, additional town department or divisions, and other appropriate partners of the Town of Oro Valley. Other potential tenants could include vendors affiliated with the farmers market.

Based on a review of the available retail and office listings in the Town of Oro Valley, retail rents range from \$17 to \$18 per square foot and office rents range from \$19 to \$26 per square foot. Data in **Table IV-6** show the retail and office spaces available for rent in Oro Valley as of May 22, 2020, with the total square footage, annual rental cost, and location. There were six office spaces available for rent and five retail spaces.

Table IV-6
Retail and Office Spaces Available for Rent in Oro Valley, May 2020

Description	Retail or Office	Total Square Feet	Rent (per SF per year)
7440 N Oracle Rd Building 4	Office	1,361 SF	\$21.00
6875 N Oracle Rd Plaza Campana	Office	2,567 – 17,653 SF	\$20.75 - \$22.75
6840 N Oracle Rd	Office	6,209 – 10,183 SF	\$25.75
7445 N Oracle Rd Sun Professional Center	Office	2,148 SF	\$21.00
190 W Magee Rd Ridge View Plaza	Office	547 – 6,192 SF	\$19.50
180 W Magee Rd Ridge View Plaza	Office	1,241 SF	\$19.50
7250 – 7356 N Oracle Rd Cottonwood Plaza	Retail	4,325 SF	\$18.00
7951 N Oracle Rd Entrada De Oro Shopping Center	Retail	1,130 – 8,206 SF	\$18.00
12925 – 13005 N Oracle Rd Rancho Vistoso Center	Retail	1,435 – 38,211 SF	Upon request
7001 – 7153 N Oracle Rd Casas Adobes Plaza	Retail	1,017 – 10,132 SF	Upon request
10370 N La Canada Dr La Canada Building	Retail	1,333 – 6,333 SF	\$17.00

Sources: LoopNet.com and ConsultEcon, Inc.

Summary

SPR will draw visitation from resident and tourist markets. With its location in suburban Oro Valley and the programming offered by SPR, visitation will primarily come from the resident market, though some tourism may spill over from Tucson.

The Resident Market Area for SPR is defined as the area within a 45-minute drive time from the site and had a population of about 970,000 in 2020. The population is growing slower than that of the town of Oro Valley and faster than that of the Tucson MSA, with a projected 5-year growth rate of 4.6 percent. The average household size was 2.45 persons, and approximately 61 percent of households were family households. SPR is about 14 miles north of downtown Tucson, about 30 minutes driving.

Interest in recreational activities that relate to opportunities for adaptive reuse of spaces at SPR, such as outdoor activities on the area’s trail system like walking, jogging, and biking, community recreation activities like fitness classes and adult education classes, and cultural activities like art galleries, museums, and live music and theatre performances, give an idea of what kind of programming and/or tenants might be successful at SPR. There is also interest in eating at restaurants, which would also compliment any recreational activities at SPR. The Town of Oro Valley Parks and Recreation Master Plan report for Phase 1 included key market considerations and inputs from the community regarding development and investments at SPR. These findings support many of the adaptive reuse opportunities at SPR, including

community recreation activities and programming and economic growth opportunities from dedicating space to food service, retail, or office businesses on site.

The Tucson and Southern Arizona region of the state, as defined by Visit Arizona, received 6.8 million domestic overnight visitors in 2018, about 17 percent of total domestic overnight visitation to the state. Most visitors were traveling on leisure (84%) and came from out of state (59%). SPR would also benefit from day trip visitors to Tucson, with just under 6.5 million residents within a 3-hour drive of the ranch. Many of the most popular local attractions in the Tucson area are nature based, in addition to several indoor-outdoor attractions and history and heritage-based attractions. Attractions in the area are spread out and most visitors and residents use cars as their primary mode of transportation.

The real estate market for retail and office space at SPR is influenced by other available spaces in Oro Valley and the Tucson region as well as the site's unique and historic use and characteristics. The most likely retail or office tenants are those with related activities, such as the Town of Oro Valley Parks and Recreation Department, additional town departments or divisions, and other appropriate partner organizations. Retail rents range from \$17 to \$18 per square foot and office rents range from \$19 to \$26 per square foot for available listings in Oro Valley (**Table IV-6** shows a list of spaces available for rent in the area).

Section V

ADAPTIVE REUSE OPPORTUNITIES

This section evaluates the adaptive reuse opportunities based on a list of criteria, prepared in conjunction with the Parks and Recreation Department staff, that builds off of the prior analyses of opportunities to retain historical features; site and building opportunities and constraints; and market considerations.

Reuse Opportunity

Citizen surveys conducted for the Town's Parks and Recreation master plan indicate that Steam Pump Ranch (SPR) has become a popular signature park in the Town's park system. The popularity of recreational uses, the farmers market, and community events is growing, and the existing facilities that support these uses can be improved to support future growth. As time goes by, the need for investment in SPR infrastructure—its historical buildings and the site as a whole—to support future use becomes more critical. The existing site activity has the potential to grow with targeted investments to the farmers market; community events and recreation; and heritage ranch activities onsite. Existing uses and activity patterns of the site should inform potential demand for building space moving forward. Adaptive reuse of buildings should be supportive of the potential future uses of the site. The overall site use and activity will inform this study of the adaptive reuse of the buildings. Generalized zones of site activity include the marketplace, the food/community events area, and the heritage ranch, as shown in **Figure V-1**. Building use should be geared to support the events and activities in these general zones.

Figure V-1
Site Map with Three Zones



Source: Google Earth and ConsultEcon, Inc.

Site Plans Impacting Building Use

Future uses of the buildings will be dependent upon the plans for SPR's exterior areas. Some of the plans that will impact future building use include:

- ◆ **Motorized and non-motorized circulation plan** – Because of the various types of activities in each zone, there are multiple circulation patterns that support site use and activity. Buildings will be activated in different ways at different times of day, during different times of week, and seasons of the year. The circulation plans should address the needs of all types of site users to accommodate the range of activity that will occur at the site.
- ◆ **Parking plan** – In conjunction with the circulation plan, the amount and location of parking will be critical for visibility and accessibility, especially if a private business is to be located on the site as they will require or prefer convenient parking in order to make their business viable. The parking plan should address how the site will be configured for regular in and out of season use and scheduled event and program related use.
- ◆ **Interpretive/visitor experience plan** – This plan is critical to the successful integration of historic resources and heritage education onsite. The historic character of the site helps to create a unique sense of place that is different from most development in Oro Valley. SPR's market, event and recreational use creates an opportunity to educate a broader public about the history of the site than if the site were a heritage ranch alone.

- ◆ **Wayfinding/Signage plan** – People will need to understand how to enter and exit the site via multiple modes of transportation (e.g. walk, bike, vehicle, bus, horse trailer, etc.). The wayfinding and signage plan will help people enter and exit SPR and circulate the site internally efficiently

The plans listed above are not mutually exclusive but overlapping. Overall, the SPR site needs to be designed in such a way to maximize the accessibility and functionality of activity zones and to diversify and improve the overall SPR visitor experience.

Adaptive Reuse Opportunities for Buildings in the Historic Core

Site use and activities will drive the reuse of the buildings. The buildings provide supportive space including public and non-public areas to maximize the use and activity on site focused on community recreation, farmers market expansion, and facility rentals. As described in prior sections, there is a small amount of area in historic buildings, and so available space is at a premium. New construction may be warranted to support new visitor infrastructure onsite. The new Town Parks and Recreation offices in the garage will support more efficient operations and more community use of the site. Of the historic resources, the heritage ranch buildings are an important component of SPR's identity, but it is not the primary driver of site use. The heritage attraction is challenged by economic feasibility and may require more support from the Town than originally thought. Many interpretive and educational goals of SPR could be accomplished through interpretive exhibit panels and outdoor gathering areas for tours and educational activities as opposed to within an indoor museum space.

Following are the adaptive reuse opportunities identified for the buildings at the historic core of SPR.

- ◆ **Pusch Ranch House** – This is a small house that can accommodate exhibits, orientation, and other public and non-public space for indoor museum exhibits that would be a part of the heritage ranch experience. The Oro Valley Historical Society offers tours of the site current and is a natural partner. The museum could work in conjunction with the outdoor heritage visitor experience and interpretive plan encompassing the entire site.
- ◆ **Pump House** - Ruins are associated with the heritage ranch and museum experience. The namesake pump is arguably the most historic asset and can be a centerpiece of the visitor experience and interpretative plan for the entire site.
- ◆ **Bunk Houses** – The building works in conjunction with the garage and Proctor-Lieber House to provide community recreation and events support spaces, such as green room/bridal suite, catering, back of house, studio, etc. This space is master planned for restrooms and with its location within event spaces especially with outdoor activities, it is needed as such. Museum items could be incorporated. Dressing rooms would also be a needed addition for any living museum activities on site or outdoor performances.

- ◆ **Proctor-Lieber House** – This building is the largest building with the two largest rooms onsite (566 and 703 square feet). It is the most modern building, and presumably, the most readily renovated for future use. Depending on the structural requirements, walls may need to be reconfigured for modernization and creating public and back of house facilities that support the growth of the site’s events and facility rentals. Permanent catering or commercial kitchen facilities are a good opportunity to create food service offerings onsite for events, rentals, and perhaps even on a day to day basis, depending on the type of food service offering. Other compatible uses are also possible. The house could work in conjunction with the garage and the bunk house to provide community recreation and events support spaces, such as green room/bridal suite, back of house, meeting rooms, classrooms, studio, etc. The configuration of the house and the walled yard create opportunities for indoor and outdoor experiences, such as indoor/outdoor events space or restaurant dining area. Other small compatible businesses and/or not-for-profit may also work well in this limited space.
- ◆ **Garage** – The Town’s Parks and Recreation offices are planned to be located onsite, providing community recreation and events support spaces.
- ◆ **Carlos’ House** – This building can become a rentable BBQ pavilion and multi-purpose meeting room, contributing to the overall use and activity of the park and creating new revenue opportunity.
- ◆ **Chicken Coops** – The chicken coops can be agricultural displays linked to the 4-H Club or other agricultural clubs. The chicken coops have limited reuse potential, but they contribute to the overall heritage park experience and become the setting for community driven programming.

Data in **Table V-1** present an evaluation of the proposed building uses listed above, based on criteria developed in conjunction with the Town.

**Table V-1
 Evaluation Criteria for Proposed Building Reuse**

Evaluation Criteria	Steam Pump Building (ruin)	Pusch Ranch House	East and West Bunk Houses	Proctor-Lieber House
Compatibility with Surrounding Uses	Compatible with Heritage Ranch. A ghosted structure/ramada was added in 2017 to protect the ruin from the elements.	Compatible with Heritage Ranch.	Compatible with community events and recreation and heritage interpretation if themed.	Compatible with community events and recreation and heritage interpretation if themed.
Suitability of proposed uses for buildings	Heritage Ranch use is suitable.	Heritage Ranch use is suitable.	Community events and recreation are suitable uses.	Community events and recreation, including food service facility, are suitable uses.
Market Support	Small amount of visitation compared to park and recreation visitation.	Small amount of visitation compared to park and recreation visitation.	Market support indicated by existing level of park activity and community support for the park.	Market support indicated by existing level of park activity and community support for the park. The Town can test the market support for redeveloping the Proctor-Lieber House by issuing an RFI or RFP.
Historic preservation opportunities	This use preserves the historic ruin.	This use preserves the historic building.	This use preserves the historic building.	This use preserves the historic building.
Operational funding	Funding through the Town and through non-profit operating partners.	Funding through the Town and through non-profit operating partners.	Funding through the Town.	Potential to attract a private operator that would fund operations through revenue generation onsite
Capital funding	Funding through the Town and through non-profit operating partners.	Funding through the Town and through non-profit operating partner, partners.	Funding through the Town.	Funding through the Town.
Community benefits/impacts	Informal education, tourism development, community pride.	Informal education, tourism development, community pride.	Health and wellness, community cohesion and social capital.	Economic development, community cohesion and social capital.

Table V-1(continued)
Evaluation Criteria for Proposed Building Reuse

Evaluation Criteria	Chicken Coops	Garage	Carlos' House
Compatibility with Surrounding Uses	Compatible with community events and recreation.	Compatible with community events and recreation.	Compatible with community events and recreation.
Suitability of proposed uses for buildings/site	The proposed community use is suitable.	Community events and recreation and Town offices are suitable uses.	Community events and recreation are suitable uses.
Market Support	Market support indicated by existing level of park activity and community support for the park	Market support indicated by existing level of park activity and community support for the park	Market support indicated by existing level of park activity and community support for the park
Historic preservation opportunities	This use preserves the historic building.	This use preserves the historic building.	This use preserves the historic building.
Operational funding	Funding through the Town.	Funding through the Town.	Funding through the Town.
Capital funding	Funding through the Town.	Funding through the Town.	Funding through the Town.
Community benefits/impacts	Informal education, community pride, community cohesion and social capital.	Health and wellness, community cohesion and social capital.	Health and wellness, community cohesion and social capital.

Source: ConsultEcon, Inc.

Section VI
ECONOMIC FEASIBILITY ASSESSMENT

This section provides a qualitative evaluation of the economic feasibility of the adaptive reuse opportunities identified in the prior section. Aspects of economic feasibility of adaptive reuse for operating revenue, including earned revenue contributions, and government support; costs associated with rehabilitation and redevelopment; operating costs; and potential staffing. Data in **Table VI-1** show the economic feasibility assessment of each of the buildings.

Table VI-1
Economic Feasibility Assessment

Aspect of Feasibility	Steam Pump Building (ruin)	Pusch Ranch House	East and West Bunk Houses	Proctor-Lieber House
Earned Revenue	Not applicable	Program fees to Oro Valley Historical Society	External rentals, programming, internal special events. Vending machines, such as snacks and beverages or photo booth.	Concessions, external rentals, programming, internal special events
Private Support for Operations		Oro Valley Historical Society	Not applicable	Support for operations would occur if it were rented or leased.
Town Support for Operations	Yes	Yes	Yes	Yes, if operated by Town
Staffing Needs	None	As needed by Oro Valley Historical Society	Parks and Rec. Dept. for cleaning and maintenance. Concessionaire maintains vending.	Private Operator or Parks and Rec. Dept.
Operating Costs Needs	Maintenance	Maintenance and building utilities; program costs	Maintenance and building utilities; program costs	Maintenance and building utilities; program costs
Capital Funding Opportunities	Completed through a grant and CIP funds in 2017.	Town capital improvement program and private partners, the Oro Valley Historical Society or other fundraising entity.	Town capital improvement program.	Town capital improvement program and private partner, food service operator. Historic tax credits and other historic preservation funds may apply.

Table V-1 (continued)
Economic Feasibility Assessment

Aspect of Feasibility	Chicken Coops	Garage	Carlos' House
Earned Revenue	Not applicable	External rentals, programming, internal special events	External rentals, programming, internal special events
Private Support for Operations	4-H club or other community organization	Not applicable	Not applicable
Town Support for Operations	Yes	Yes	Yes
Staffing Needs	None	Parks and Rec. Dept.	Parks and Rec. Dept.
Operating Costs Needs	Maintenance	Maintenance and building utilities; program costs	Maintenance and building utilities; program costs
Capital Funding Opportunities	Town capital improvement program.	Town capital improvement program.	Town capital improvement program.

Source: ConsultEcon, Inc.

While SPR buildings may be rehabilitated and renovated individually, their economic feasibility is interconnected and driven by the uses and programming occurring throughout the site. Following is an assessment of key aspects of feasibility for the project as whole.

Operating Revenue

Public parks and historic attractions typically do not earn enough revenue to cover the cost of operations. In the case of public parks, the revenue for operations is provided by government agencies, and in the case of private, non-profit heritage attractions, by private philanthropy. SPR is both a public park and a heritage attraction and so can leverage both public funds as well as private philanthropic dollars. The governance of SPR has direct implications for funding operations because of the different sources of revenue available to government and to private non-profit operations. The public-private partnership has an array of project partners that have contributed to the growth in use and development of SPR over time. The Town provides revenue from Town budget for ongoing maintenance and operations and for recreational programming and events onsite. Heirloom Farmers Market is a non-profit that relies on market vendor fees as well as private grants and contributions. The Oro Valley Historical Society is a volunteer run organization with limited funds.

SPR generates earned revenue for the Town currently—\$46,000 in fiscal year ending June 30, 2020—mostly through programming and internal special events, as well as external rentals and concessions/vendors. Based on the identified building adaptive reuse opportunities, there is potential to increase all sources of earned revenue because the improvements will be more functional, useable, and marketable.

Operating Costs

To increase earned revenue requires a commensurate investment in operations with potentially more Town staff and higher levels of fixed and variable costs. The Town provides for basic site and buildings maintenance and operations, largely fixed costs, and will continue to do so in the future. It also delivers programming and internal special events that are variable costs but also have the potential to generate revenue and offset new costs. The Town investment in operations at SPR will be contingent upon community needs, political support, and Town budget priorities. Private partner operating costs onsite are currently variable according to the amount they use the site to deliver programming. If private partners establish a permanent onsite presence, occupying dedicated space year-round, then they will need to provide for their own operations (staffing and program costs) as well as the fixed costs of site and building maintenance and operations.

Staffing

Staffing on the site will be provided by the Town of Oro Valley. Locating parks and recreation staff at SPR will help to increase efficiency and delivery of public programming and internal special events and coordinate with facility renters and vendors. Therefore, there will be increased capacity to grow the use and activity of the site. The Town may then take measured steps to increase staff on site as the programming evolves and the capital improvements are made to the facilities onsite.

Public-Private Partnership Development

Moving forward, the Town of Oro Valley should leverage existing and new private partners, to generate programming activity at SPR and fund operations of that activity. The Town should seek private operator for reuse of the Proctor-Lieber House focused on establishing a business that can generate additional revenue to the Town in the form of rent. This type of relationship also may enable the Town to pass through the costs of operating and maintaining not only the building but a portion of the site. Securing a private operator with a viable business plan will be important to establishing a sound economic basis for the capital improvements to the Proctor-Lieber House. It will also help to identify how much subsidy the Town will be required to provide through its capital improvement program or other sources of funds. If a private operator cannot be identified, then the Town will have to work to activate the building itself. A Town led project would require a different development program and operation geared towards enabling outside caterers, food services, compatible small business, and the public to use the facilities. The cost of the project would likely be lower with downscaled kitchen facilities.

Capital Funding

Adaptive use of historic buildings often requires public subsidy to fill a financing gap in redevelopment and to justify the investment in rehabilitating buildings for modern use. In other words, adaptive reuse of historic buildings offers an inadequate “market rate” return on investment. Because of their unique nature and historic significance, federal, state, and local

government policies support designation of historic properties and subsidies to fund adaptive reuse projects.

SPR's historic buildings and structures are costly to rehabilitate. Prior Town building assessments have indicated the level of investment needed for reuse of SPR's historic buildings. As detailed in prior sections, most of the buildings contain a suboptimal amount and type of space. Therefore, the Town will need to provide some if not all the funds for capital improvements. Some of this capital cost may be defrayed by attracting private grants and contributions and other governmental support. A non-profit organization, a "friends' group," may be established to raise funds for SPR preservation, rehabilitation, and development because they can access different sources of funding compared to the Town. Nonetheless, the project's underlying economic feasibility is largely dependent upon the Town allocating or attracting sufficient capital funds and increasing its parks and recreation budget to accommodate the growth in SPR site use and programming.

Ultimately, the Town will need to be responsible for identifying the vision for the site that will galvanize the community to support the adaptive reuse of the buildings. SPR's growth and popularity has created momentum that will facilitate the implementation of the proposed site improvements and the adaptive reuse of the buildings within its historic core.