

MEMORANDUM

Date: May 13, 2024

To: The Honorable Chair and Members

Pima County Board of Supervisors

From: Jan Leshor

County Administrator

Re: Additional Information for the April 16, 2024 Board of Supervisors Meeting - Agenda Item #40 - C-2 Area Company LLC Property REPI Easement Acquisition and the Davis-

Monthan Air Force Base Approach/Departure Corridor

Below is the information in response to Supervisor Christy's questions from the April 16, 2024 Board meeting agenda item 40 regarding the purchase from a willing seller of a restrictive development easement from a private property owner using federal monies awarded to Davis-Monthan Air Force Base (DMAFB) from the Department of Defense under the Readiness and Environmental Protection Integration (REPI) grant program. Funding from the REPI program is specifically for the prevention or mitigation of incompatible encroachment on military installations. Supervisor Christy also asked about DMAFB's Approach/Departure Corridor (ADC), also known as the 'Paddle' area, and whether the current level of development restrictions in the ADC are still necessary since the F-35 mission was not ultimately based at DMAFB.

Background

Established in 1940 as a military air base at the beginning of World War II, DMAFB has been a major cornerstone of our community for decades. Tucson's excellent weather for flying conditions almost year-round and its proximity to the Barry M. Goldwater Range contributes to its importance to the Air Force for training and testing.

Today, DMAFB is the fourth largest employer in Pima County, employing thousands of airmen, civilians, and contractors in our community. Additionally, 71 percent of base personnel live off base and in our community. According to the 2023 Economic Impact of Arizona's Principal Military Operations Report completed by the Maguire Company and released by the Governor's office earlier this year, DMAFB adds almost \$2.6 billion to the local economy annually and generates over \$40 million in local tax revenues. DMAFB's economic impact in our community is substantial and cannot be overstated.

Over the years, our community has grown exponentially, adding residential, commercial, and industrial uses across the area. A significant amount of the growth has been adjacent to the base, including Rita Ranch, the University of Arizona Tech Park and the Port of Tucson to name a few. DMAFB is considered an urban base, surrounded by a broad mix of development. Of most importance to Air Force installations, however, is limiting incompatible development that encroach on the approach and departure corridors. For DMAFB, these corridors are

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integral to the base's mission, operations, training and readiness. Without them, the long-term viability of the base is compromised.

Joint Land Use Study

Issues over noise and incompatible development encroachments are two considerable threats to military installations. The Department of Defense's Joint Land Use Study (JLUS) program was created to assist communities with military installations. The JLUS is essentially a planning effort that brings together local governments, stakeholders and military installations to formulate recommendations and a policy framework that supports adoption and implementation of compatible development measures into local land use regulations. These measures address the health and safety of both the public and on-base personnel, ensure long-term viability and sustainability of installation missions and promote compatible continued economic growth.

Recognizing the adverse impacts of encroachment and the significant economic impact of our military installations in Arizona, the State passed legislation in 2001 mandating that municipal general plans and county comprehensive plans must identify areas within high-noise and accident potential zones and required that land development within these areas be compatible with military airport operations. Subsequently, in 2003, the Arizona Department of Commerce and Department of Defense (DoD) sponsored the DMAFB JLUS as part of the State's Arizona Military Regional Compatibility Project, which was a statewide endeavor to address land use compatibility issues as mandated.

The DMAFB JLUS effort was an extensive public process and resulted in the development of compatibility criteria for the Noise Contour areas and the Approach/Departure Corridor, or "Paddle" area, which were adopted by both the City of Tucson and the County, revising the Airport Environs Overlay Zone and land use codes to meet the objectives of the JLUS to protect the base against incompatible encroachment. A Policy Advisory Committee was established for the JLUS process including representatives from school districts, chambers of commerce, PAG, homeowners associations, and local jurisdictions, as well as planning consultants, businesses and regional developers. It should be noted that any development plans and other land use changes done prior to the adoption of the JLUS criteria were grandfathered in, which can carry the potential for incompatible development.

The Paddle consists of the ADC-2 and ADC-3 designations, with ADC-2 being more restrictive than ADC-3 since it encompasses the Accident Potential Zone area. The permitted and prohibited land uses and safety requirements of the ADCs are identified in, and enacted through, the Pima County Zoning Code. Most importantly to Supervisor Christy's question, the Paddle was not planned for any one mission. It was planned to sustain current missions as well as allow for future mission growth.

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At the April 16, 2024, Board meeting, Supervisor Christy commented about hearing from developers and asked about the burdens placed on the development community due to these restrictions. The County has heard from a few developers in the past regarding their specific projects and the ADC. These included projects for residential development, and in one case high density residential, that would have encroached on the ADC. This type of high-density residential development is a concern in this area given close proximity to DMAFB operations.

Examples of other proposed development projects that are prohibited under the ADC are the storage or use of hazardous flammable materials. For obvious reasons, these are prohibited uses in the ADC. In all cases, DMAFB and County staff were more than willing to meet with all project proponents to fully understand projects and explore any possible alternatives or configurations (except for allowing prohibited uses). These types of proposals are not the norm.

At every juncture through the development and application of requirements, our community advocacy partners, such as DM50 and the Southern Arizona Defense Alliance, have been vital advocates and supporters of the base. DM50, in particular, formed in 1986 for the purpose of protecting DMAFB from closure. Through the years, DM50 has been a staunch supporter of city and county efforts to protect the base, including the adoption of prudent land use regulations to limit incompatible uses. They are a non-profit, volunteer services organization comprised of over 100 local civic and business leaders that work to educate the community on the vital role DMAFB plays in not only our region but the nation.

For over 15 years, the development restrictions within the ADC have been in place and guiding development in these critical areas. During this time, growth in the Paddle has not been stymied, with newly developed industrial and manufacturing being the primary users in this area. More recently, this includes the approved development of 1.2 million square feet of future industrial shell space located in the ADC-2, just east of the University of Arizona Tech Park. Additionally, the Arizona State Land Department successfully master-planned the H2K Specific Plan within the ADC-3 on 700 acres of State land located near Houghton Road and Interstate 10, within the City of Tucson.

DMAFB and County planning efforts have supported continued compatible growth in the Paddle area.

REPI Program

Through the years, there have been several County-supported efforts taken to protect DM. In keeping with the JLUS findings and the community's support for DMAFB, voters approved \$10 million in the County's 2004 bond program for encroachment prevention in the ADC

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(Paddle). The County successfully acquired 15 properties, totaling 460 acres within the ADC, with many of these located inside the Accident Potential Zone.

In 2016, DMAFB partnered with Pima County, entering into an Encroachment Management Agreement (EMA), to pursue Federal Department of Defense (DOD) REPI grant funding. The REPI program is a key tool for addressing development encroachment that can limit or restrict military training, testing and operations. REPI is able to support and protect missions by helping mitigate or prevent land-use conflicts near installations by purchasing development easements from willing sellers, which not only protects the Base but also maintains and improves opportunities for mission growth. The JLUS and the REPI program are complimentary as compatibility issues identified through JLUS can be mitigated through REPI.

Since 2016, DMAFB has been awarded \$8.4 million in REPI funds, largely due to the County's ability to leverage the past \$10 million in bond funds invested in encroachment prevention in the ADC as the grant match. The EMA set forth the terms for the County to act on behalf of the Base to acquire property development easements using federal REPI funds.

To date, the Board has unanimously approved DMAFB and the County's successful purchases of REPI-funded development easements from willing sellers at appraised value, removing incompatible uses on 100 parcels totaling 150 acres in the Accident Potential Zone and the ADC-2.

The C-2 Area Company LLC property easement agreement that was before the Board on April 16, 2024, is the last purchase from a property owner using the remaining DMAFB federal funds under the DMAFB/Pima County REPI program. DMAFB and County staff support the approval of this item at the scheduled May 21, 2024 Board meeting.

Additionally, there is another REPI easement (6991 LLC) that will also be on the May 21, 2024, Board agenda, but unlike the others, it will not be a purchase. This is a new restrictive development easement that the owner is willingly offering to DMAFB in exchange for the modification of an existing easement on adjacent property that allows the owner to expand his business - no monies would be exchanged. DMAFB agreed to this easement modification as it: 1) allows for the owner to expand an existing compatible use; and 2) gives DMAFB an additional development easement adjacent to the Accident Potential Zone at no additional cost.

DMAFB Mission Status

At the April 16, 2024 Board meeting, Supervisor Christy asked whether the level of ADC restrictions are still applicable given that the F-35 mission was not ultimately based at DMAFB. As stated previously, the ADC was not planned to just fit any one mission, to avoid

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limiting the Base from future training and testing capability and future mission growth. A prime example today is the Air Force divesting the entire A-10 fleet at DMAFB over the next three to five years. DMAFB and the community's forward-planning and protection efforts have helped to position the base to be able to absorb new missions. The DM50 has made similar comments regarding their organization not being focused on any one asset, but instead DM50 is focused on ensuring future missions and flying missions for DMAFB and supporting the airmen and their families that are there.

As has been reported, the Air Force announced a new Special Operations Wing coming to DMAFB. The new 492nd Power Projection Wing will replace the A-10 mission at DMAFB. The new Wing is part of the Air Force Special Operations Command (AFSOC), which will include bringing units from around the country. The transitions will occur over the next 5 years pending an environmental impact analysis. They have indicated that DMAFB will maintain a similar sized workforce as it has today, despite changes to their mission.

DMAFB hosts a range of other missions, including a large contingent of combat search-and-rescue units, the Air Force's only electronic combat squadron, and the command headquarters for the 12th Air Force, flight training and the 309th Aerospace Maintenance Regeneration Group, otherwise known as the 'boneyard', the nation's largest for decommissioned military aircraft. DMAFB will also see their rescue operations and assets grow.

I can provide you with periodic updates as information on the status of the new mission and other DM-related community activities is available.

JKL/je

c: Carmine DeBonis, Jr., Deputy County Administrator Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer Steve Holmes, Deputy County Administrator Jeffrey Teplitsky, Director, Real Property Services Department Diana Durazo, Senior Advisor, County Administrator's office