



MEMORANDUM

Date: December 10, 2013

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

Re: **Property Tax Implications Associated with Open Space Purchases**

The February 2011 summary report regarding previous open space bond acquisitions entitled *Protecting our Land, Water and Heritage* includes a chapter that discusses the economic benefits of conservation. The chapter also addresses the property tax implications to the County tax base relative to public acquisition of formally privately owned properties, which was determined to be miniscule. The property tax revenue and tax base impacts of open space acquisitions will be updated again in 2014, or approximately 10 years after the last open space voter-approved bond authorization.

The table below confirms that the tax base reduction and tax loss from acquiring targeted high-value conservation lands has been and continues to be miniscule. The table includes four different ranch acquisitions completed by the County covering 119 separate parcels that total approximately 21,500 acres. The total amount of taxes that would have been paid in Fiscal Year 2013/14 had these parcels not been acquired is \$164,700, or approximately \$7.66 per acre. The tax revenue from a single acre of developed residential property, assuming three homes per acre and a median home value of \$114,700, would be \$1,749.85.

**Potential Fiscal Year 2013/14 County-related Property Taxes
From Pima County-owned Open Space Parcels.**

Property	Parcels	General Fund Taxes	Debt Service Taxes	Library District Taxes	Flood Control Taxes	Total
A7 Ranch	14	\$ 20,102.44	\$ 4,299.66	\$ 2,068.80	\$1,452.52	\$ 27,923.42
Bar V Ranch	8	39,217.81	8,466.72	4,073.80	2,860.23	54,618.56
Rancho Seco	88	44,737.21	9,517.29	4,579.28	3,215.10	62,048.88
Six Bar Ranch	9	14,529.51	3,090.98	1,487.24	1,044.19	20,151.92
Grand Total	119	\$118,586.97	\$25,374.65	\$12,209.12	\$8,572.04	\$164,742.78

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As the Board can see, the County's open space and conservation program has had no measurable impact on the tax base.

CHH/mjk

c: Nicole Fyffe, Executive Assistant to the County Administrator
Tom Burke, Director, Finance and Risk Management
Diana Durazo, Special Staff Assistant to the County Administrator