# Board of Supervisors Memorandum

**August 6, 2013**

**Growing Smarter State Trust Land Acquisition Grant Program Application for Tortolita Mountain Park Expansion Phase II**

Background

With the passage of Proposition 303 by voters in 1998, the Land Conservation Fund was established by the State with an annual appropriation of $20 million by the Arizona Legislature to conserve select high-resource State Trust land parcels in or near urban areas. The appropriations were made between Fiscal Years 2001 and 2011. While the annual appropriations to the fund have ceased, the remaining balance of funds have continued to be distributed through a competitive grant process administered by Arizona State Parks.

Looking at actual grant awards made since 2001, State Parks has awarded just over $200 million in matching funds to various jurisdictions and applicants. Of the $200 million awarded since 2001, Maricopa County, through the cities of Phoenix and Scottsdale, has had the largest allocation awarded at $188.9 million, with $110.8 million awarded to Phoenix, and $78.1 million awarded to Scottsdale. To date, Pima County has been awarded $4.7 million in matching grant funds for three properties.

The County's first successful Growing Smarter matching grant award was in 2008 for the acquisition of 320 acres on Tumamoc Hill. Following this, the Board of Supervisors adopted Resolution No. 2008-267 authorizing the submittal of applications to the Arizona State Land Department (ASLD) for acquisition of remaining reclassified State Trust lands eligible for Growing Smarter matching funds in Pima County in order to continue to secure our fair share of Growing Smarter matching funds and to take advantage of current market conditions for lower land values. The County successfully acquired the important 67-acre Valencia Archaeological Site in 2009 and the more recent acquisition of 1,416 acres to expand Tortolita Mountain Park in 2012. Both were reclassified State Trust lands and received a 50 percent matching grant from State Parks.

State Parks has stated that Fiscal Year 2013 will be the last grant award cycle for Growing Smarter Grant matching funds because of a lack of funding. It is my understanding the cities of Flagstaff and Scottsdale will be applying for Growing Smarter funding in this cycle. There is still an opportunity for the County to competitively apply for a Growing Smarter matching grant for the 2013 grant cycle to acquire additional reclassified State Trust land for Tortolita Mountain Park. This will be the County's last opportunity to receive these funds.

Pima County's Mountain Park System

The roots of Pima County's mountain parks system began when Tucson Mountain Park was created by the Board of Supervisors in 1929. As the community grew, so did interest in conserving our region's high-resource natural areas. Two additional mountain parks were created: Tortolita Mountain Park, created in 1986, and Colossal Cave Mountain Park, formally established in 1992. Given their size and regional status, the County's mountain park system in the community includes wide-ranging community benefits:

- Expanding recreation opportunities
- Protection of flood control capacity and natural recharge capability
- Enhancing the community's livability and quality of life
- Investing in our local economy
- Providing scientific research and environmental education opportunities
- Protection of historic and cultural resources
- Protecting wildlife
- Access to other public lands
- Facilitating the development of the County's regional trail system
- Protection of viewsheds along major corridors

Pima County's mountain parks system is an integral part of the local economy. Taking into account that travel and tourism continues to be one of the most important industries in Arizona, which relies heavily on the health of our natural environment, it is important to continue to invest in and expand our natural parks system to continue to attract visitors and employers to our region.

The Arizona Office of Tourism (AOT) reported that 38 million domestic and international overnight visitors came to Arizona as a travel destination in 2012, with direct travel spending estimated at $19.3 billion. Additionally, AOT reported that 161,300 industry-related jobs were created by direct travel spending, with a total of about 300,000 jobs created when combined with secondary employment numbers. AOT estimated impacts for all 15 counties. Pima County garnered 14 percent of Arizona direct travel spending ($2.6 billion), and $150.5 million in local and state tax revenues in 2012. AOT estimated that 22,300 direct jobs were generated in Pima County. The Metropolitan Tucson Convention and Visitors Bureau's, now known as Visit Tucson, 2012 Visitor Survey found that the surrounding natural environment and outdoor/desert activities were cited by visitors as Tucson's greatest attractions. Hotels such as the Ritz-Carlton Dove Mountain Resort and Marriott Starr Pass Resort promote their locations near open space areas to guests. In the case of the Ritz-Carlton, they have trails that link to the park directly from the resort and promote their adjacency and accessibility to Tortolita Mountain Park to guests as part of their hotel stay experience. The County's mountain parks are important hubs to not only our residents and visitors, but also local businesses.

Tortolita Mountain Park Expansion

The Tortolita Mountains are one of the oldest geological features in the Tucson area. Tortolita Mountain Park was established in 1986 with bond funds approved by voters that year. Over 3,000 acres in the pristine rugged backcountry of the Tortolita Mountains and a portion of the alluvial fan were acquired for approximately $6 million. The Tortolita Mountain Park complex began to grow when in 1996 an additional 110 acres were purchased using additional 1986 bond funds. In 2002, the County received a donation of 200 acres to expand the park. Since that time, voters approved funding for open space in the 1997 and 2004 bond elections, contributing to the acquisition of another 930 acres for the park, which connected federal lands managed by the Bureau of Land Management to the overall park complex (see attached map).

Tortolita Mountain Park serves as the principal natural open space park for the northwest region of the Tucson Basin, including Catalina, the Town of Oro Valley, and the Town of Marana. As you know, on December 20, 2012, Pima County was the successful bidder for the purchase of 1,416 acres of reclassified State Trust land at public auction for $3.78 million to further expand Tortolita Mountain Park. Pima County's share of the cost was $1.89 million, with the purchase funded using both voter-approved 2004 Conservation Acquisition bond funds earmarked for the Town of Oro Valley, which the Town Council supported by resolution, and a 50 percent Growing Smarter matching grant in the amount of $1.89 million awarded to Pima County by State Parks. At 5,600 acres today, this community asset contains many miles of trails, protects wildlife habitat, riparian areas associated with key drainages and onsite historic cultural resources, while supporting and expanding outdoor recreation opportunities, including hiking, bird and wildlife watching, biking, hunting and equestrian use.

Arizona State Parks 2013 Growing Smarter State Trust Land Acquisition Grant Cycle

Pima County has one last opportunity to try and secure Growing Smarter matching grant funds to use toward half of the cost of acquiring an additional 800 acres of reclassified State Trust land for further expansion of Tortolita Mountain Park (see map attached). The Oro Valley Town Council passed a resolution on July 3, 2013 supporting the County's efforts to secure more matching grant funds for this area for the park's expansion (see attached). The ASLD has accepted our proposal to acquire 800 acres of reclassified State Trust land. We anticipate the land value may range between $2 million and $2.5 million. Using the high end value, Pima County's share of the cost would be approximately $1.25 million ($1,500/acre), with the 50 percent Growing Smarter matching grant covering the balance.

Options Regarding County Matching Funds

2004 bond funds earmarked for acquisitions related to Tortolita Mountain Park have been exhausted with the last purchase of 1,416 acres from the State in December 2012. There are no presently allocated County funds to match this acquisition.

There are a number of potential options, however, that are somewhat restricted or earmarked for specific purposes that are remotely connected to Tortolita Mountain Park. The closest connected funding comes from the Willow Ridge Wildlife Corridor funding in the amount of $775,000. These funds are for the purpose of wildlife corridor connections between Tortolita Mountain Park and Tucson Mountain Park. The Willow Ridge fund was created through an IGA with the Town of Marana after the Willow Ridge development, which was later annexed by the Town, was required to consult with the U.S. Fish and Wildlife Service (USFWS) for mitigation. The developer and the Town proposed the collection of a roof top fee that would be used to acquire lands near Avra Valley Road and Interstate 10 for the wildlife corridor. The USFWS was supportive of using the Willow Ridge funds for acquisition of lands to conserve the corridor. The Town entered into an agreement with the County, whereby the County would receive the Willow Ridge funds to facilitate the acquisition of these lands. At that time, the 15-acre Wexler property was identified as a priority acquisition, however the Willow Ridge fund was not fully allocated. The County then fronted the acquisition cost of $750,448 for the 15 acres with eligible 2004 conservation bond monies. It is now possible to reallocate the Willow Ridge funds to match this last Growing Smarter grant for expanding Tortolita Mountain Park given our bond funding of the Wexler property for the wildlife corridor.

The balance of the funding, match approximately $475,000, will have to come from the General Fund's excess fund balance. In most years, the year ending fund balance is greater than that projected. This year will probably be no different. Therefore, the balance of funding that may be necessary if we are unable to use other available funds would come from the excess General Fund balance after the close of Fiscal Year (FY) 2012/13. However, utilizing this General Fund one-time excess fund balance simply reduces its carrying forward into balancing next year's budget. Therefore, the most viable and predictable matching fund source for this last Growing Smarter grant would be from the excess fund balance over and above that projected in constructing the FY 2013/14 budget with the knowledge that the use of this one-time funding will not carry forward to preparing the FY 2014/15 budget.

Recommendation

Given this is the last opportunity to utilize State funds to help acquire and expand Tortolita Mountain Park, I recommend the Board of Supervisors approve the acquisition and application to State Parks for a 50 percent matching grant, including the enclosed

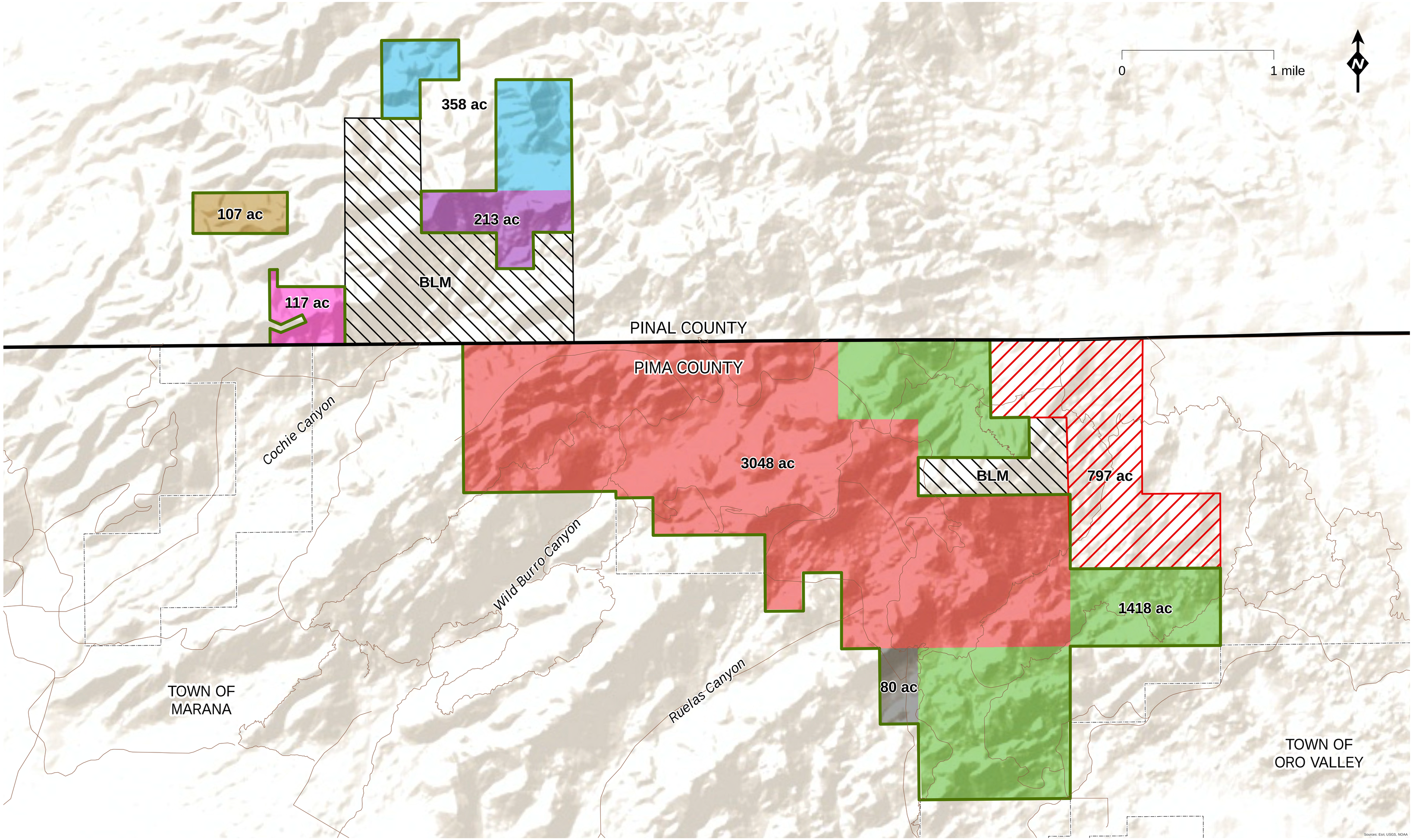
resolution, and approve the remaining needed matching funds of approximately $475,000 from the excess Fiscal Year 2012/13 budget, provided the ending fund balance is greater than that projected at the time of budget adoption for the Fiscal Year 2013/14 budget.

Respectfully submitted,

C.H. Huckelberry
County Administrator

CHH/dr (July 29, 2013)

# Establishment & Expansion of Tortolita Mountain Park - 1986 to 2013




- 1986 Establishment (1986 Bond)
- 1996 Expansion (1986 Bond)
- 1998 Leef Property (1997 Bond)
- 1999 Carpenter Ranch I (1997 Bond)
- 2002 Donation (Burleson)
- 2005 Carpenter Ranch II (2004 & 1997 Bonds)
- 2012 Park Expansion Phase I (2004 Bond/Growing Smarter/Mitigation Fees/General Fund)
- Proposed Park Expansion Phase II
- Pima County Trails Master Plan

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Pima County GIS

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JULY 20, 2013

# RESOLUTION NO. (R)13-48

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, SUPPORTING PIMA COUNTY IN CONTINUING EFFORTS TO ACQUIRE 800 ADDITIONAL ACRES OF RECLASSIFED STATE TRUST LAND FOR TORTOLITA MOUNTAIN PARK IN THE ARROYO GRANDE AREA FOR URBAN OPEN SPACE CONSERVATION AND APPLYING FOR GROWING SMARTER MATCHING GRANT FUNDS**

**WHEREAS**, the Town approved Resolution No. (R)11-26 in May 2011, to facilitate the use of 2004 voter approved bond funds for this project area for acquisition of 1,416 acres reclassified State Trust land within the Arroyo Grande Area; and

**WHEREAS**, Pima County was the successful bidder at a public auction held by the Arizona State Land Department (ASLD) on December 20, 2012, whereby the County purchased approximately 1,416 fee acres of real property in the Tortolita Mountains within the Arroyo Grande Area using also Growing Smarter matching grant funds towards half the purchase cost; and

**WHEREAS**, the ASLD is willing to sell additional acreage of reclassified State Trust land in this area at public auction; and

**WHEREAS**, Arizona State Parks has said that FY2013 will be the last grant cycle for Growing Smarter State Trust Land Acquisition matching funds; and

**WHEREAS**, the Town supports Pima County in their ongoing efforts to secure more funding for our county under the Growing Smarter matching fund program; and

**WHEREAS,** the Town supports the purchase of 800 additional acres of reclassified State Trust land, eligible for Growing Smarter matching funds, for Tortolita Mountain Park within the area known as Arroyo Grande for conservation of our unique desert habitat and expansion of recreational opportunities for community residents;

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the Town of Oro Valley, Arizona, that:

1. The Town supports both the filing for purchase of 800 acres of reclassified State Trust land for Tortolita Mountain Park within the Arroyo Grande planning area, and the filing of an application with Arizona State Parks for FY 2013 Growing Smarter State Trust Land Acquisition grant assistance towards half the purchase cost.

**PASSED AND ADOPTED** by the Mayor and Town Council of the Town of Oro Valley, Arizona this 3rd day July, 2013.

**TOWN OF ORO VALLEY**

Dr. Satish I. Hiremath, Mayor

**ATTEST**:

Julie K. Bower, Town Clerk

**APPROVED AS TO FORM**:

Tobin Sidles, Legal Services Director

PINAL COUNTY

PIMA COUNTY

11S13E04

11S13E03

11S13E02

11S13E05

Tortolita Mountain Park

11S13E09

11S13E10

11S13E11

11S13E08

N DOVE CANYON PS

N DOVE CANYON PS

W KESTER WATCH CT

11S13E17

11S13E16

11S13E15

11S13E14

Town of Oro Valley

W TORTOLITA MOUNTAIN CI

UNNAMED

N GRANITE PEAK PL

N SHADED STONE PL

W WINDY MESA DR

W MOUNTAIN MIRAGE PL

N ROCKY HIGHLANDS DR

W ROCK RANGE PL

W STONY RUN PL

N BLAZING CANYON DR

W GLOWING GRANITE PL

W TORTOLITA MOUNTAIN CI

Town of Marana

11S13E20

N TORTOLITA ESTATES DR

W TARTLERS PL

11S13E21

N GECKO CANYON TR

N GIBSON TR

N HAWK CANYON TR

W TORTOLITA VISTA LN

11S13E22

N SKYHAWK DR

11S13E23

N KINGAIR DR

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Map Extent

Pima County

# Tortolita Mountain Park Expansion Phase II - API Land

Tortolita Mountain Park

Proposed Phase II Acquisition Area (~797 ac)

Acquired at Auction 12/20/2012

Incorporated Jurisdiction

PLSS Section Boundary

N

0 500 ft

THE SEAL OF PIMA COUNTY ARIZONA

1/14/2013

**RESOLUTION NO. 2013 - _____**

**A RESOLUTION OF THE PIMA COUNTY BOARD OF SUPERVISORS APPROVING THE APPLICATION FOR GROWING SMARTER STATE TRUST LAND ACQUISITION GRANT FUNDS FOR THE PURCHASE OF 800 ACRES OF STATE TRUST LAND AT PUBLIC AUCTION TO EXPAND TORTOLITA MOUNTAIN PARK**

WHEREAS, Tortolita Mountain Park serves as the principal natural open space park for the northwest region of the Tucson Basin; and

WHEREAS, the Legislature under A.R.S. § 41-511 has authorized the establishment of the Growing Smarter State Trust Land Acquisition Grant Program providing funds to the State of Arizona and other eligible applicants for the purpose of conserving reclassified State Trust land in or near urban areas experiencing high growth pressures; and

WHEREAS, Arizona State Parks Board (BOARD) is responsible for the administration of the program within the State, setting up necessary rules and procedures governing application by local agencies under the program; and

WHEREAS, said adopted procedures established by the BOARD require local agencies to certify by resolution the approval of applications, signature authorization, the availability of local matching funds, and authorization to sign a Participant Agreement with the BOARD prior to submission of said applications to the BOARD;

NOW, THEREFORE, BE IT RESOLVED THAT THE PIMA COUNTY BOARD OF SUPERVISORS hereby:

1. Approves the filing of an application for FY 2013 Growing Smarter State Trust Land Acquisition grant assistance, subject to approval of the final appraisal by the County Administrator, for acquisition of 800 acres of State Trust land to expand Tortolita Mountain Park's eastern boundary; and

2. Agrees to comply with all applicable procedures, guidelines, and requirements established by the BOARD as a part of the application process; and

3. Certifies that Pima County will comply with all applicable state and federal regulations, policies, guidelines, and requirements as they relate to the application; and

4. Certifies that Pima County will provide matching funds of at least 50 percent of the acquisition costs, subject to the County's approval of final appraisal; and

5. Appoints the County Administrator as agent of Pima County to conduct all negotiations, execute and submit all documents including, but not limited to, the application, the Participant Agreement and any other documents that may be necessary for the completion and submission of the grant application and receipt and use of grant funds according to the terms of the grant.

PASSED, ADOPTED AND APPROVED by the PIMA COUNTY BOARD OF SUPERVISORS this _____ day of _____, 2013.

_____
Chairman of the Pima County Board of Supervisors

Attest:

_____
Clerk of the Board

Approved as to form:

_____
Christopher L. Straub
Deputy County Attorney

Approved as to content:

_____
County Administrator