

**ARIZONA GAME AND FISH DEPARTMENT
HABITAT PARTNERSHIP PROGRAM
HABITAT ENHANCEMENT AND WILDLIFE MANAGEMENT PROPOSAL**

PROJECT INFORMATION

Project Title: Horseshoe Ranch Acquisition

Project No. 10-607

Region/GMU: R6-GMU21

HPC: none associated

Project Type: Land acquisition with federal grazing leases

Project Description:

The Arizona Game and Fish Department (Department) is proposing to purchase the Horseshoe Ranch (Ranch) and associated allotments to contribute to the recovery of species listed under the Endangered Species Act and to benefit grassland species that occur within the allotments, including pronghorn. The Ranch is located within the Agua Fria National Monument. The Department is currently working with The Trust for Public Land (TPL) to acquire the ranch. Recently TPL acquired a purchase option on the Ranch with the intent to buy the Ranch and sell it to a conservation agency by March 2012. The Bureau of Land Management has also indicated a high degree of interest in a partnership if they are able to secure funding, however to date they have not.

The Ranch consists of 198.6 deeded acres and Copper Creek allotment on the Tonto National Forest (TNF) with approximately 35,899 acres and the Horseshoe allotment on Bureau of Land Management (BLM) land with approximately 32,388 acres. The Agua Fria River runs through the deeded property. The Department will work with the landowners on acquisition of the deeded property and the TNF and BLM with the coordination of the allotment. The Department can maintain eligibility for the BLM Horseshoe allotment grazing lease through a base property sublease of a portion of the deeded property to a qualified livestock operator. The Department is permitted to hold the TNF permit for the Copper Creek allotment through an MOU and a livestock partnership in ownership of the deeded property.

Both allotments encompass the highest quality grassland habitat available for the GMU 21 pronghorn herd. Pronghorn distribution and habitat selection have consistently favored this area as core habitat and preferred fawning grounds. Increasing the Department's management influence over both allotments, by maintaining eligibility for the livestock grazing permits/leases, will facilitate the implementation of conservation measures to benefit all grassland and sensitive species, including pronghorn.

Wildlife Species to Benefit: Pronghorn; mule deer, javelina, Gambel's quail, grassland obligate species; riparian obligate species including native fish, reptiles and amphibians. All of these species will benefit from a wildlife habitat conservation based approach to livestock management; or reduction in the intensity and duration or timing of livestock grazing on the grassland & riparian habitats of the two associated allotments. Management on the deeded property will primarily benefit riparian dependant species, and possibly upland game birds as a result of proposed riparian restoration activities, propagation of native grasses or other seed crops on irrigated land, pond management and vehicular traffic management on the deeded land.

Possible Funding Partners:

TPL has indicated they will pursue developing funding partnerships with Foundations that they work with, but have not yet been successful. The BLM has indicated a strong degree of interest in partnering with AGFD on the acquisition; however they have no funding appropriated currently. They will be pursuing FY11 funding opportunities and have also indicated an interest in leasing office/bunk space on the ranch. The Department is pursuing various grant opportunities to help fund the acquisition. The Department has received a Section 6

grant from USFWS Recovery Land Acquisition Program for funding of \$1 million in FY2010-2012. The Department will use \$1.59 million of Heritage Funds and will seek \$710,000 of nonfederal monies to buy the federal grazing leases. The Arizona Antelope Foundation supported the project with recommendation of a \$135,000.000 SBG Fund awarded from the FY08 grant cycle from the Antelope Tag Fund. The Department has conducted preliminary meetings with private livestock operations who have expressed interest in an opportunity to invest in a partnership with the Department in exchange for the opportunity to run livestock on the associated grazing leases. The Department to explore potential partnerships.

Implementation Schedule:
Beginning: Winter Spring 08/09
Completed: Ongoing FY11

NEPA Compliance: (if applicable)
Completed: Yes ___ No ___
Projected Completion Date: Not applicable

PROJECT FUNDING

SBG Funds Requested: \$ 575,000.00 awarded within 2 funding cycles at \$287,500 per year; or as one lump sum for FY 11; \$575,000

Cost Share Funds: The current appraisal valued the Ranch at \$ 3,300,000.00 of which \$710,000 is the estimated value of the grazing leases.

TPL has undertaken the due diligence including the appraisal, environmental site assessment, boundary survey and title report and associated costs. The Department currently has \$1.59 million of Heritage Funds committed and \$1.0 million of USFWS Recovery Land Acquisition Program funding awarded in FY2010 for the acquisition. The \$135,000.000 of SBG Funds awarded from the FY08 grant cycle from the Antelope Tag Fund will be used towards acquiring the federal grazing leases valued at \$710,000 (value of BLM grazing lease \$420,000; and TNF grazing permit \$290,000) that need to be purchased with nonfederal monies. That leaves a funding shortfall of \$575,000 to be covered by a nonfederal funding source.

Total Project Costs: Based on current appraisal: \$ 3,300,000.00 estimated of which approximately \$710,000 needs to be a nonfederal fund source to cover the value of grazing leases/permit.

PARTICIPANT INFORMATION

Applicant: Dana Warnecke, AGFD
 (please print)
Telephone: 480-324-3547

Address:
 AGFD Region VI
 7200 E. University Ave.
 Mesa, AZ 85207

AGFD Contact and Phone No.
 (If applicant is not AGFD personnel) Same as above

Coordinated with: [REDACTED]

Date:

Applicant's signature:

Date:

SEND COMPLETED APPLICATIONS TO:
Game Branch
2221 W. Greenway Rd.
Phoenix, AZ 85023

mdisney@azgfd.gov

WAS PROJECT PRESENTED TO THE LOCAL HPC? YES _____ NO X

This project was originally developed out of cycle to the HPC 2009 timelines and therefore not presented at a local HPC. FY 2009 application was submitted directly to HPC Program staff. However, the Department has presented this project to many HPC member organizations and other nonprofits at stakeholder meetings and through various meetings since 2008.

HAS PROJECT BEEN SUBMITTED IN PREVIOUS YEARS? IF SO WAS IT FUNDED?

Yes. It was funded for \$135,000.00 FY08 cycle and the award is in an escrow account for the acquisition

NEED STATEMENT/PROBLEM ANALYSIS:

The Arizona Game and Fish Department (Department) is currently pursuing an opportunity to acquire Horseshoe Ranch (Ranch), 198 acres of deeded land with authorized use for livestock grazing on two federal allotments. The Department views the acquisition as an opportunity to more effectively manage habitat for threatened and endangered species, pronghorn and other grassland species, riparian habitat values for migratory and resident birds, and aquatic habitats for native fish, amphibians and reptiles. The property is located within the Agua Fria National Monument, and offers an opportunity to develop numerous collaborations towards education, outreach, research, and habitat management at a landscape scale. This acquisition is a high profile opportunity for the Department to create a diverse group of working partners for the benefit of many different resource values including wildlife, central Arizona grassland habitat, riparian habitat, archaeological resources, water resources and recreational resources.

The Ranch was purchased by Red Mountain Properties LLC in 2002-03 for the sole purpose of transferring ownership to the public for conservation purposes through a land exchange with BLM. The land exchange is no longer a viable option and the Department has been working with the current owner and Trust For Public Lands to acquire the ranch since 2008. The Department is currently in the final stages of preparing the acquisition for Arizona Game and Fish Commission approval. Currently we anticipate going to the Commission for approval Fall of 2010. The acquired land will remain in the Department's name and will be managed in perpetuity for conservation of wildlife habitat.

Historically the Ranch and associated grazing allotments have been managed as a working ranch with an emphasis on livestock production. Grassland and riparian habitat qualities have been negatively impacted in places by past grazing practices. Habitat management practices that include livestock deferment during drought, deferment before/after prescribed fire, or exclusion from riparian habitats were often ignored or negated by a management emphasis of maximizing livestock production. Range improvements designed to manage livestock have created movement and access barriers for wildlife such as pronghorn to important grassland habitat and water resources. Past livestock operators have at times not complied with the terms of existing allotment management plans and Biological Opinions for some stream reaches. Their actions have degraded grassland and stream habitat quality for fish and wildlife. Grazing management that protects and improves upland vegetation cover and stream habitat quality are a feasible management option. Through acquisition of the Ranch and associated federal grazing leases, the Department can develop and implement conservation measures in collaboration with the Tonto National Forest (TNF) and Bureau of Land Management (BLM) that will greatly improve the quality of wildlife habitat in the immediate future and in perpetuity for approximately 68,237 acres of federal lands and 198 acres of deeded land. The BLM and TNF would support greater conservation measures.

Horseshoe Ranch and the associated allotments have extensive wildlife conservation opportunities:

- a. Horseshoe Ranch falls within a high priority area for conservation according to the AGFD Habitat Conservation Guide, as it relates to the State Wildlife Action Plan

- b. Allotments include >50% of core pronghorn habitat and critical fawning habitat in GMU21
- c. Riparian and grassland management is key to achieving conservation objectives
- d. The Horseshoe Ranch is located within the Agua Fria watershed, recently identified as one of the most vulnerable watersheds in the state to future population growth and water demand¹. This water demand and urban development will impact stream flows and fragment grassland habitats important to special status species, pronghorn and others in central Arizona

The Department will be able to manage for the threatened and endangered species currently and historically found on the property (deeded and allotments), in addition to grassland species, including pronghorn. This acquisition would support Department conservation goals identified in *Arizona's Comprehensive Wildlife Strategy*, and include benefits to species of conservation priority and address stressors to a vulnerable and fairly rare habitat type, the semidesert grassland, in Arizona. Simply acquiring the deeded Horseshoe Ranch property will provide *some* benefit to Gila chub, Gila topminnow, Desert pupfish and Western yellow-billed cuckoo. In addition the acquisition would protect the ranch from future development interests within central Arizona and secure water rights. Grazing management that focuses on wildlife habitat conservation goals could protect and improve grassland habitat quality for pronghorn and other grassland species.

PROJECT OBJECTIVES:

The following objectives are proposed and would be considered during development of a future management plan through a collaborative process:

1. Manage Sensitive Species and Sensitive Habitats with priority focus on riparian and aquatic species
2. Manage Game Species and Habitats with priority focus on grassland species
3. Wildlife & Outdoors related education - Public Recreational, Educational and Service-oriented Use: Provide an accessible location with facilities for a wide range of outdoor and environmental education. Ultimately the goal is to be an outdoor education 'Destination Facility'.
4. Develop partnerships for programs, outdoor recreation and events

PROJECT STRATEGIES:

The following strategies are proposed and would be considered during development of a future management plan through a collaborative process:

5. Sensitive Species and Sensitive Habitats Management
 - Protect or restore riparian habitats for special status species within the Agua Fria watershed; and contribute to population recovery goals for listed species where opportunities arise
 - Promote conservation & management of The Agua Fria Important Bird Area
 - Protect stream flows from Silver Creek and Long Gulch springs, and Agua Fria River
 - Influence grazing management that protects and/or improves watershed vegetative condition

¹ Marshall RM, Robles MD, Majka DR, Haney JA (2010) Sustainable Water Management in the Southwestern United States: Reality or Rhetoric? PLoS One 5(7): e11687. doi:10.1371/journal.pone.0011687

6. Game Species and Habitats Management

- Protect or restore upland habitats for high desert grassland species, such as pronghorn, mule deer and upland and migratory game birds
- Manage New Mill and Perry Mesa pastures for optimum pronghorn habitat quality with an emphasis on fawn hiding cover
- Maintain and improve year-long availability of water
- Manage all allotment improvements (fences and developed waters) with designs that improve access and permeability for wildlife. Remove defunct improvements and reduce fencing where feasible.
- Establish allotment best management practices that target optimum habitat conditions.
- Implement passive and active management methods to maintain or restore grasslands such as: use of natural and prescribed fire, treatment of invasive plants, reduction of shrub/tree/cacti, native plant propagation.
- Public Access- preserve access to a large portion of Unit 21 for hunting and outdoor recreation

7. Wildlife & Outdoors related education - Public Recreational, Educational and Service-oriented Use: Provide an accessible location with facilities for a wide range of outdoor and environmental education. Ultimately the goal is to be an outdoor education 'Destination Facility'.

- Outdoor Education and Information Events (such as Conservation Leaders of Tomorrow or Outdoor Woman)
- Promote hunter recruitment and retention
- Outdoor youth camps or outreach events to teach outdoor skills, hunting, fishing and wildlife education
- Public information displays in main house
- Education to highlight the possibilities of accomplishing conservation while utilizing grazing privileges

8. Partnerships, recreation and events

- AGFD internal training/meeting location
- Staging, meeting and outreach location for various sportsmen or conservation organizations
- Host small game camps
- Watchable Wildlife programs and/or facilities
- BLM office/staging, meeting and outreach location, National Training Center field station
- Promote Agua Fria National Monument- events, education and information
- Promote site stewardship and outreach in support of the National Audubon designation as Important Bird Area- Agua Fria River
- Utilize as research/education station – partner with AFNM researchers ASU/Prescott College/Desert Botanical Garden and others

PROJECT LOCATION: Within the Agua Fria National Monument boundary in Yavapai County north of Phoenix and east of Prescott/Cordes Junction. Directions to the Ranch: Take I-17 north from Phoenix to the Bloody Basin exit and head east on the Bloody Basin road (FR 269) to the ranch entrance. Ranch entrance is just before crossing the Agua Fria River approximately 5 miles from I-17 on the Bloody Basin Road.

LAND OWNERSHIP AT PROJECT SITE (Please state specifically if PRIVATE PROPERTY and provide landowner's name): The deeded property is currently owned by Red Mountain Properties LLC and Trust for Public Lands (TPL). Post acquisition the title would be held by the Arizona Game and Fish Commission.

IF PRIVATE PROPERTY, IS THERE A STEWARDSHIP AGREEMENT BETWEEN THE LANDOWNER AND THE DEPARTMENT?

Not applicable.

HABITAT DESCRIPTION:

The elevation at the ranch ranges between 3500 and 3,200 feet. Habitat types on the subject property and across the associated allotments transition from Arizona Uplands Sonoran Desertscrub to Great Basin Conifer Woodlands (Brown 1994). The habitat is characterized primarily as semi-desert grassland across broad expanses of mesas and rolling hills. These grasslands are bisected by steep canyons that have Sonoran Desertscrub, Great Basin Conifer Woodland and Interior Chaparral species. Canyons with intermittent or perennial water have native Interior Riparian Deciduous Forests and Woodlands. More xeric canyons in the lower elevations are characterized by Sonoran Riparian Scrubland. Tree species associated with the native riparian woodlands include: cottonwoods, willows, Arizona Sycamore, Desert and Netleaf Hackberry, Velvet Ash, Arizona Walnut, Desert-willow and mesquite species. Tobosa grass dominates the mesas in heavy clay soils with many other grasses including the Gramas occurring on gravelly upland sites.

The Horseshoe Ranch consists of 198.6 deeded acres and Copper Creek allotment on the Tonto National Forest (TNF) with approximately 35,899 acres and the Horseshoe allotment on Bureau of Land Management (BLM) land with approximately 32,388 acres. The Agua Fria River runs through the deeded property. The subject property includes land that has been subject to plow and agricultural purpose, including pasture for livestock.

ITEMIZED USE OF FUNDS:

All SBG funds would be used to fund the acquisition. No portion would be held back for Operation & Maintenance or other ranch improvement activities.

LIST COOPERATORS AND DESCRIBE POTENTIAL PARTICIPATION:

The full compliment of cooperators has not been developed at this time. To date there is a strong commitment by the following stakeholders to develop funding, provide funding or/and or participate in the development and implementation of a management plan:

- Bureau of Land Management
- Tonto National Forest
- Trust for Public Lands
- Prescott National Forest
- Arizona Antelope Foundation
- Friends of the Agua Fria Monument
- Arizona Audubon
- Sonoran Audubon
- Arizona State University

PROJECT MONITORING PLAN:

Horseshoe Ranch would be managed under an AGFD management plan developed for that property. Allotment management activities would be identified in several documents associated with the acquisition including: Cooperative Agreements, Memorandums of Understanding, and Purchase Agreements. Allotment management would be further defined through NEPA documents with the TNF and BLM. Long-term monitoring will be a key component to allotment management and developing best management practices that fulfill the goals, objectives and strategies identified for the property and associated allotments. Monitoring will be established for relevant habitat and species related variables.

PROJECT MAINTENANCE:

If acquired, the Department would be the principal steward with a budget for the operation and maintenance of the property. A base budget for operations & maintenance has been budgeted beginning FY12. Partnerships to defray costs would be considered and developed over time. There is potential for a financial partnership with an unidentified livestock operator for a minor portion of the facilities associated with livestock pasturing and transport. That partner would also be responsible for maintaining range improvements associated with the permitted grazing allotment(s).

PROJECT COMPLETION REPORT TO BE FILED BY:

Region VI Habitat and Wildlife Programs and/or Lands Program

WATER DEVELOPMENT PROJECTS (see attached worksheet):

N/A

TREE SHEARING (AGRA-AXE, PUSH) PROJECTS (see attached worksheet):

N/A