




MEMORANDUM

Date: August 29, 2017

To: Beth Borozan, Chief of Staff
District 4
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **August 23, 2017 Letter of Intent to Donate Real Property - Canoa Hills Golf Course**

I forwarded the August 23, 2017 letter from Terramar Properties, Inc. and made an inquiry of our Natural Resources, Parks and Recreation Department (NRPR) regarding this matter. Their response is attached for your review.

I had briefly heard about this subject in the past, and there are many concerns regarding dedicating and/or donating the Canoa Hills Golf Course as open space to Pima County.

The response from NRPR indicates they would decline the donation.

CHH/anc

Attachment


c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Chris Cawein, Director, Natural Resources, Parks and Recreation



MEMORANDUM

Date: August 28, 2017

To: Christopher Cawein, Director
Natural Resources, Parks, and Recreation

From: C.H. Huckelberry
County Administrator 

Re: **August 23, 2017 Letter of Intent to Donate Real Property – Canoa Hills Golf Course**

Attached is an August 23, 2017 letter of intent from Terramar Properties, Inc. through Borderland Investments I, LLC to donate to the County real property of approximately 130 acres. There is a specific exclusion of the improved properties; however, the golf fairways are apparently being donated to the County.

I assume you have been made aware of this donation, as the Donee is referenced in the letter as the Natural Resources, Parks and Recreation Department. Please advise me of our involvement in this donation, specifically the following:

1. Are there any maps of the property?
2. What uses are currently being made of the property to be donated?
3. What uses are viable for the property?
4. Does the County have any maintenance or other liabilities associated with accepting the property donation?
5. Are there any restrictions related to the donation, i.e. the property remaining in a certain condition or uses for public purposes?

CHH/anc

Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Nanette Slusser, Assistant County Administrator for Public Works



MEMORANDUM

To: CH Huckelberry, County Administrator

Date: August 28, 2017

From: Chris Cawein, Director

Subject: August 23, 2017 Letter of Intent to Donate Real Property – Canoa Hills Golf Course

In reference to your memorandum dated August 28, 2017 concerning the above-referenced subject, NRPR Planning staff Steve Anderson and Greg Hagen met with Derrick Sinclair and Terry Klipp of Terramar Properties one time on Tuesday June 20, 2017 at their request to discuss the future of the Canoa Hills Golf Course. The meeting was reportedly cordial and potential uses for the closed golf course were generally discussed. However, there was absolutely no commitment given that NRPR was interested in accepting this donation of property as it did not fit in with any plans that the Department had for the area. They indicated that NRPR was their first stop and that they were also going to discuss the situation with Green Valley Recreation.

Planning staff informed me of this meeting on June 22, 2017. I indicated that NRPR would definitely not be willing to accept this donation. The maintenance costs of this facility would be extremely high and the level of public complaints pertaining to the upkeep of the facility would likely be extreme. In addition, the facility does not connect with any existing or planned trails or other NRPR facilities or conservation lands in the Green Valley area for which we have programs or responsibilities. Therefore, it would not be in the best interests of the Department to accept any of this property.

We had no additional contact with this group after the June 20 meeting. On July 12, we met with the Baja Sporting Club as well as Green Valley Recreation (GVR) regarding the potential for siting of a pickleball complex. A memorandum was sent to you on July 20 summarizing the results of that meeting. As stated in that memo, a brief discussion occurred pertaining to the possible use of the former Canoa Hills Golf Course. NRPR indicated that this was simply not a suitable site for that purpose or other partnership purposes given the extreme costs associated with maintenance and upkeep.

This summarizes the full extent of previous involvement and discussion that NRPR has had on this topic. We were unaware that Terramar Properties unilaterally, without any further discussion or concurrence from this Department, elected to proceed with a donation agreement to this Department until we received your memorandum this afternoon. Simply stated, maintenance of this property will be extremely costly (for which NRPR does not have funds), complaints are expected to be significant (which will likely lead to ill will with the surrounding community), and it does not fit into any recreation or conservation plans that NRPR has in the Green Valley area. Therefore, we have no desire to accept this donation.

Let me know if you have any additional questions.

C: Carmine DeBonis, Deputy County Administrator
Nanette Slusser, Assistant County Administrator



LETTER OF INTENT TO DONATE REAL PROPERTY

August 23, 2017

Supervisor Christy
Chief of Staff Borozan
Pima County
130 West Congress Street
11th Floor
Tucson, AZ 85701
Phone: (520) 724-8418
Via Email: beth.borozan@pima.gov

Re: Letter of Intent to Donate Real Property; A portion of the Canoa Hills Golf Course (APNs: 304-18-919A, 304-18-916B, 304-64-865A & 304-64-689B)

TPI File No. 17-023

Dear Supervisor Christy & Ms. Borozan:

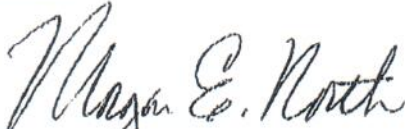
Subject to the execution of a definitive and mutually acceptable Agreement to Donate Real Property ("Agreement") within ten (10) days after execution of this Letter of Intent (the "Contract Negotiation Period"), Borderland Investments I, LLC ("Donor") offers to donate the subject property in accordance with the following terms and conditions:

1. **Donor:** Borderland Investments I, LLC, 400 East 38th Street, Tucson, AZ 85713.
2. **Donor Contact:** Derrick Sinclair, Terramar Properties, Inc. 2200 East River Road, Tucson, AZ 85718, dsinclair@ccim.net Main: (520) 577-7800 Cell: (520) 360-1951
3. **Donor Counsel:** Will Conway, Esq. Phillips Moeller & Conway PLLC, 405 West Franklin Street, Tucson, AZ 85701, wmc@hpzlaw.com Main: (520) 798-3803 Cell: (520) 481-7930
4. **Donee:** Pima County Natural Resources, Parks and Recreation, 3500 West River Road, Tucson, AZ 85741.
5. **Subject Property:** The property, which is the subject of this donation ("Subject Property"), is identified as the residual land formerly used as part of the Canoa Hills Golf Course at a common street address of 1401 West Calle Urbano, Green Valley, Arizona 85614 (APNs: 304-18-919A, 304-18-916B, 304-64-865A & 304-64-689B). A legal description for the property will be available on September 10, 2017. The property generally consists of the golf fairways that total approximately 130 acres of land. The Subject Property specifically excludes the Club House, Parking Lot, Golf Maintenance Building, Golf Driving Range and approximately 1 acre of land on the west side of the property that will likely be used as a well site for Green Valley Water District. Together with the real property, Donee is also accepting all of Donors rights, title and interest in all the fixtures, improvements, leases, maps, reports, plans, and other such material having to do with the Subject Property including all land use entitlements, water rights, governmental permits and allocations, and other such governmental and agency approvals as may exist concerning the property.

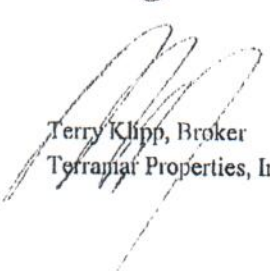
6. Consideration: Ten Dollars and 00/100 (\$10.00).
7. Opening of Escrow: Escrow ("the Donation Escrow") shall be opened at Fidelity National Title Company, Judy Kaiser upon execution of the Agreement.
8. Feasibility Period: Donee shall have thirty (30) days from Open of Escrow to perform all feasibility and due diligence for subject property. Donor shall fully cooperate with Donee in providing any and all information available regarding the property. Donee may terminate this Letter of Intent and/or the Donation Agreement at any time prior to the end of the Feasibility Period for any reason or no reason at all upon written notification to Seller and Escrow Holder of the termination.
9. Close of Escrow: Close of escrow to be fifteen (15) days following the Feasibility Period.
10. Broker's Commission: Donor is represented by Terramar Properties, Inc. by separate agreement.
11. Expiration of Offer: This Letter of Intent shall constitute an open offer until 5:00 pm, Friday, September 1st, 2017, at which time it shall be automatically terminated if not executed by Donee

If the above outline of terms and conditions are acceptable, please indicate by signing on the following page. Upon confirmation of your interest to accept the donation we will prepare a formal Agreement to Donate Real Property. All parties to this transaction intend that this proposal will be superseded by the Agreement to Donate Real Property. In the meantime, all parties agree to proceed in accordance with the terms and conditions outlined in this Letter of Intent. Donee understands the purpose of this Letter of Intent is to allow further investigation by both parties into the feasibility of entering into a formal agreement. This Letter of Intent is only binding on the parties during the Contract Negotiation period. If the Agreement to Donate Real Property is not mutually executed within the Contract Negotiation Period for any reason whatsoever or no reason at all, this Letter of Intent shall expire and no party shall have any further rights or duties hereunder.

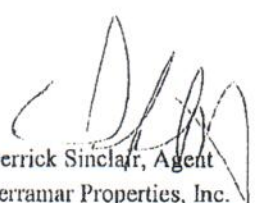
Sincerely,



Morgan North
Borderland Investments I, LLC



Terry Klipp, Broker
Terramar Properties, Inc.



Derrick Sinclair, Agent
Terramar Properties, Inc.

Supervisor Christy
Chief of Staff Borozan
Pima County
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Approved by Donee:

_____ Dated: _____

Approved by Donor:

 _____ Dated: 11-23-2017
Morgan North for Borderland Investments, LLC