

Douglas A. Ducey
Governor



Lisa A. Atkins
Commissioner

Arizona State Land Department

1616 West Adams, Phoenix, Arizona 85007
(602) 542-4631

March 19, 2021

Mr. Jonah Trussell, ET Motorsports, LLC
687 E. Cleveland St.
San Tan Valley, AZ 85140

Dear Mr. Trussell,

Yesterday, several people brought to our attention your announcement of the closing of ET Motorsports operations on April 3, 2021.

First, let me thank you for abiding by the 2019 agreement, which we both signed, to continue your operations through a Special Land Use Permit (SLUP) expiring in 2021, recognizing that development in the area was imminent and that ET Motorsport would be an interim use. Further, we appreciated you and your legal counsel proposing winding up operations by April 2, 2021, to ensure that you would be able to honor agreements and arrangements that had already been made for the 2020 and Spring 2021 racing season. We also appreciate your timely delivery last month of the report necessary to remediate the property by removing all improvements and restoring the land to its original conditions after you vacate the property.

Since Arizona's Statehood, the Arizona State Land Department has held the responsibility to manage a land portfolio throughout Arizona that is intended to provide revenue supporting thirteen specific Beneficiaries, the largest of which is Arizona's K-12 education system. As development expands throughout Arizona, we shift our management of State Trust Lands from interim management uses, such as ET Motorsports, to provide Beneficiaries some revenue from their holdings until the market reflects that the time is right for sale of those lands for development. The sale of land results in not only funds being generated for investment for the Beneficiaries, but the land also becomes owned and developed, resulting in the creation of businesses, jobs, housing and expanding Arizona's economy. Additionally, land that has never been on the tax rolls, will now generates property taxes to support the area.

We recognized as early as 2014 that development was occurring in the area of ET Motorsports, and shared that information with you in structuring the SLUP for your operations accordingly, mindful that a SLUP can be terminated by either party with 25 days notice. The type of operation conducted by ET Motorsports was not a factor in ASLD's decision in planning for development. Indeed, a successful public auction of more than 2,700 acres State Trust land, including lands adjacent to where ET Motorsports is located, was held on September 20, 2020, generating more than \$245,500,000 for the K-12 Beneficiaries. The auctioned lands, and the surrounding area including ET Motorsports, are currently in the process of being rezoned and annexed into the City of Apache Junction.

We have appreciated your being a lessee during this interim period, and providing not only some revenue to a Trust Beneficiary, but also a popular venue for the region.

Sincerely,

Lisa A. Atkins
Commissioner