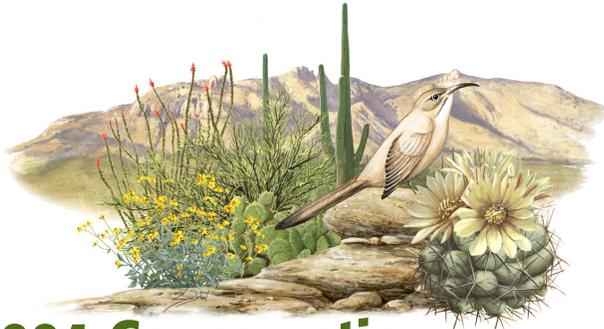


Land Conservation Programs and Property Highlights



2004 Conservation Acquisition Bond Program

Program Period: 2004 to 2010
50 individual properties acquired
45,300 acres acquired
127,000 acres managed under grazing leases and permits
\$164.3 million authorized by voters on May 18, 2004
\$157 million spent
\$1.1 million in grant funding spent
\$3,500 average per acre price

The 2004 Conservation Acquisition Bond Program was included on the May 18, 2004 election ballot as part of Question 1: Sonoran Desert Open Space and Habitat Protection; Preventing Urban Encroachment of Davis-Monthan Air Force Base; and authorizing the sale of \$174.3 million in bond funds for such purposes.

Planning

When the Steering Committee for the Sonoran Desert Conservation Plan completed their work in 2003, their recommendations included, among other items: (1) a bond election to acquire property for conservation, (2) a map of approximately 525,000 acres of the highest priority biologically important lands in eastern Pima County to begin purchasing through such a bond election, and (3) recognition that additional lands important to the community should also be included in such a bond election.

The Board of Supervisors adopted the Steering Committee's recommendations and immediately directed staff to begin preparations for a May 2004 bond election. This included the appointment of the Conservation Bond Advisory Committee to develop more specific recommendations on properties, funding amounts, and guidelines for the program. This nine member Committee held 17 public meetings over a 3-month period and developed the 2004 Conservation Bond Program Proposal dated October 2003.

After consideration by the Pima County Bond Advisory

Committee and the Board, who were also faced with the task of determining bond-funding amounts for other public facilities such as libraries and courts, the questions that went before the voters included Question 1 for \$174.3 million for land conservation. These funds were to be spent on the highest priority biological lands known as the Habitat Protection Priorities, other important lands referred to as Community Open Space properties, lands specifically requested by cities and towns, and \$10 million for the purchase of land in the approach and departure corridors of Davis-Monthan Air Force Base to prevent urban encroachment.

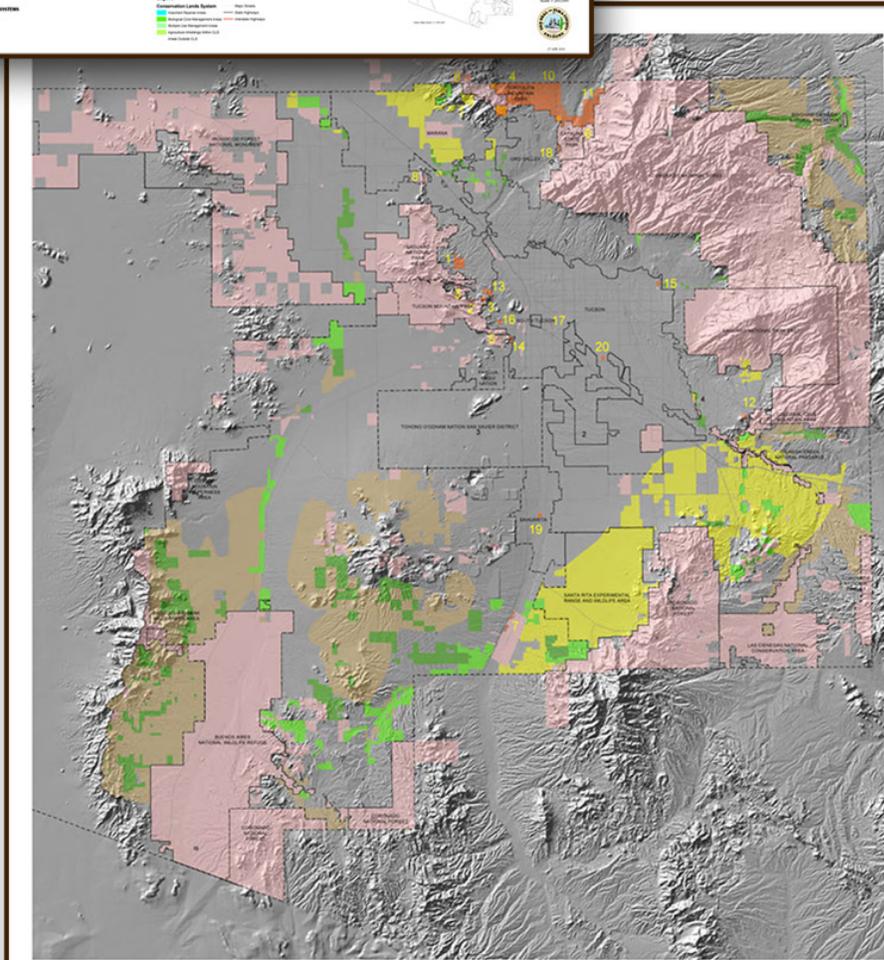
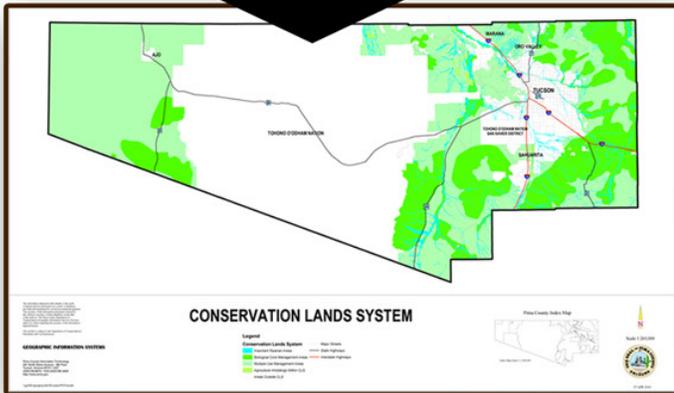
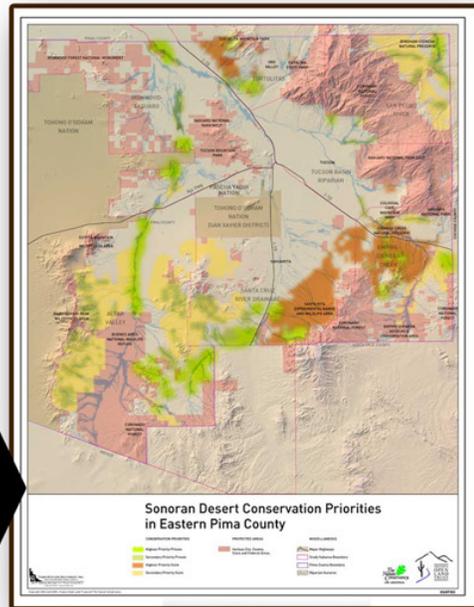
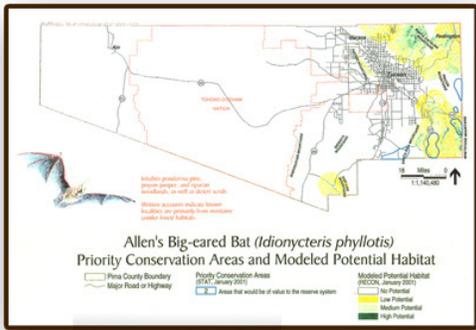
Information provided to voters by the County was clear to point out that the amount of acreage identified as eligible for purchase far exceeded what could be purchased with \$174.3 million, and that additional funding allocations would be needed in the future to fully achieve the goals of the Sonoran Desert Conservation Plan. On May 18, 2004, voters approved Question 1 authorizing \$174.3 million for land conservation by a margin of 65 percent.

Selection of the Eligible 2004 Conservation Acquisition Bond Properties

The map showing which properties would be eligible for purchase with the 2004 bond funds was a direct result of the scientifically driven Sonoran Desert Conservation Plan process. As depicted in the series of maps on the right, it began with plant and wildlife experts identifying suitable habitat for each particular Priority Vulnerable Species. All of the species maps were then laid upon each other to determine which areas of the County contained important habitat for the most species. Areas that contained habitat for three or more of these species, and five or more of these species, were then used to shape the biologically preferred alternative that is now known as the Maeveen Marie Behan Conservation Lands System (CLS). The CLS was adopted by the County to guide development and conservation decisions.

In eastern Pima County, the CLS includes about two million acres. Half of these two million acres were already protected as part of local, state, and federal reserves at the time the County adopted the CLS in 2001. In 2003, The Nature Conservancy and the Arizona Open Land Trust (now Arizona Land and Water Trust) applied selection criteria and goals to the 1 million acres in the CLS in eastern Pima County that was not yet conserved. The result was the selection of 525,000 acres of the most important lands to conserve first. These were called the Sonoran Desert Conservation Priorities, and later known as the Habitat Protection Priorities.

During the planning process for the 2004 bond election, these Habitat Protection Priorities were combined with other properties important to the community, as well as properties requested by cities and towns, to form the properties eligible to purchase as part of the 2004 Conservation Acquisition Bond Program.



Pima County's 2004 Conservation Bond Program

Habitat Protection Priorities

- Highest Priority Private
- Secondary Priority Private
- Highest Priority State
- Secondary Priority State

Community Open Space Priorities

1. Souderton Park
2. Canyon del Oro
3. Tucson Museum Park
4. Tucson Museum Park
5. Catalina Conservation Easements
6. Catalina Ranch
7. Catalina Ranch
8. Catalina Ranch
9. Catalina Ranch
10. Catalina Ranch
11. Catalina Ranch
12. Catalina Ranch
13. Catalina Ranch
14. Catalina Ranch
15. Catalina Ranch
16. Catalina Ranch
17. Catalina Ranch
18. Catalina Ranch
19. Catalina Ranch
20. Catalina Ranch

Urban Open Spaces Requested by Jurisdictions

15. Agua Caliente
16. Agua Caliente
17. Agua Caliente
18. Agua Caliente
19. Agua Caliente
20. Agua Caliente

Davis-Monthan Environs Open Space

21. Davis-Monthan Environs Open Space

Protected Areas

- Riparian Areas
- Administrative Boundaries
- Major Streets

(a) Parcels exceed acreage stated in Bond Implementation Plan
 (b) Parcels to be determined

Pima County Index Map

Scale: 1:500,000

TECHNICAL SERVICES

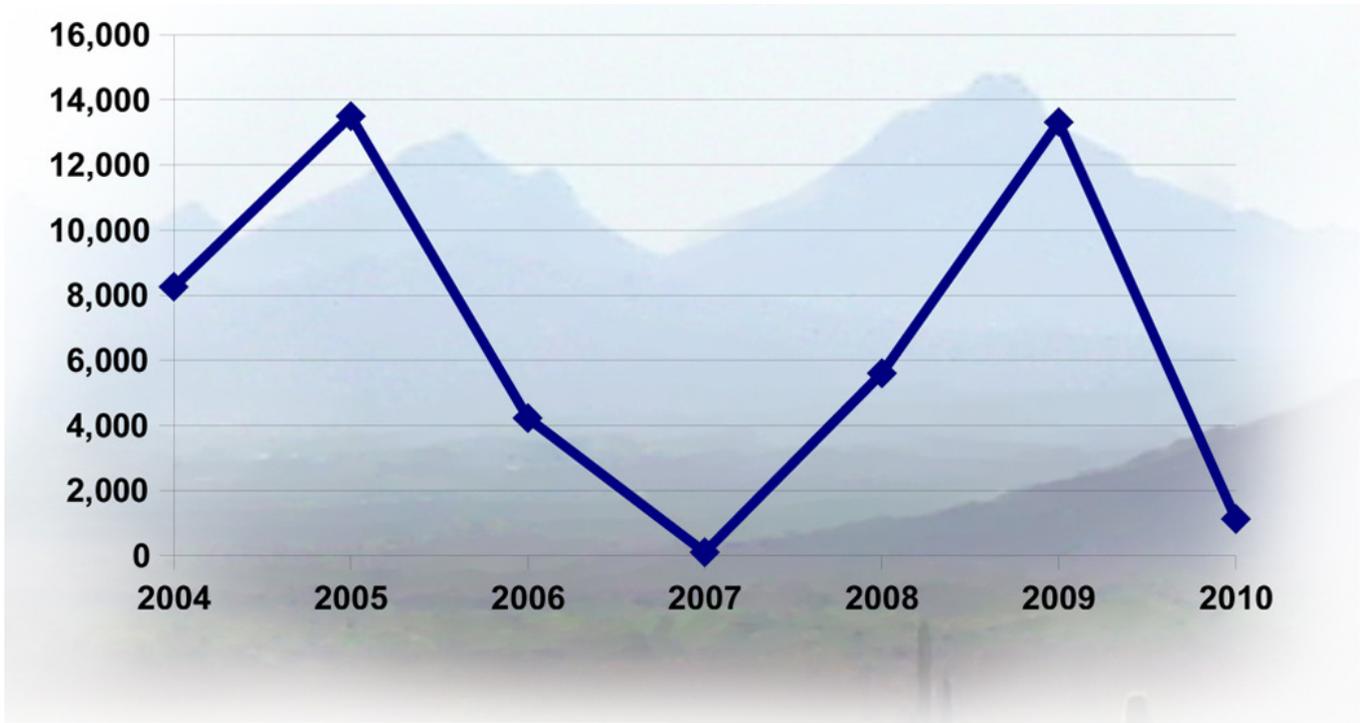
Pima County Technical Services
 201 North Stone Road - 1st Floor
 Tucson, Arizona 85710-1207
 (520) 744-6611 FAX: (520) 798-1429
 Web: www.pima.gov

Scale: 1:500,000

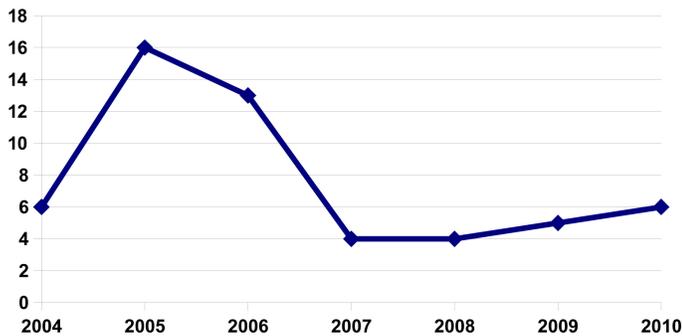
Map Date: 04/2004

Land Conservation Programs and Property Highlights

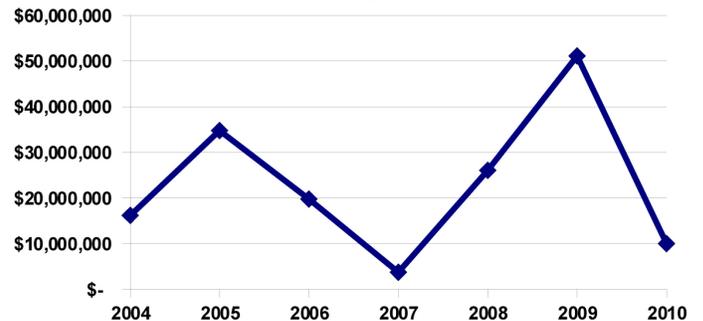
Number of Acres Purchased



Number of Individual Properties Purchased



Dollars Spent



Purchasing Trends over Time (2004-2010)

In reviewing the charts above, some general observations can be made regarding purchases that took place before, during and after 2007. Before 2007, the County purchased a high number of smaller sized properties, along with a few large ranches, at a cost of just less than half of the total dollars spent. After 2007, the County purchased far fewer properties, but with some of these properties being much larger in size, at a cost of just over half of the total dollars spent. In 2007, the County purchased the fewest properties, totaling the fewest number of acres, with the fewest amount of dollars spent in any of the other years.

Some general observations can also be made regarding what contributed to the County's purchasing trends during this time period. Towards the end of 2006, property values began to drop and discrepancies between landowners' price expectations and appraised values led to a reduced number of sales in the market, and a reduced number of sales between Pima County and potential sellers. Many potential sellers held on to properties with hopes that the market would rebound in the short term. Beginning in 2008, the County was able to successfully negotiate the purchase of some key large properties. Owners of smaller properties, who had high expectations of value during

the first half of the program, sold properties to the County at substantially lower prices. As a result, during the second half of the program, the County was able to take advantage of reduced prices on some properties and purchase a few large ranches or portions of ranches from owners who previously had not been willing to sell.

The types of properties purchased over this time period varied. Initially, the County purchased properties that were in various stages of negotiation prior to the bond election. These included a couple of properties in and around the Tucson Mountains, and the purchase of A-7 Ranch in the San Pedro Valley from the City of Tucson. The Conservation Acquisition Commission then proposed that the County begin to target particular riparian areas, followed by large unfragmented and undeveloped properties, most of which were working ranches. These included properties along Agua Verde Creek, Agua Caliente Wash and Brawley Wash, and several ranches located in Cienega Valley, Northern and Southern Altar Valleys and the Tortolitas. Due to high development pressures at the time, many smaller properties along the eastern slopes of the Tucson Mountains were then acquired, in effect expanding Tucson Mountain Park. Following this, a number of purchases were made that also expanded Colossal Cave Mountain Park and Cienega Creek Natural Preserve in the Cienega Corridor. Key properties within the Tortolita Mountains and the Tortolita piedmont area northwest of Tucson were then actively targeted. After assessing the progress made in acquiring various types of habitats across Pima County, staff noted a shortfall in the number of properties conserved with high quality grasslands and the federally endangered Pima pineapple cactus. This led to the final large purchases of the program, which included working ranches in the Cienega Corridor east of the Santa Rita Mountains, and the Altar and Upper Santa Cruz Valleys southwest of Green Valley, containing a significant amount of high quality grasslands and Pima pineapple cactus habitat. This included a portion of the 114,000-acre Marley Ranch, one of the largest working ranches remaining in Southern Arizona, as well as options to acquire the remainder of the ranch by 2014. Finally, 150 acres was acquired at the confluence of the Tanque Verde Creek and Agua Caliente Washes in Northeast Tucson, as well as a key property in the wildlife corridor along Oracle Road north of Oro Valley.

The land conservation program was implemented in both a pro-active and opportunistic fashion. In some cases, the County or our partner organizations contacted property owners directly. In other cases, owners heard about the program and contacted the County or our partners. Extensive information and data was collected on the properties in order to determine whether to purchase the properties. This included appraisals, biological and cultural assessments, management considerations, environmental hazard assessments, development scenarios, and many maps and photographs. Not only was this data needed to determine whether to purchase a property, but it is also used to establish

a baseline for long-term management of the properties. Much of this information is provided in the property highlights in this report.

The process of targeting properties for purchase and evaluating requests from sellers, was and continues to be overseen by the 11 member Conservation Acquisition Commission, and governed by the terms of the County's Bond Implementation Plan Ordinance and Truth in Bonding Code. The Commission met 53 times between June 2004 and August 2010, and will continue to meet as necessary. More information on the Commission can be found at the end of this report.

Summary

In total, 50 individual properties were acquired under this 2004 bond program, totaling 45,300 acres in fee, and another 127,000 acres in State grazing leases and federal grazing permits. \$157 million of the \$164.3 million has been spent, and the average cost per fee acre was about \$3,500.

2004 Conservation Acquisition Bond Program Use of Funds

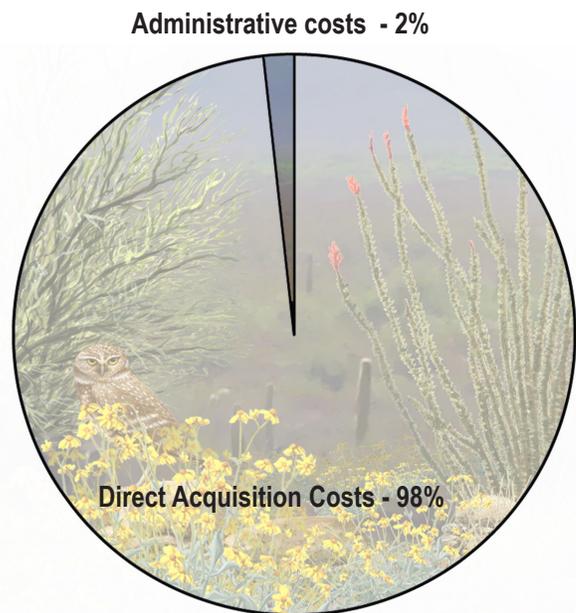


Chart illustrates amounts spent for all due diligence and administrative costs and actual purchase costs for the 2004 Conservation Bond Program.