MEMORANDUM

Date: May 20, 2016

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

From: C.H. Huckelberry
County Administrator

Re: Possible Acquisition of the Frick Property – Tucson Mountain Park Expansion

Background

During the Board’s May 17, 2016 budget hearing, questions were asked about the Frick property, a down payment of which is included in my recommended budget for next fiscal year. Attached is a summary of the Frick property, including photographs and a map. It is a privately owned 276-acre property along West 36th Street, bordering Tucson Mountain Park on two sides. It is easily accessible from the 36th Street Trailhead, as well as the Explorer Trailhead in Kennedy Park. The property includes saguaro studded slopes and two washes that run from the Tucson Mountains to the West Branch of the Santa Cruz River. Those who know this area will be familiar with the old circular stone house that sits high on the ridgeline of the northwestern parcel.

The property was identified as eligible to purchase with 2004 bond funds, but at that time the owner had expectations of selling it at a price considerably higher than what the County had paid for neighboring properties. In 2014, a homebuilder had the property in escrow for $4,140,000 with a conceptual plan to build at least 366 single family homes on portions of the property. However, that deal was ultimately terminated during the due diligence period.

We have now reached a tentative agreement with the owners to purchase the property for $2,075,000, with an initial down payment of $375,000 next fiscal year, and three additional zero interest annual payments of $566,666.67. A purchase contract is currently being drafted for execution by owner and consideration by the Board. A Phase 1 Environmental Assessment is also underway.

If the Board consents to the acquisition of this property, the property would be managed as part of Tucson Mountain Park. The informal trails that exist across the property would be redesigned to create a more sustainable trail system that connects up to the existing Tucson Mountain Park trail system. The property would also serve as mitigation under the County’s Section 10 permit and Multi-species Conservation Plan. It falls within the Multiple Use category of the Conservation Lands System and includes an Important Riparian Area. It also provides habitat for several of the species covered under the permit.
Starr Pass Environmental Enhancement Fund

Funding for this property would be provided by the Starr Pass Environmental Enhancement Fund. As you may recall, the County entered into a development agreement in 1988 with Starr Pass Resort L.L.C. for the development of the J.W. Marriott Starr Pass Resort, built along the eastern boundary of Tucson Mountain Park. As part of the development agreement, the resort donated over 200 acres to the County to expand Tucson Mountain Park, provided trail access, and also entered into a revenue sharing agreement whereby the resort remits to the County an Environmental Enhancement Fee equal to two percent of room rent charges and other purchases made by guests and users of the property for a period of 20 years. Collections started in January 2005 and we are currently in Year 11. For the first ten years of the collection period, 25 percent of the allocation went to the County and 75 percent went to the resort. During the second half of the collection period, the allocation was reversed, with the County now receiving 75 percent of the allocation. To date, the County has received $3.6 million. It is projected that the revenues for this fiscal year will total $790,000. I expect that future year revenues will increase based on the recovery of the tourism industry. Grant funding is also being sought for the Frick property, which could ultimately reduce the amount of Starr Pass funds spent on the property and expedite payment of the property balance at a quicker rate.

The Starr Pass revenues are to be spent on expanding and enhancing Tucson Mountain Park, with priority to be given to acquisitions that conserve important natural areas between the Park and the Santa Cruz River. These revenues were used to acquire the Sweetwater Canyon property; a 187 expansion of the Sweetwater Preserve in the eastern foothills of the Tucson Mountains. In addition to the down payment for the Frick property, my recommended budget for next fiscal year also includes the use of Starr Pass revenues for the next Painted Hills payment; the 286-acre property purchased in 2014 and paid for to-date with voter approved 2004 bond funds. In addition, it includes funding to develop a basic trailhead on Painted Hills. After final payments for the Frick and Painted Hills properties, it is projected that additional $2 million or more in revenues will be generated by Year 20 for other eligible expansions or improvements to the Park.

CHH/dr

Attachment

c: John Bernal, Deputy County Administrator for Public Works
   Chris Cawein, Director, Natural Resources, Parks and Recreation
   Linda Mayro, Director, Sustainability and Conservation
   Nicole Fyffe, Executive Assistant to the County Administrator
   Diana Durazo, Special Staff Assistant to the County Administrator
Frick Property
Tucson, Arizona

Overview
The Sonoran Desert and its sky island mountain ranges are a hotspot for plant and wildlife diversity, and serve as a natural playground for a variety of outdoor recreational opportunities. Pima County owns and manages mountain parks and conservation areas around the Tucson metropolitan area. The 276-acre Frick property is privately-owned and located in the eastern foothills of the Tucson Mountains, just west of downtown. This area is known for its iconic saguaro studded slopes, rocky outcrops and scenic vistas. A diversity of wildlife are often seen in and around the neighboring Tucson Mountain Park, including recent sightings of bighorn sheep.

Plants, Wildlife and Water
The Frick property contains classic Sonoran Desert Uplands vegetation of saguaro, palo verde, ironwood, and mixed cacti that is home to the Sonoran desert tortoise, a Priority Vulnerable Species for Pima County’s Multi-species Conservation Plan. A recent tortoise nest site and recently used tortoise shelters on the property, show that the property provides important tortoise population connections for tortoises in Tucson Mountain Park. Rocky outcrops on the west portion of the property also may contain talus snails, another Priority Vulnerable Species. The property contains xeroriparian washes that may provide habitat for several other Priority Vulnerable Species such as Abert’s towhee, rufous-winged sparrow, and Arizona Bell’s vireo. The property also provides habitat for a diversity of native wildlife including mule deer, coyote, javelina, grey fox, cottontail rabbits, black-tailed jackrabbits, bobcats, over 40 species of native birds and over a dozen different reptiles and amphibians.

Despite some ground disturbance on the western parcel associated with an old stone house and ongoing trespass ATV activity on the eastern parcels, the hydrological function of the property appears to be in relatively good condition. The San Juan and Enchanted Hills washes cross the property, originating on the slopes of the Tucson Mountains and flowing into the West Branch of the Santa Cruz River. Because of the important natural vegetation communities and hydrological features, the geographic location of the Frick property makes it a priority acquisition to enhance wildlife corridors.

Recreation and Public Access
The property is easily accessible to adjacent neighborhoods, visitors to the nearby J.W. Starr Pass Marriot Resort, as well as the larger metropolitan area. Two of the parcels directly abut Tucson Mountain Park and its 60+ mile trail system. The western parcel can be accessed by an existing trailhead. The southern parcel abuts another part of Tucson Mountain Park, with trails connections to the Robles Pass section of Park, as well as the City of Tucson’s more developed Kennedy Park. 36th Street and Mission Road provide easy access from The Loop – Pima County’s multi-use path system that circles the City.
The Sonoran Desert Conservation Plan: Pima County’s Commitment to Conservation & Economic Development

The Sonoran Desert Conservation Plan (SDCP) is Pima County’s community-developed, long-term vision for protecting the heritage and natural resources of Pima County. Adopted in 2001, the SDCP has fueled a diversity of conservation actions including land acquisition, policy changes, environmental education, and land management and monitoring. Pima County has a proven record of conserving ranches and other important natural areas for long-term conservation and recreation. These properties also serve as mitigation for public and private development impacts to endangered species, per the County’s new Federally-authorized Section 10 permit and Multi-species Conservation Plan. The County currently owns or manages over 230,000 acres for conservation, the majority of which has been acquired since 1997 using voter-approved bond funds exceeding $200 million.