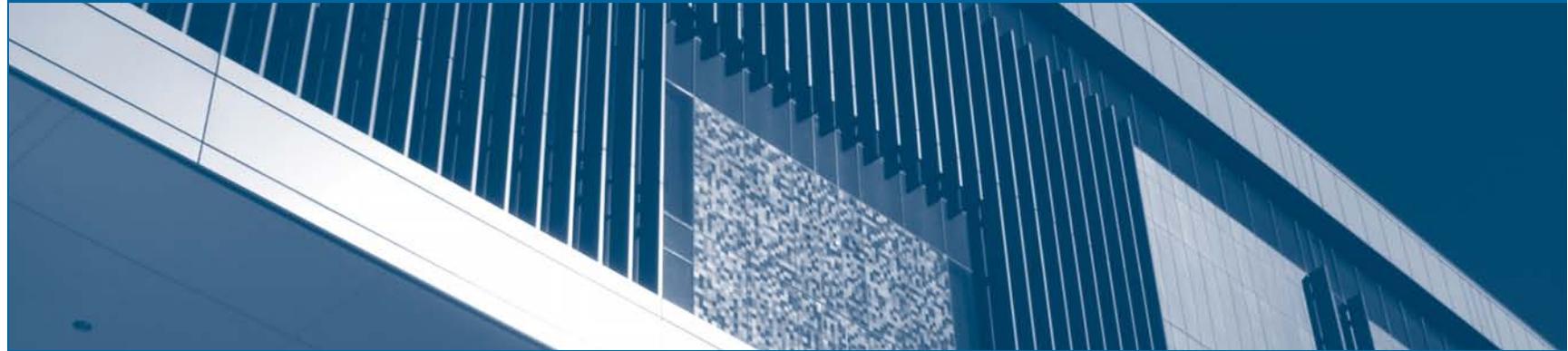


CHAPTER 2

Regional Infrastructure Investment for Job Creation



Efficient and effective transportation systems are key drivers of economic development. Products, goods and services all have a transportation cost component embedded in their final cost. Transportation systems that promote efficiency and the rapid movement of goods and services will produce positive economic expansion both locally and regionally. A number of projects are under consideration or development, and these are discussed in this chapter.

A. Transportation.

1. SURFACE

a. Interstate 11 Arizona has four east/west interstate highways and no interstate that is a continuous north/south route that penetrates the southern or northern border of Arizona. The development of Interstate 11 (I-11) as a trade corridor is underway and is being thoroughly documented in a joint effort by the Arizona Department of Transportation (ADOT) and the Nevada Department of Transportation. This corridor must pass through metropolitan or eastern Pima County and connect to the Mariposa Port of Entry (POE) at Nogales, which has already received more than \$250 million of investment by the federal government to improve its efficiency as a border crossing facility.

ADOT recently obtained funding for environmental and location studies for I-11, and those studies began in mid-2015. The studies need to be followed closely to ensure I-11 is extended through eastern Pima County and connects to the Mariposa POE. In addition to the Mariposa POE investment, the Mike O’Callaghan – Pat Tillman Memorial Bridge over Hoover Dam is another \$250 million federal investment in this interna-

first implementation of corridor improvements, not the last, as now planned.

Both sides of the border recognize the importance of key commerce corridors in expanding trade between our countries. Mexico has committed, and is currently spending, \$1 billion on Mexico Highway 15 (M-15) from Sinaloa to Nogales. During a June 2015 trip to Mexico to promote trade and cross border relations, one of the four international cooperation agreements to be signed by Governor Doug Ducey and the Mexican Secretary of Foreign Affairs Jose Antonio Meade extends I-11 from Nogales into Mexico to Hermosillo and Mexico City. These actions recognize the need to improve the flow of trade between our commerce centers. Pima County is in an ideal location to benefit from this trade as this corridor matures.



Federal, state and local officials helped Pima County break ground on Aerospace Parkway construction March 31, 2015.

b. Auxiliary Interstate Highway; Interstate 10 to Interstate 19 A rapid surface interstate connection between Interstate 19 (I-19) and Interstate 10 (I-10) south of the metropolitan Tucson area would be significantly beneficial to both facilitate trade with

The Auxiliary Interstate Highway connection from I-19 to I-10 is perhaps the most important economic development surface transportation improvement in the region.

tional trade corridor. This commerce corridor should be closely monitored to ensure the benefits from Mexico are realized in the

Mexico, particularly trucking that desires an eastern terminus beyond Arizona’s border, and as a high-speed surface transportation

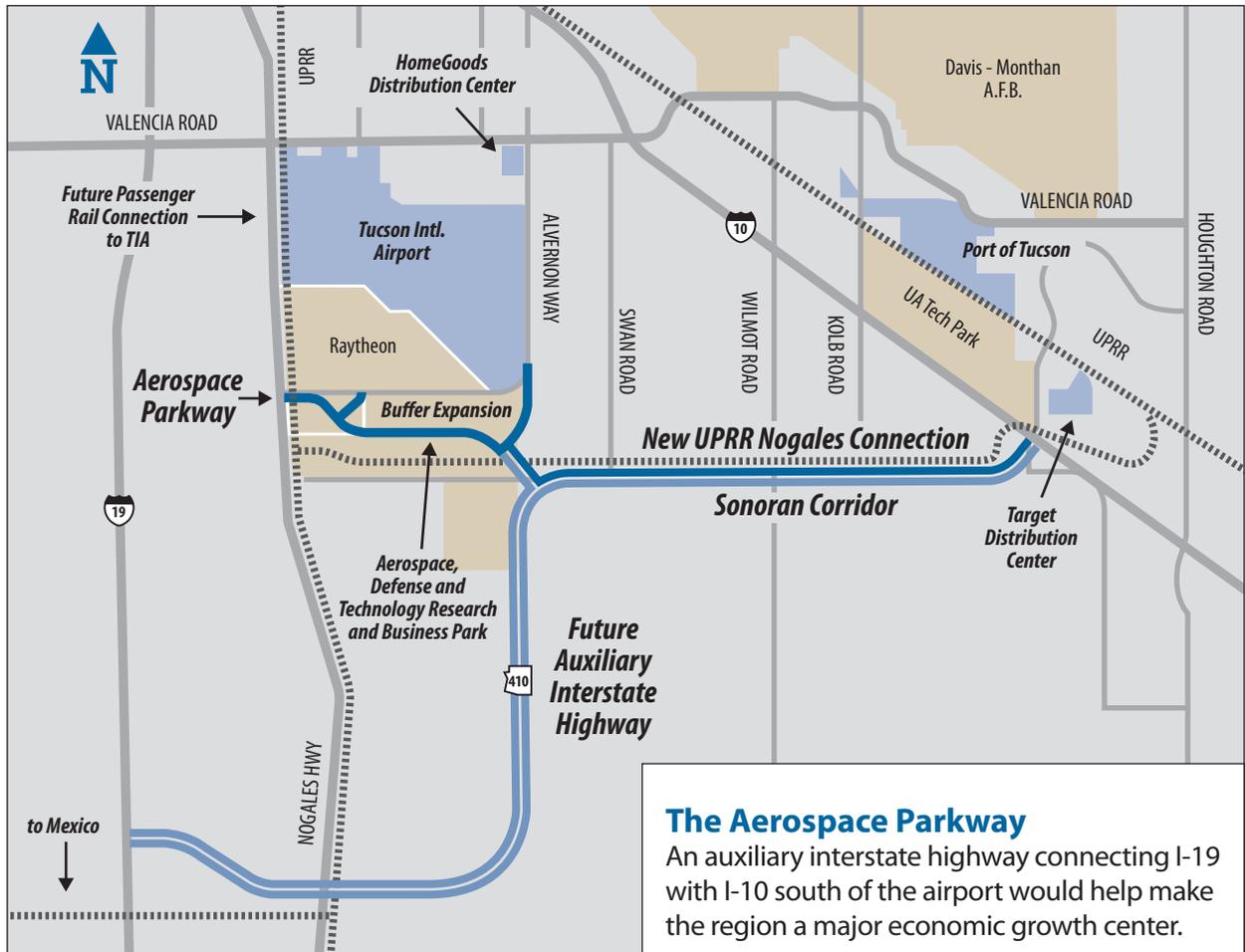
facility within the metropolitan area; linking existing, growing and developing primary employment and residential centers. The County is leading efforts to locate the route and begin initial planning necessary for its future development.

The Auxiliary Interstate Highway connection from I-19 to I-10 is perhaps the most important economic development surface transportation improvement in the region. This connection needs to be embraced by all regional governments and local partners as the most important transportation improvement that will facilitate job growth in the existing and growing manufacturing, technology, logistics and defense corridor in metropolitan Pima County.

Given its importance, the County has proposed in the November 2015 bond issue that a surface transportation investment of \$30 million be made for this corridor; allowing the connection of the Aerospace Parkway

discussed later in this section, to Rita Road at I-10 to connect the UA Tech Park employment center to the defense, manufacturing and technology primary employment center around Tucson International Airport (TIA). In June 2015, Senators John McCain and Jeff Flake and Congresswoman Martha McSally cosponsored legislation to designate the Sonoran Corridor as part of the interstate highway system. This legislation was cosponsored by the entire Arizona Congressional Delegation and received Arizona Governor Doug Ducey's support, as well as that of local business leaders.

c. State Route 189 – Mariposa Port of Entry to Interstate 19 Perhaps the weakest link in our trade corridor with Mexico is State Route (SR) 189. The County has long advocated to the State Transportation Board that SR 189's improvement is essential to maximize the efficient use of the Mariposa Port of Entry (POE). Unfortunately, while planning continues, State funding lags for these im-



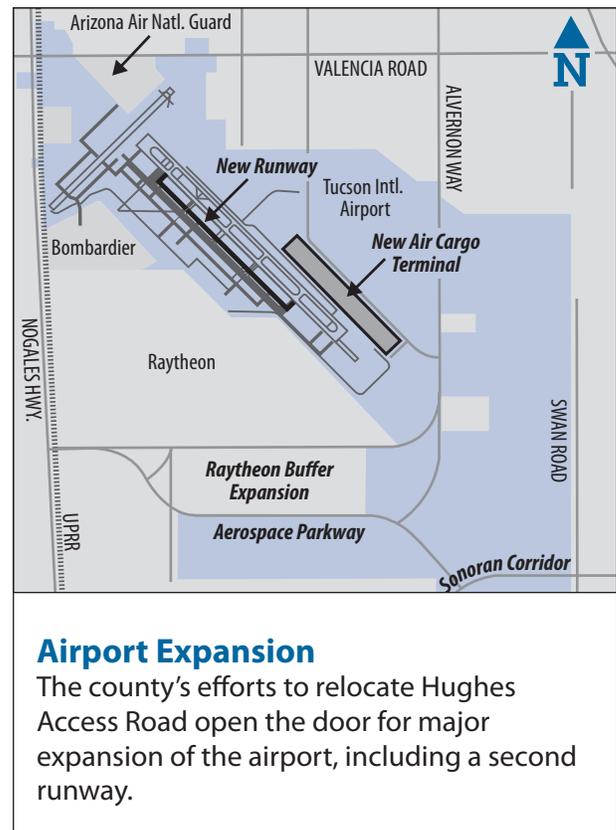
provements. The County will continue to advocate with ADOT and the Governor for these transportation improvements to be advanced ahead of all others in the State to maximize trade and economic expansion benefits with Mexico.

d. Aerospace Parkway The relocation of Hughes Access Road is a project initiated by the County to allow Raytheon to achieve the full benefits of both an existing and expanded buffer. Hughes Access Road, a public highway that carries thousands of vehicles per day, poses a significant impediment to Raytheon production expansion. The Hughes Access Road relocation to a new roadway alignment named the Aerospace Parkway will significantly increase buffering benefits to Raytheon, as well as add to accessibility of the emerging business and research park for job growth and development south of Raytheon. The Aerospace Parkway is under construction and will be complete and open to traffic by the end of 2015. This project represents a nearly \$14 million investment by the region in not only protecting the region's largest employer, but laying the groundwork for future aerospace, manufacturing and defense-based primary employment in the region.

2. AIR

a. Second Main Parallel Runway at Tucson International Airport The Tucson Airport Authority (TAA) has recently completed a Master Plan update for TIA. The Master Plan calls for relocating the existing general aviation runway and reconstructing it as a full-length commercial service runway. Such an infrastructure investment is vital to improving safety and reliability and to meet current Federal Aviation Administration (FAA) standards in order to better serve passenger air travel and air cargo and to continue to support the vital military Pilot Training Mission of the 162nd Fighter Wing of the Arizona Air National Guard (AZ ANG) located at TIA.

The County will continue to be a strong advocate for federal aviation funding to



complete this project at TIA. This second, full-service parallel runway is necessary to allow TIA to serve the aviation needs of southern Arizona in the safest and most efficient manner; whether it is for passenger, air cargo, military or general aviation. It is important this program be developed as soon as practically possible to complement and enhance the attractiveness of the Aerospace, Defense and Technology Business and Research Park to potential new businesses.

3. RAIL

a. Rail/Truck Interface at the Port of Tucson The Port of Tucson is a true operational international inland port. This site recently initiated international cargo container shipping by rail with onsite Customs inspections. As the only intermodal facility on the Union Pacific rail line in Arizona, it has long supported rail/truck shipping at its facility that was recently significantly expanded with substantial, new, privately-funded 17,000-foot internal dual-rail infrastructure. With the County's sponsorship, the Port of Tucson

was the recipient of a \$5 million Transportation Investment Generating Economic Recovery (TIGER) Grant to develop large train offloading with a new 8,000-foot rail siding and high-speed switch interconnecting the Union Pacific intercontinental line to the private rail infrastructure at the Port of Tucson.

b. Nogales Line extension connecting with the Sunset Line south and east of the Port of Tucson. The existing Nogales Line within Tucson has 18 at-grade crossings at public highways. These crossings carry a total of 304,025 vehicles per day; and as a result, Nogales rail traffic poses both a congestion and potential safety concern for mobility in the urban area. It has been proposed that the Nogales Line be rerouted adjacent to the Sonoran Corridor; which would allow the line to connect more efficiently with the Sunset Line and be grade separated, free from at-grade highway crossings. This will allow the existing Nogales Line from the south boundary of the Aerospace, Defense and Technology Research and Business Park to the downtown Toole Avenue connection to be available for use in the future for passenger rail development.

B. Utilities

The County has commenced a wastewater/sewer outfall inceptor study to serve the entire region south of Raytheon. Extending public wastewater infrastructure is a key component of job expansion. Without public service of utilities such as wastewater, it is impossible for new job centers to be constructed in this location. It is likely that extending the existing sanitary inceptor sewer system to this area will cost approximately \$10 million; an investment the County is prepared to make to facilitate basic employment growth within this existing and future job corridor. The County has also asked the City of Tucson, through Tucson Water, to join in this planning effort for the extension of the water utility system necessary to provide water service to these new employment centers. Com-

Action Items

- 2.1** Pima County will fully cooperate with and participate in any environmental or location alternative studies for I-11 within Pima County and will closely monitor project implementation to ensure the trade benefits from a connection to Mexico are realized.
- 2.2** Establish as a County highway the auxiliary interstate highway connection between I-10 and I-19.
- 2.3** Request, through the Regional Planning Agency, that the auxiliary interstate highway be included as a state route by the Arizona State Transportation Board in the State Highway System.
- 2.4** Cause the auxiliary interstate highway to be included in the Federal Highway System as an auxiliary interstate highway through any Congressional action related to authorizing surface transportation funding in the United States.
- 2.5** Initiate planning and design of a phased improvement connecting the Aerospace Parkway to I-10 at Rita Road along the Old Vail Alignment using \$30 million in General Obligation Bonds if authorized by the voters.
- 2.6** Advocate for early and adequate funding for improving SR 189 from the Mariposa POE to I-19.
- 2.7** Complete the Aerospace Parkway improvement in Calendar Year 2015.
- 2.8** Support development of the second full-service parallel runway for TIA.
- 2.9** Complete the already authorized TIGER Grant to improve rail access to the Port of Tucson.
- 2.10** Initiate development of a sanitary sewer inceptor system to serve the employment growth area located south of TIA extending to Rita Road at I-10.
- 2.11** Support and cooperate with Union Pacific Railroad to reroute the Nogales Line and make available the existing Nogales Line for future passenger rail to TIA, Raytheon and the Business and Research Park.

bined, the cost of these major utility extension investments will range from \$30 to \$40 million.

With their independent implementation, each infrastructure investment project will improve transportation systems, economic competitiveness and lead to economic expansion.