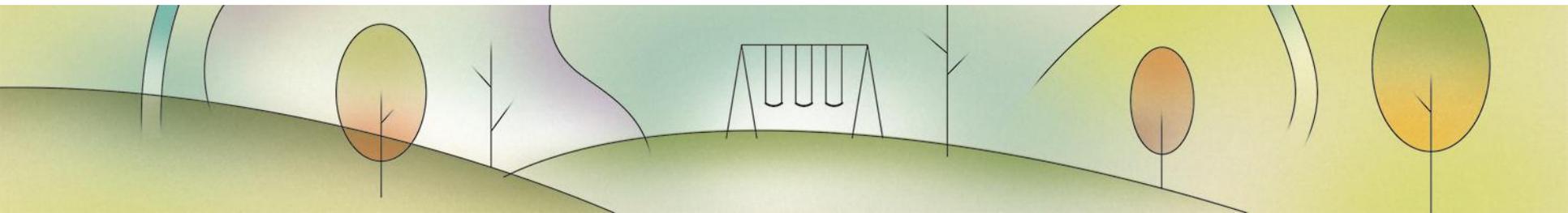




Investing in Pinal's open space & trails

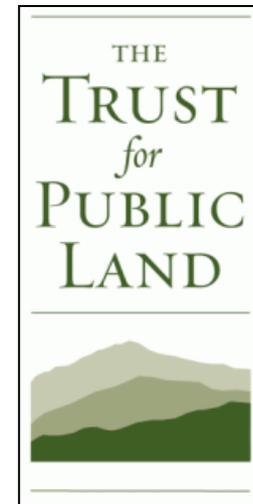
OPTIONS FOR INVESTING IN PINAL COUNTY – APRIL 16, 2014

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Conservation funding in Pinal -- overview

- Pinal's open space & trails assets have value
- Pinal County has conservation needs to protect those natural assets
- Options for investing in those natural assets
- Growth continues
- Other Arizona efforts



Economic benefits of Pinal's open spaces

THE ECONOMIC BENEFITS
OF OPEN SPACE AND TRAILS
IN PINAL COUNTY, ARIZONA



THE TRUST *for* PUBLIC LAND
CONSERVING LAND FOR PEOPLE

- Park tourism
- Direct recreational use value
- Promoting human health
- Enhanced property value
- Water supply
- Preventing/fighting wildfires
- Agriculture
- Economic development

Pinal's natural assets add up

Table 1. Summary of Estimated Annual Benefits of Parks, Trails, and Protected Open Space in Pinal County

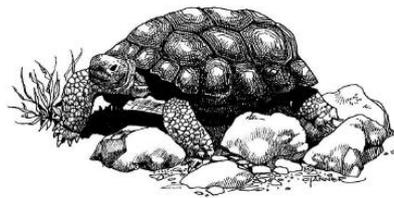
| Benefit Category | Benefit Subcategory | Land Category | Pinal County Total |
|-----------------------------------|--------------------------------|--|---|
| Recreation and Tourism | | | |
| Outdoors tourism value | Tourist spending | Parks and trails | \$36,500,000 |
| | Sales tax on tourist spending* | Parks and trails | \$672,000 |
| Direct use value | | Parks and trails | \$100,000,000 |
| Human health value | | Parks and trails | \$12,100,000 |
| Government Cost Savings | | | |
| Enhanced property value | Additional property value* | Parks and protected open space | \$190,000,000 |
| | Additional property tax | Parks and protected open space | \$2,720,000 |
| Water Supply | | Parks, protected open space, and trust lands | Land conservation can protect and conserve drinking water supplies. |
| Preventing and fighting wildfires | | Parks, protected open space, and trust lands | 147,000 acres of parks and protected open space are at high risk of wildfire, an additional 159,000 acres of state trust land are at high risk. |
| Agriculture | | | |
| Agricultural value | Sales of agricultural products | Open space | \$700,000,000 |

* Additional property value is a one-time boost to the properties' value and does not accumulate each year. Sales tax on tourist spending is a subset of tourist spending. All other benefits accrue annually.

Understanding Pinal County needs



**WINKELMAN
NATURAL RESOURCE CONSERVATION DISTRICT
CONSERVATION PLAN
FOR**



**THE
SONORAN DESERT TORTOISE
(GOPHERUS MORAFKAI, FORMERLY
GOPHERUS AGASSIZII)**

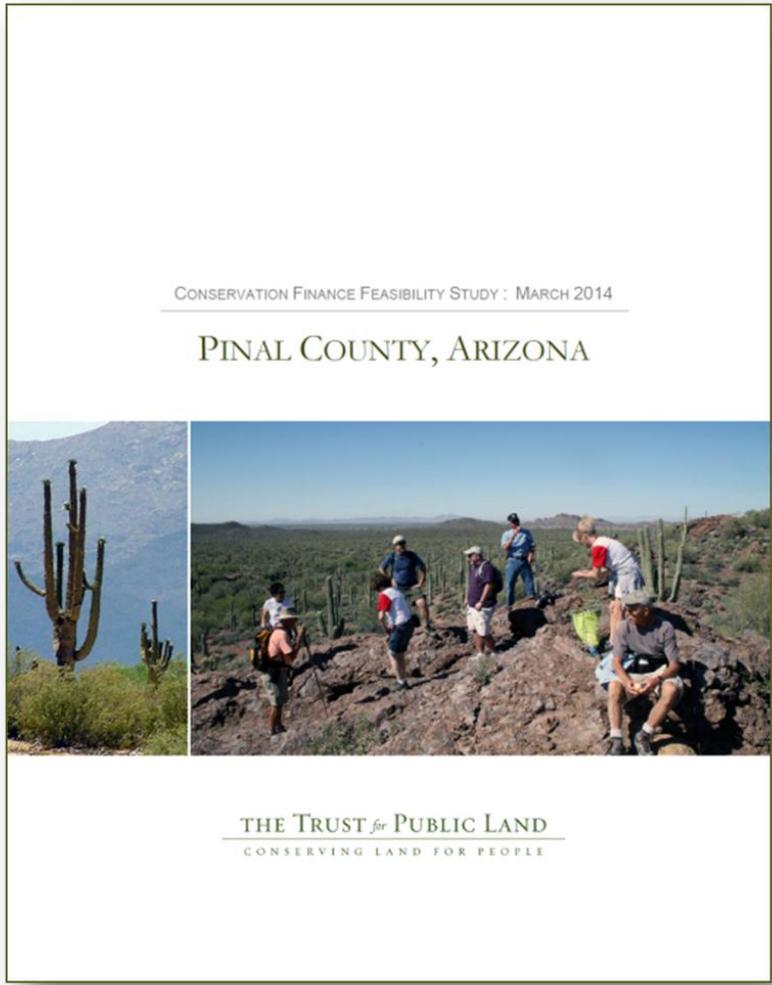
Pinal BOS creates Open Space & Trails Dept





Pinal County asks for “technical advice and assistance”





- Governance/fiscal status
- Open space/trails needs
- Conservation options
 - Property tax
 - Bonds
 - Sales tax
- Election analysis
- Ballot referral process

Secondary property tax – option #1

| Estimated Revenue and Cost of Secondary Property Tax Levy | | | |
|---|--------------------|----------------|--------------------------|
| Tax Increase | Taxable Valuation* | Annual Revenue | Cost /Year/ Avg. Home ** |
| 0.10 | \$2,005,151,766 | \$2,005,152 | \$16.81 |
| 0.15 | \$2,005,151,766 | \$3,007,728 | \$25.22 |
| 0.20 | \$2,005,151,766 | \$4,010,304 | \$33.62 |
| 0.25 | \$2,005,151,766 | \$5,012,879 | \$42.03 |
| 0.30 | \$2,005,151,766 | \$6,015,455 | \$50.44 |

**Total net assessed valuation for 2014.*

***Based on median sale price of \$168,123. Does not include exemptions.*

GO Bond – option #2

Pinal County Bond Financing Costs

Assumes a 20-year bond issues at 5.0% Interest Rate

2014 Net Assessed Valuation (AV)= \$2,,005,151,766

| Bond Issue | Annual Debt Svce | Tax Increase | Cost/ Ave./ Household* | Cost/ \$250K/ Home |
|-------------------|-------------------------|---------------------|-------------------------------|---------------------------|
| 10,000,000 | \$802,426 | 0.04 | \$7 | \$10 |
| 20,000,000 | \$1,604,852 | 0.08 | \$13 | \$20 |
| 40,000,000 | \$3,209,703 | 0.16 | \$27 | \$40 |
| 50,000,000 | \$4,012,129 | 0.20 | \$34 | \$50 |
| 70,000,000 | \$5,616,981 | 0.28 | \$47 | \$70 |

***Based on median sale price of \$168,123. Does not include exemptions.*

Growth continues... 1.3 million by 2050

Population Projections 2012-2020; Pinal & Surrounding Counties

| Year | Arizona | Pinal County | Maricopa County | Pima County | Cochise County | Gila County | Santa Cruz County | Graham County |
|----------|-----------|--------------|-----------------|-------------|----------------|-------------|-------------------|---------------|
| 2012 | 6,498,600 | 389,200 | 3,884,700 | 990,400 | 130,800 | 53,600 | 48,700 | 37,300 |
| 2020 | 7,485,000 | 493,200 | 4,506,900 | 1,100,000 | 142,400 | 55,700 | 55,700 | 41,200 |
| % Change | 15% | 27% | 16% | 11% | 9% | 4% | 14% | 10% |

Source: Pima County Assn of Gov'ts

Open opportunity...

CNBC: Top States for Business 2013

“The best places to do business are also the best places to live.”

Arizona ranked 29th for Quality of Life

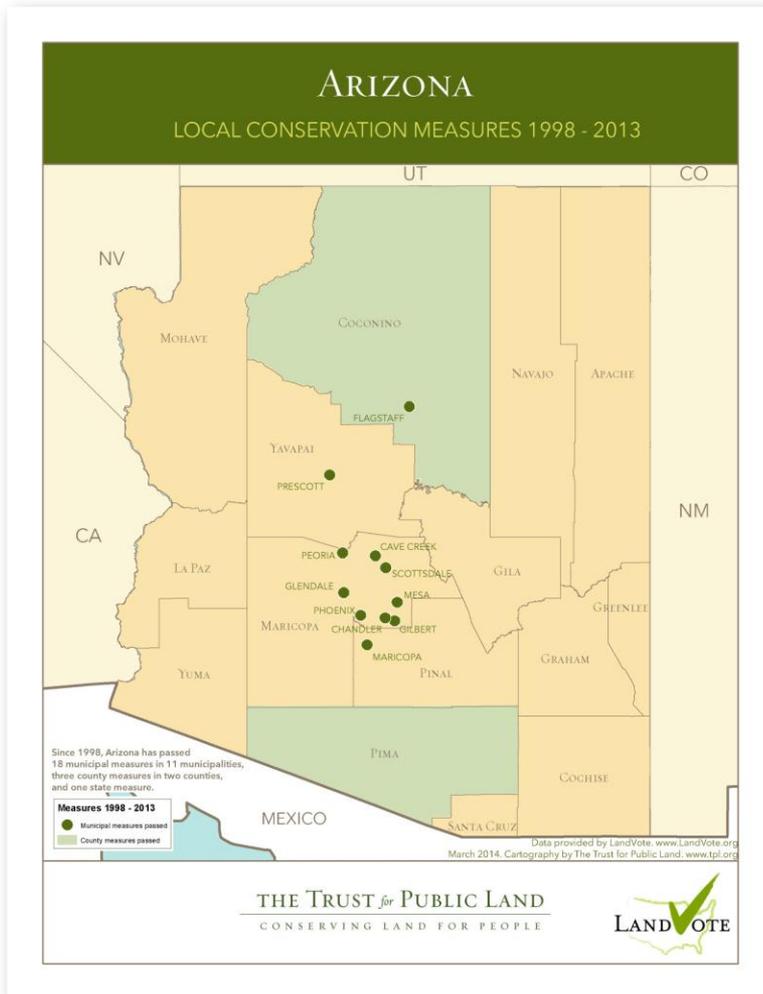
Natural assets + Economic development =



P I N A L • C O U N T Y
wide open opportunity

THE TRUST *for* PUBLIC LAND
LAND FOR PEOPLE

Local Arizona conservation success since 1996



- 23 measures, 23 successes
- 13 different jurisdictions, including Coconino & Pima Counties
- \$2.7 billion



Dee Frankfourth & Wendy Muzzy

Conservation Finance Program

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