

**Pima County Conservation Acquisition Commission
Meeting**

**Joel Valdez Downtown Main Library
Thursday, February 12, 2009
3:00 p.m.**

MOTIONS

MOTION: Commissioner Marian moved, seconded by Commissioner Marshall to approve the November 13, 2009 meeting summary. Motion approved 7-0 (Commissioners Corey, Prouty, Shattuck and Sheridan absent).

MOTION: Commissioner Johnson moved, seconded by Commissioner Pettis to approve the December 4, 2008 meeting summary. Motion approved 7-0 (Commissioners Corey, Prouty, Shattuck and Sheridan absent).

MOTION: Commissioner Marshall moved, seconded by Commissioner Marian to accept the 2004 Bond semi-annual report. Motion approved 7-0 (Commissioners Corey, Prouty, Shattuck and Sheridan absent).

MOTION: Commissioner Pettis moved, seconded by Commissioner Johnson to direct staff to take no further action on the Backus property, located in the Empire Mountains, east of Sonoita Highway. Motion approved 4-1 (Commissioner Marshall abstained, Commissioner Marian recused himself, and Commissioners Corey, Prouty, Shattuck and Sheridan absent).

MOTION: Commissioner Pettis moved, seconded by Commissioner Hare to direct staff to take no further action on the Tucson Development LLC property, located on the northwest corner of Linda Vista and Camino de Oeste. Motion approved 6-0 (Commissioners Wilson, Corey, Prouty, Shattuck and Sheridan absent).

MOTION: Commissioner Pettis moved, seconded by Commissioner Marian to direct staff to take no further action on the Mi Vida Tierra LLC property, located at the southwest corner of La Cholla and Linda Vista. Motion approved 6-0 (Commissioners Wilson, Corey, Prouty, Shattuck and Sheridan absent).

DIRECTION TO STAFF

Provide copies of the final full 2004 Bond semi-annual report.

Provide a map, progress report and timeline of all remaining necessary steps in ensuring the Avra/I10 wildlife corridor connection.

Show the Wildlife Crossing video to Commissioners who missed it before or after a future meeting.

Coordinate Commission meeting dates for the rest of the year.

SUMMARY OF MEETING

The following is a summary of the February 12, 2009 meeting.

1. Roll Call

The Commission meeting began at 3:10 pm.

Commissioners Present

Trevor Hare
Jan Johnson, Vice Chair
James Marian
Rob Marshall
Chuck Pettis
Bill Roe, Chairman
Helen Wilson (left at 4pm)

Commissioners Absent

Les Corey
Tim Prouty
Wanda Shattuck

MOTION: Commissioner Wilson moved, seconded by Commissioner Hare to move into Executive Session to discuss the Joshua and Caleb property negotiations. Motion approved 7-0 (Commissioners Corey, Prouty, Shattuck and Sheridan absent).

2. Executive Session

A. Pursuant to A.R.S. 38-431.03(A)(7), for discussion of negotiations regarding the Northwest Joshua and Caleb property

The regularly scheduled meeting began at 3:20pm.

The Commission noted staff's update.

3. Approval of the November 13, 2008 and December 4, 2008 Meeting Summaries

MOTION: Commissioner Marian moved, seconded by Commissioner Marshall to approve the November 13, 2009 meeting summary. Motion approved 7-0 (Commissioners Corey, Prouty, Shattuck and Sheridan absent).

MOTION: Commissioner Johnson moved, seconded by Commissioner Pettis to approve the December 4, 2008 meeting summary. Motion approved 7-0 (Commissioners Corey, Prouty, Shattuck and Sheridan absent).

4. Update on the 1997/2004 Conservation Bond Program Expenditures

Nicole Fyffe reported that expenditures as of December 31, 2008 were \$98 million, with the Sands and Sopor Ranches being the two most recent large expenditures. Funds are \$48.6 million or 28% of authorization. There is \$18.2 million in Community Open Space, \$12.1 million in Jurisdictional Open Space and \$16.4 million in Habitat Protection Priorities.

5. Summary of Discussion Regarding Appraisal Process

Nicole Fyffe reported that she and Jim Marian, Tim Prouty, Doug Laney, Christina Biggs, Diana Durazo met to discuss how appraisals are handled internally. Currently, the County contracts for an outside appraisal and reviews it internally. Discussions by the group have centered on introducing an external review or a second appraisal on large, high dollar acquisitions given the changing market today. Flexibility should also be afforded to the County to look at alternatives to arrive at values. Ms. Fyffe said that more information on values and process will be provided to Commissioners on future acquisitions.

6. Accept the 2004 Bond Semi-Annual Report

Nicole Fyffe discussed the semi-annual report and explained that the final full report will be provided to the Commission in 1-2 weeks.

MOTION: Commissioner Marshall moved, seconded by Commissioner Marian to accept the 2004 Bond semi-annual report. Motion approved 7-0 (Commissioners Corey, Prouty, Shattuck and Sheridan absent).

7. Discussion on Future Conservation Opportunities

Nicole Fyffe discussed the current status of the open space bond program. Attached are the notes from this presentation. The current number of properties the County is actively working on exceeds monies available. Even if funding is available, cash flow capacity is a problem.

Diana Durazo provided an overview of each active property the County is currently working on:

- Clyne Ranch – Located west of Sands Ranch and a little over 800 acres. Still negotiating details.
- Dos Picos- Located adjacent to Tucson Mountain Park, involved in the inverse condemnation suit the County lost. The County must now pay to purchase the property. Still in litigation due to attorney fees issue. Could be ready to close in 3-6 months.
- Four State Trust land properties – County submitted applications to the State Land Department in the fall for the Trails End (60 acres) and Robles Pass (40 acres) properties adjacent to Tucson Mountain Park and the Valencia Site (67 acres) property in the City of Tucson. County will submit applications to State Parks for matching Growing Smarter funds in May, possible auction date for 3 of the 4 applications in late 2009. The fourth application is for the Arroyo Grande/Tortolita property which is likely a year behind the others. The State is ordering appraisals for the Robles Pass, Trails End and Valencia Site properties.
- Joshua and Caleb – Located in the northwest consisting of 116 acres. County has made an offer.
- Empirita-Simonson and Bloom – The Empirita property is located in the Cienega Corridor and is about 2,700 acres. The Bloom property is located adjacent to Saguaro National Park West and is about 160 acres. Rocking K LLC, affiliated with Diamond Ventures, purchased these properties for a land exchange with BLM. The exchange was dependent on federal legislation and was not successful. The owners have offered the properties to the County. County is currently appraising the properties.
- Marley Ranch – Located west of Green Valley and a little over 30,000 acres in fee and 100,000 acres in grazing leases. The owners proposed to sell the ranch to the County in phases, which means phase I would be purchased with 2004 bond funds, while the subsequent phases would be dependent on future bond elections. The County is actively working on this acquisition.

Non-active Properties

- Boa Sorte – Located on the Brawley Wash and consists of 1,200 acres. (Note: Subsequent to this meeting, there have been recent discussions with County staff)
- San Pedro Riparian – Located along San Pedro River. County is not actively working on this, but open to discussions due to the significance of this area.

Nicole Fyffe indicated that the County is short between \$8 to \$12 million if everything on the list were to move forward. The County is considering different alternatives, such as matching grants, outside conservation buyers, and may talk to local jurisdictions about using jurisdictional monies. However, the County may still be short. Ms. Fyffe further requested that the Commission not consider new applications for properties unless the properties exceed the values associated with the current list of active properties.

Commissioner Wilson left at 4pm.

Carolyn Campbell addressed the Commission and noted that the County Administrator's recommendation for a future bond election for open space was about one third of the Commission's request. Ms. Campbell indicated that the Bond Advisory Committee needs to understand that the program will require significant funding from a future bond election for phased acquisitions that may be committed to in the next few months. She also asked that a distinction be made between available 1997 open space funds and 2004 open space funds. The 1997 monies are more restrictive and intended for the northwest and Tumamoc Hill. Ms. Campbell suggested that the County contact the Town of Oro Valley for use of their jurisdictional monies designated for Kelly Ranch, which has been unsuccessful, for Arroyo Grande.

The Commission briefly discussed the conservation opportunities presented to them and commented that the Marley Ranch should be the highest priority. The discussion focused several issues.

Commissioner Marshall suggested the following list of criteria:

- consider what the biological and ecological values of the property contribute to the County's goals
- consider risks associated with uncertainty of future funding
- consider how the property improves the current reserve system
- consider subarea needs and where we have purchased land
- consider strategic value in terms of community support
- compare costs to resource values

The Commission told staff to bring back price information on the properties currently being negotiated for the next meeting. Ms. Fyffe said staff could prepare this information and present in executive session. The Commission agreed that applications for new properties would continue to be presented to them for consideration, but not recommended for purchase unless the properties were deemed to be superior to the properties on the short list.

8. New Applications

A. Backus Property – Southeast Corridor Project Area: Highest Priority Private

Nicole Fyffe reported that the County received an application for the sale of 196 acres in the Empire Mountains, east of Sonoita Highway. Ms. Fyffe explained that the County received a similar application in 2006 for \$5,000 per acre. However, the County's appraisal was \$3,000 per acre, which the applicant did not accept and subsequently withdrew his offer to sell. Today, the applicant is asking for \$670,000 or \$3,400 per acre. Staff recommended taking no further action in light of funding discussion under item 7 and the current competing priority acquisitions the County is working on.

MOTION: Commissioner Pettis moved, seconded by Commissioner Johnson to direct staff to take no further action on the Backus property, located in the Empire Mountains, east of Sonoita Highway. Motion approved 4-1 (Commissioner Marshall abstained, Commissioner Marian recused himself, and Commissioners Corey, Prouty, Shattuck and Sheridan absent).

Commissioner Hare suggested that the owner contact the Cienega Watershed Partnership as a possible alternative given the property's size and location.

B. Tucson Development Properties, LLC (13.9 acres/\$100,000 per acre) – Tortolita Mountains Project Area: Highest Priority Private

Diana Durazo reported that the County received an application in 2005 for the 13.66 acres being offered today. At the time, the applicant submitted 2 applications totaling \$1.1 million for .66 acres and 13 acres or \$85,500 per acre. This was 21% above appraised value. No agreement was reached. Today, the applicant is asking for \$1.3 million or \$100,000 per acre. Staff recommended taking no further action on these parcels, given the asking price today and the competing priority acquisitions the county is currently working on.

MOTION: Commissioner Pettis moved, seconded by Commissioner Hare to direct staff to take no further action on the Tucson Development LLC property, located on the northwest corner of Linda Vista and Camino de Oeste. Motion approved 6-0 (Commissioners Wilson, Corey, Prouty, Shattuck and Sheridan absent).

C. Mi Vida Tierra LLC Property (22.5 acres/\$100,000 per acre) – Tortolita Mountains Project Area: Secondary Priority Private

Diana Durazo reported that in 2006, the Commission had considered this property, formerly known as the Khan property, as part of an assemblage effort of small adjacent Habitat Protection Priorities. The 22-acre property is located near La Cholla and Overton. The applicant was asking for \$2 million at the time. No agreement was reached. Today, Mi Vida Tierra LLC is asking for \$2.2 million. The applicant paid \$1.4 million two months ago. Ms. Durazo noted that the applicant contacted her to say they are willing to sell for less than their initial asking price. Staff recommended taking no further action given the price and the current number of properties the County is actively working on with limited funds.

Mr. Painter let the Commission know of the research and due diligence that went into this property prior to purchasing it. The owners are now willing to sell for 10% above what they paid in December.

In response to the Commission's question regarding staff's position on the new asking price, Ms. Durazo stated that in light of the other competing priority acquisitions the County is currently working on and the limited funding, staff would still recommend not taking any further action.

MOTION: Commissioner Pettis moved, seconded by Commissioner Marian to direct staff to take no further action on the Mi Vida Tierra LLC property, located at the southwest corner of La Cholla and Linda Vista. Motion approved 6-0 (Commissioners Wilson, Corey, Prouty, Shattuck and Sheridan absent).

Mr. Painter stated that a lot of due diligence went into this property, and the Commission's actions in the past sent mixed signals in terms of priorities.

Chairman Roe restated that there have always been far more properties than funding.

9. Updates

- Proposed Development Activities on Bond Parcels: No new activity.
- Sands Ranch – Closed in December 2008.
- Preferred Marketing Property – Staff requested that the Commission reconsider their request that staff do an assemblage of properties around the Preferred Marketing property, given the discussion on item 7. The Commission agreed.
- Sopori Ranch – Closed in early January 2009.
- Arroyo Grande Conceptual Land Use Plan: Continue to work with Oro Valley and the State Land Department.
- Boa Sorte Property (Brawley Wash): Already discussed.
- Habitat at 36th and Kino Property: Continuing to work with applicant. Currently reviewing draft agreement.
- Tumamoc Hill: On February 10th, the City of Tucson voted to direct the City Manager to negotiate an agreement with the County, whereby the City will take ownership of the landfill. On February 17th, the Board is scheduled to hear this in executive session to determine whether or not to move forward with auction. The public auction is scheduled for February 23rd, at 10:30am at 177 N. Church, Ste. 101. If the County is the successful bidder, State Parks will then issue the matching funds within 30 days if the County is declared the successful bidder. Typically, issuance of the patent takes about 1-2 months, according to the State Land Department.
- Bloom Property: Already discussed.
- Los Morteros: No update.
- Avra/I-10 Wildlife Connection (TEP, Cascada, Union Pacific, ADOT): Carolyn Campbell and Sky Island Alliance will be holding a meeting to discuss how to complete the corridor. On February 19th, the County is supposed to close on land dedicated as part of a development. Chairman Roe asked that staff provide a map, progress report and timeline of all remaining necessary steps in ensuring the Avra/I10 wildlife corridor connection.
- Las Cienegas Enhancement and Saguaro National Park Boundary Adjustment Act S. 1341: A new bill was introduced.

- Catalina/Tortolita Connection: Arizona Department of Transportation held a public meeting a week ago regarding improvements to Oracle Road from Tangerine north to County line. A follow-up letter was sent by the County stating the importance of the corridor and the need for crossing structures. Commissioner Roe suggested that the wildlife crossing video be shown to Commissioners who missed it at a future meeting.
- Rosemont Mine: The EIS has been pushed back another year.
- 2009 Bond Election Update: The Bond Advisory Committee is meeting monthly. The County Administrator recommended \$600 to \$800 million as a possible figure for a future bond election. A survey will be sent out to ask the community on whether or not a bond election should move forward. Carolyn Campbell said that it is important for the Commission to show their support to the Bond Advisory Committee when they are deliberating amounts of funding.

8. Next Commission Meeting

The next Conservation Acquisition Commission meeting is scheduled for March 12, 2009 at 3:00 p.m. at a location to be determined.

NOTE that the meeting will now be held at 2pm at the Tucson Association of Realtors building on Tucson Blvd. north of Grant.

Commissioner Roe requested that staff start polling the Commission for meeting dates for the rest of the year.

9. Call to the Public

No speakers.

10. Adjournment

Meeting adjourned at 4:10 p.m.

Future Meeting Dates:

April 9, 2009	Tucson Association of Realtors
May 14, 2009	Tucson Association of Realtors
June 11, 2009	Tucson Association of Realtors
July 9, 2009	Tucson Association of Realtors