**Vision:** A professionally managed department, proactively engaged in its mission in pursuit of a better Arizona.

**Mission:** To responsibly manage the assets of a multi-generational perpetual trust in alignment with the interests of the beneficiaries and Arizona’s future.

**Agency Description:** The State Land Department manages more than 9 million acres of State Trust land (STL) and resources on behalf of 13 Beneficiaries. To ensure the Trust is a viable and productive asset for Beneficiaries today and for generations to come, the department exercises sound stewardship principles. As a fiduciary, the department generates revenue for the Beneficiaries from sales, rents and royalties from STL.

**Executive Summary:** The strategy of the State Land Department is to transition from a reactive organization passively navigating its obligations, to a proactive organization that directs its efforts into key priorities designed to produce optimal outcomes for the Beneficiaries and the State.

Strategic priorities are focused on the following:

- **Cultivating a Culture of Continuous Improvement and Learning through the Arizona Management System (AMS) and Employee Development**
- **Improving the Marketability of the Trust Portfolio Through Proactive Planning**
- **Establishing a cross-agency operating system to effectively manage the non-urban land portfolio**
- ** Appropriately quantifying and valuing all the Water Rights and Assets on State Trust Land**
- **Ensuring that the uses of State Trust Lands optimize revenues for the Beneficiaries**

### Summary of 5 Year Strategic Goals

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<th>#</th>
<th>Multi-Year Goal</th>
<th>Start Fiscal Year</th>
<th>Progress &amp; Major Successes</th>
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</table>
| 1 | Continuous Improvement Through AMS & Employee Development                      | 2017              | • Achieved 100% of services available on-line  
• Increased Employee Engagement every year  
• Reduced bottlenecks and rework in the billing and application processes  
• Implemented interactive web portals to administer customer interactions  |
| 2 | Improve Marketability of the Trust Portfolio                                    | 2017              | • Achieved land sales valued at $788 & $652 million in FYs 2021 & 2022, respectively    
• Implemented Zoning Banks in several cities to accelerate land entitlement  
• Concluded all bankruptcy claim and lawsuits related to the Desert Ridge property |
| 3 | Implement Non-Urban Land Management System                                      | 2022              | • Established agreements with other State Agencies to better manage non-urban lands  
• Developed framework to catalog, review, and assess compatibility of competing recreational interests on non-urban lands |
| 4 | Implement Water Assets Management System                                        | 2022              | • This initiative was started in FY 2019 when we established a Water Rights auction process. Continued drought conditions require expansion as a stand-alone goal |
| 5 | Continued Evaluation of the Appropriate Uses of STL                            | 2022              | • Initiated studies to evaluate locations for Solar and other alternative energies on STL  
• Initiated studies to evaluate mineral and other subsurface asset values on STL |

Agency Strategic Plan developed in accordance with A.R.S. § 35-122
# FY23 Annual Objectives

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<tr>
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<th>FY23 Annual Objectives</th>
<th>Metrics</th>
<th>Annual Initiatives</th>
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</table>
| 1 | Increase the efficiency of the department’s internal operations | • % of project milestones met  
• Scanning Backlog reduction  
• No. of contracts issued  
• No. of Acres of land treated  
• No. of Patrols performed | • Complete OASIS Migration project  
• Centralize the document scanning process  
• Renew the On-call Professional Service contracts  
• Integrate the established agreements with other Natural Resource Agencies into the operating system |
| 2 | Maximize Trust revenues | • $ Recovered in DDF  
• No. of PCI auctions  
• No. of Zoning Banks established  
• % of milestones met | • Fully utilize the Due Diligence Fund (DDF)  
• Drive Per Commissioner’s Initiative (PCI) sales  
• Expand the Zoning Bank model to more cities  
• Document the current land development prioritization and project initiation process |
| 3 | Improve the management and administration of Non-Urban Lands | • No. of RPAs identified  
• No. of attributes mapped | • Engage consultant to identify Recreation Priority Areas (RPA) and develop a Management Plan  
• Engage consultant to create an inventory of route networks, sensitive areas and subsurface estate |
| 4 | Improve the management and administration of the Water Assets on State Trust Lands (STL) *(Breakthrough objective)* | • % of project milestones met  
• No. of wells inspected  
• No. of usage reports received  
• No. of water assets inventoried | • Complete Water Rights Digitization project  
• Establish Standard Work (STW) to inspect wells and to monitor lessee water usage reports  
• Engage consultant to assess availability and value of ground water and Long-Term Storage Credits, including Butler Valley transportation basin |
| 5 | Evaluate land use classifications in areas with conflicting demands | • No. of acres/parcels reviewed  
• No. of conflicts identified | • Engage consultants to identify locations to support solar and other alternative energy facilities on STL  
• Compile list of all statutes and rules affecting STL that are conflicting or ambiguous |