

Remarks by Bruce Babbitt

Arizona Town Hall

October 29, 2007

I am pleased to return once again to Grand Canyon and to join you at this Town Hall session on this beautiful October day.

When I first attended Town Hall, Arizona counted fewer than two million residents. Today, Arizona is home to more than six million residents. And we are likely to have fifteen million by 2050.

These dramatic increases underline both the urgency of the subject we are discussing — Land Use — and the importance of the Town Hall process. In past years Arizona has benefited greatly from the informal networks of business and political and community leaders that help to generate understanding and build consensus. And as Arizona becomes a mega-state it will be both more difficult and ever more important to foster and encourage these leadership networks.

Our topic, Land Use: Challenges and Choices for the 21<sup>st</sup> Century, is so large and expansive a subject that I cannot hope to give it comprehensive treatment. So perhaps I may be forgiven for speaking to just one part, the area that I know best from personal history, from my time as your Governor, and my experience as Secretary of the Interior — the open spaces that surround our communities and the landscapes for which Arizona is known the world over thorough the pages of *Arizona Highways*.

Land use planning is typically, in Arizona and elsewhere, focused inward toward the places where we live and work. Land use planning mostly targets urban spaces and the spreading fringes of our growing communities. Planners use their limited resources and political support to resolve issues concerning the next subdivision, another shopping center, zoning requests, adjustment petitions, traffic flows, water and sewer, and electrical utilities. Developers, with investment capital at stake, get the attention. And builders are not known either for their patience, or for concern about the impact their project will have on the greater community.

Today I would like to step outside the city center and ask you to accompany me as we go from the nearby to the far away, going outward to the back of beyond in search of a broader perspective on land use.

I would like to pose questions that do not get sufficient attention in the rush of project-by-project development.

- What should be the ultimate configuration of our communities? How far should they grow outward?
- What is the appropriate balance between developed areas and the natural landscapes in which they are set? Can we envision a map of connected natural spaces that define and separate our communities?
- Will the Sun Corridor inexorably expand and merge into one urban mass extending from Wickenburg through Phoenix, across Pinal County and beyond

Tucson to Nogales and Sierra Vista? Are there alternative forms of regional development that we can consider?

These questions are not abstract ruminations. When I look across the Valley from Camelback Mountain at sunrise I see an urban expanse already more than seventy miles wide, extending from Gilbert to Buckeye. From Tumanoc Hill in Tucson I see a city crawling northward all the way into Pinal County. And from Picacho Peak, I can see subdivisions extending from Casa Grande east and south merging into Florence, Coolidge and Eloy.

In our current planning culture, these developments take place, one piece at a time, with hardly any consideration of the overall patterns on the land. Missing is any real consideration of an open space context that identifies important ecosystems that ought to be preserved, assesses wildlife and habitat needs, and recreational and wilderness values.

The future of open space patterns in our state should logically begin with a consideration of our public lands. Arizona is blessed with a large percentage of public lands, and properly planned these lands can provide the framework for a balanced development future.

Public lands, federal and state, are the key to working out spatial patterns for one basic reason — these lands are public — to be used and managed in the public interest, free of the legal constraints, such as Proposition 207, that attend private ownership.

The federal lands, the National Forests administered by the Forest Service, and the other lands administered by the Bureau of Land Management are the starting place for envisioning an open space framework.

Our National Forests, set aside by far-sighted presidents at the turn of the twentieth century, are now a permanent and widely accepted and appreciated part of the Arizona landscape. These are the ponderosa-covered expanses of the Mogollon Rim, the streams and watersheds of the White Mountains, and the unique sky islands of the Sonoran Desert. Our National Forests are a finished work, with definite boundaries, and from here on requiring only occasional minor adjustments to consolidate inholdings and to free up small parcels adjacent to rural communities.

The remaining federal lands, administered by the Bureau of Land Management, have a very different history and a less clearly defined future; they are still very much a work in progress.

These BLM lands are mostly lower elevation desert lands that were not included in the National Forest System. Often referred to as the “left over” lands, they are what remained after homesteaders had picked them over and selected the best sections on which to settle. Today the BLM administers the remaining twelve million acres, with large blocks concentrated in western Arizona and on the Colorado Plateau, and other holdings scattered throughout the state in bits and pieces interspersed among private and state trust lands.

The Congress has never settled on the exact future for these lands. The closest it has come is in 1974 legislation that sets forth a presumption that these lands will, for the most part, be retained in federal ownership. And there is a clear and growing consensus, both

in Arizona and throughout the West, that these BLM lands should remain in public ownership, to be administered primarily for conservation values.

Meanwhile, bits and pieces of BLM land scattered across the map of the state do not add up to a coherent open space vision or make much sense from the perspective of ecological values.

The task we face in this generation is to generate that vision and then to establish a process whereby these lands can be unscrambled from interspersed and consolidated into coherent expanses of open space.

Land exchanges are the most efficient way to rationalize the BLM holdings. During my time as Governor we initiated that process by carrying out exchanges between BLM and the State Land Department, offering to the BLM sections of state land that were isolated within blocks of federal land. Because of their remote location these state sections had relatively little development value.

In exchange for the state sections, the BLM then offered us title to scattered tracts of BLM land close in to Phoenix and Tucson with high development value. In the Phoenix area, for example, state lands within what is now the Agua Fria National Monument were exchanged for BLM lands close in urbanizing areas of Maricopa County. In southern Arizona, state sections in the Buenos Aires National Wildlife Refuge were exchanged for BLM lands close to Tucson.

This rural to urban exchange process, in addition to obvious environmental benefits, proved especially advantageous to the state land trust. As we anticipated, the urban lands acquired by the state land trust have appreciated in value much more rapidly than the remote rural lands given in exchange.

Unfortunately the State Supreme Court ruled in 1990 that such intergovernmental land exchanges are not authorized by the Arizona Constitution, thereby bringing the process to a complete halt. Since then, six referendum proposals to amend the constitution to reinstate the exchange process have failed to gain approval.

The excellent essay by Peter Culp and Susan Culp in your conference papers gives a convincing explanation for these failed efforts. Buried in our history are more than a few examples of state trust exchanges with private landowners that have proven less than beneficial to the trust.

On the other hand, however, government-to-government exchanges have consistently worked to the great advantage of the trust in Arizona and elsewhere in the West. A recent, illustrative example is the statewide exchange in Utah in which state lands in the Grand Staircase Escalante National Monument and a number of other parks and National Forests were conveyed into federal ownership in exchange for revenue-producing mineral interests of considerably more future value than the inholdings relinquished by the state.

We should, in the interests of good open space planning and for the manifest benefit of the school trust, make another effort to gain voter approval for intergovernmental state-federal land exchanges. The key to success will be to persuade voters that intergovernmental exchanges are highly beneficial and should be considered separately, and not be confused with, private party land exchanges. The key to success is to leave private land exchanges out of the referendum equation.

As the process of blocking up federal lands goes forward, both the state and local governments, and the public, should take a more active role in determining the location and final boundaries of BLM lands to be permanently dedicated to open space.

During my time in Washington we made a start at this process by use of the President's authority under the Antiquities Act to establish two national monuments on BLM lands outside Phoenix, the Agua Fria National Monument and the Sonoran Desert National Monument, and two near Tucson, the Ironwood National Monument and the Las Cienegas National Conservation Area, as well as two others in the Grand Canyon region.

What I learned from these efforts is that there is enormous public support for such designations, and that communities are eager to join in the process of planning and designating permanent federal open space protection.

The state lands, held and administered by the State Land Department, are something of a legal and administrative puzzle. Arizona retains nearly 10 million acres of these lands. Due to smart lieu selections in our early history and to the exchange policies that I have described, large blocks of these lands are now located in the development paths of greater Phoenix, Pinal County, and Tucson. The future shape of our communities will depend in large measure on decisions taken with respect to these lands.

The State Land Department, to its credit, has administered these lands conservatively, with the result that we still retain nearly 90% of the land granted at statehood. (Nevada, in contrast, put virtually all its lands up for sale immediately after statehood and today has very little left to plan with.)

The State Land Department, however, has historically viewed its role quite narrowly, as akin to a development agency or a land banker, largely content to bring lands to market in response to the demands of developers, showing little interest in how state lands should be utilized to achieve an optimum balance of communities and open space throughout the state.

In recent years, as described in the background report, the Legislature has taken a few steps to push the department toward a broader planning role in the Growing Smarter Acts and the Arizona Preserve Initiative.

Yet these initiatives have fallen far short of the mark. The Preserve Initiative, for example, has managed to preserve only some 3,000 acres, and the Department has now suspended administration of the Act.

The State Land Department does not relate well to the cities and counties that are responsible for most land use planning in Arizona. Paradoxically, in a state where the Legislature has delegated land use planning to local governments, it retains total, preemptive control over the planning of trust lands. This bipolar administrative situation severely restricts effective land use planning, and we should find a cure before it results in further planning paralysis.

Local governments should have a meaningful, statutory voice in planning the future of state lands. The place to begin is by dealing the counties into a discussion of which lands should be developed and which lands should be designated for permanent protection as open space.

To create a meaningful partnership, the Legislature should grant by statute to each county the legal authority to designate up to 50% of the lands within that county as conservation lands to be withheld from sale for a period of 50 years.

Designating lands to be withheld for that period does not guarantee their permanent protection, and it does not answer questions of how the trust should ultimately be compensated if and when lands are permanently designated. What it does do is guarantee the start of a vigorous public discussion of the future of these lands, the proper balance between development and open space, and of priority areas for protection.

This 50-50 Space Program did not just fall from the sky. It has suggestive antecedents in the Arizona Preserve Initiative and in the ballot proposition that failed in 2006. Unlike previous proposals, however, it would broaden the discussion over lands to be protected to include the County governments responsible for most land use planning. And it would force debate out into the open, to continue at least until the Board of Supervisors in each county decided to act on formal designations.

Local governments should also play an important role in formulating comprehensive open space plans for all lands within their jurisdictions, public and private. And for the most part Arizona counties and other local governments have not taken advantage of their authority to implement meaningful large-scale open space programs.

The outstanding exception is Pima County.

A detailed description of the Pima County program is beyond the limits of my time. Suffice it to say that the County has, in the last decade, constructed a broad, ecologically sound open space program with interconnected desert washes, riparian habitat, representative habitat types, and endangered species protection on federal, state, county, and private lands throughout eastern Pima County.

The Pima County plan has been implemented with careful deference to private property owners and the constraints imposed by Proposition 207. It has managed to do so by using a creative mixture of bond issues for land acquisition, by use of transferable development rights, density transfers, and habitat mitigation requirements analogous to development fees attendant to discretionary upzoning requests.

Other cities and counties, if lacking the comprehensive quality of the Pima County plan, have begun to innovate. Cochise County, for example, has adopted a "Conservation Subdivision Ordinance" that awards a 30% density bonus to subdividers willing to dedicate 50% of their land for permanent open space. Scottsdale has on at least one occasion made creative use of the Community Facilities District financing to acquire land for the McDowell Mountain Preserve.

In closing, I again want to thank you once more for the opportunity to be with you and to share our ideas about Arizona's future. My current day job as Chairman of WWF, the World Wildlife Fund, does bring me to Arizona often and in fact it increasingly takes me more and more outside the United States. But Arizona will always be home, and Hattie and I look forward to returning more often to be with our friends in a state enhanced by your leadership and participation in this Town Hall.