



MEMORANDUM

Date: July 15, 2013

To: Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "C.H. Huckelberry", is written over the printed name of the County Administrator.

Re: **Funding for Julian Wash Multiuse Path Construction**

Overview

At the July 2, 2013 Board of Supervisors meeting, several questions were raised regarding the Julian Wash Greenway segment of The Loop and its source of funding. The Loop will provide 131 miles of multiuse paths throughout the community. The total cost of The Loop, once complete, is an estimated \$100 million. A recent economic impact analysis of The Loop showed a 9.4 to 1 return on investment. Most typical transportation projects realize a 4 to 1 return on investment. Although not specifically designed as an alternate transportation corridor, The Loop is fast becoming an attractive connector for residents commuting to and from work and school and even for those doing short errands. The economic impact analysis shows The Loop is an essential element of community health and wellness, invites significant tourism dollars to the region, and is a key business attraction and retention tool (see Attachment 1: July 12, 2013 *Inside Tucson Business* article regarding Loop business attraction).

Funding Sources

Funding for The Loop has come from a variety of sources. In 1997, Pima County voters approved Highway User Revenue Funds (HURF) bonds, which were used for two projects that enhanced The Loop. DOT-11, Drexel Road, Tucson Boulevard to Alvernon Way, provided \$2.5 million to widen and pave multiuse shoulders on both sides of Drexel and Country Club Roads. The entire roadway received a pavement overlay, preserving and extending the life of the pavement. That project was completed this past year. Also in 1997, voters approved \$7.4 million for DOT-41 Neighborhood Transportation Improvements that allowed construction of a variety of local transportation improvements in District 2. One million dollars is currently being used to fund improvements along Park Avenue and Ajo Way to allow safer bike lanes and connectivity with The Loop. These improvements are within the roadway right of way and in themselves make the roadways safer for motorists, as well as bicyclists.

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Over the past 12 years, during which time the State Legislature has swept \$37.9 million in Pima County HURF funds to cover its budget shortfalls, the Board of Supervisors authorized an intra-fund transfer of general funds to maintain adequate cash reserves for the Pima County Department of Transportation (PCDOT). Minimum reserve levels are set using general financial principles. Maintaining minimum reserves also allows Pima County to receive higher bond ratings, thus reducing the amount of interest paid on any debt issued by the County. The intra-fund transfers were done with the intent of repayment at such time that PCDOT was able to sustain its reserves without General Fund assistance. Over the past two years, PCDOT has managed its cash flow, allowing the department to begin partial repayment of general funds when deemed appropriate. (I do not expect full repayment.) The Board of Supervisors, on October 4, 2011, approved the completion of the Julian Wash Greenway using a variety of funding sources. The funding sources anticipated the initial repayment of general funds by PCDOT (see Attachment 2: October 4, 2011 Board Memorandum).

The table below shows the current projects, cost estimates, and funding sources.

Project No.	Official Project Name	Original Cost Estimate	Current Funding	Funding Source
1	Harrison Greenway Irvington to Pantano	\$ 570,000	\$ 830,000	2004 General Obligation (GO) bonds PR4.33 Houghton Greenway
2	Harrison Greenway at DMAFB	930,000	850,000	2004 GO bonds PR4.33 Houghton Greenway
3	Harrison Greenway at Rita Ranch	700,000	640,000	2004 GO bonds PR4.33 Houghton Greenway
4	Julian Wash Linear Park - COT (Rita Ranch to Kolb)	3,500,000	3,348,204	2004 GO bonds PR4.34 Julian Wash Linear Park
5	Julian Wash Kolb Rd Pathway Underpass	600,000	599,996	2004 GO bonds PR4.34 Julian Wash Linear Park; Flood Control Tax Levy
6	Julian Wash: Kolb to Wilmot	640,000	640,000	General Fund*
7	Julian Wash: Wilmot to Valencia	705,000	705,000	General Fund*
8	Valencia Rd Alvernon Way to Wilmot RTA24** - underpass only	725,000	725,000	RTA - Sales Tax - Roadway Element
9	Julian Wash: Valencia to Drexel	795,000	795,000	General Fund*
10	Julian Wash I-10 to Campbell West	656,144	718,448	General Fund*
11	Julian Wash I-10 to Campbell Middle	1,334,263	1,507,304	General Fund*

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12	Julian Wash I-10 to Campbell Ramps	1,434,000	2,183,793	General Fund*
13	Julian Wash I-10 to Campbell East	949,502	752,188	General Fund*
14	Drexel Country Club to I-10 (overlay and bike lanes)	1,005,988	1,042,803	1997 HURF bonds DOT-11 Drexel Road; Tucson
15	Country Club Drexel to Milber Tucson Boulevard Country Club (overlay and bike lanes)	1,176,078	1,212,888	1997 HURF bonds DOT-11 Drexel Road; Tucson
16	Park to Sixth Avenue	1,000,000	1,000,000	1997 HURF bonds DOT-41 Neighborhood Transportation, Other Miscellaneous Revenue
17	Tucson Diversion Channel, Country Club to Aviation	445,961	445,961	General Fund
Totals		\$17,166,936	\$17,996,585	

*Through inter-fund transfers from the General Fund to PCDOT, then from PCDOT to the Capital Improvement Fund.

**This roadway project included a portion of work for an underpass at Valencia Road. This work is complete.

The attached map (Attachment 3) shows the location of each project by project number.

With the exception of federal transportation enhancement grants of approximately \$2.5 million, approximately three percent of the funding for roadway improvements that support The Loop has come from HURF; all of which was in the form of voter-approved bonds.

The Board remains consistent in its commitment to a healthy, sustainable community. Central to our sustainability is economic vitality. Construction of The Loop resulted in more than 600 local jobs since inception, increased property values by over \$40 million, and generated over \$50 million in sales taxes for the community. The success of Pima County's previous bond programs reflects the voter's commitment as well.

All funds allocated to The Loop have proven to be monies well spent.

CHH/mjk

Attachments

- c: John Bernal, Deputy County Administrator for Public Works
 Nanette Slusser, Assistant County Administrator for Policy, Public Works
 Tom Burke, Director, Finance and Risk Management

ATTACHMENT 1

Businesses take root on the path — The Loop path

By Lee Allen | Posted: Friday, July 12, 2013 12:00 am

Not a bad taxpayer rate of return on this investment — “Every dollar invested here yields over \$9 of economic benefit to Pima County residents” — Pima County says of the economic, environmental and health impacts of The Loop, an eventual 131-mile, shared-use path encompassing the major river systems of the Tucson region.

“The Loop is a 30-to-40-year overnight success that helps create new business opportunities,” says Deputy County Administrator Nanette Slusser. With links to Marana, Oro Valley and South Tucson; The Loop encircles Tucson with paths for biking, skating, walking, and horseback riding on the banks of the region’s rivers and washes. If it doesn’t have a motor, it’s good to go on The Loop.

“Major flooding in the 1980s and ‘90s got the Army Corps of Engineers in to put up retaining walls, protecting the riverbanks while denuding the vegetation. But the corps also funded restoration efforts along the riverbanks, starting with small walking and biking paths that now link up banks of the Santa Cruz, Rillito, Pantano and Julian Wash as well as Canada del Oro and Tanque Verde washes.”

The project started out modestly. A planned 55 miles that covered one side of the riverbank. “But on most of the waterways, we can now count pathways on both sides as well as some contiguous miles like the most recent segment that connects Santa Cruz River Park to the Julian Wash Greenway — one of the corners where river parks meet — adding 15 more miles of connected pathway,” Slusser says.

Estimating the economic aspects of the \$70 million-plus Loop is challenging, according to Pima County. Its web page then goes on to estimate the project has created 675 jobs in Arizona with 90 percent created in the county. Not only job creation but new economic impacts on social well-being under such categories as outdoor recreation where the Western Governor’s Association calculates \$2.4 billion in direct spending in Pima County.

According to the League of American Bicyclists, “The Loop is a must ride for visitors and residents alike” and in a gold-level Bicycle Friendly Community, that recommendation goes a long way.

At one of several sector launches, Pima County Manager Chuck Huckelberry prophesied The Loop, “One of the longest continuous non-motorized links in an urban area anywhere in the country, will become known nationwide, if not worldwide.”

The Loop quickly became known as a potential business opportunity because wherever people congregate, vendors are sure to be present to meet their needs. Take Jaime Arrieta's Peddler on the Path food truck that spends weekends near River Road and Campbell Avenue selling libations to thirsty hikers, walkers, skaters, bikers, et. al. A cycling fanatic himself, Arrieta says, "I used to ride by this spot all the time thinking someday I'm going to open a coffee shop for people who love to ride this path as much as I do."

That was nearly four years ago. Now Arrieta's web page refers to his operation as 'a Tucson icon with a loyal and growing group of happy customers'. In both triple-digit heat or inclement weather, his Peddler truck (a refurbished 1960s mail truck) is still a hub of activity on most mornings — hot coffee on the cold mornings, frosty drinks on the hot days — "served with style and flair," he adds.

As testimony to his growing popularity, he notes, "I serve nobody but the people who ride the loop and I've had as many as a thousand customers during a 24-hour bike race."

Another vendor that came along for the ride, Tucson's Loop Bicycle Shop, recently celebrated its one year anniversary housed in a former shipping container near El Camino del Cerro. Co-owned by Michael Wilkinson and Robert McLoy, the business offers biking supplies as well as food and beverage items. While they say they haven't made a lot of money to date, they're optimistic with plans underway to expand — doubling footage and tripling inventory.

"The Loop is a huge impact on our business...if it didn't exist, we wouldn't be here," says Wilkinson. "I often wonder about needs that went unmet before our arrival. Now we're a convenient stop for anyone needing a cold drink, a snack, a spare tire tube or a restroom break. Many folks make a pit stop here and end up making some sort of purchase, an impulse buy, on their way out."

On the west end of Tucson sits a supplier of outdoor recreation products, REI, 160 W. Wetmore Road in Tucson Mall. "We can stand here in the store and watch people come off the Rillito River path and head directly for our doors," says store manager Eric Piper.

For minor fix-it needs along the trail, like adding air to bike tires, Pima County has added six new self-service repair stations along the route. "If a problem arises during a ride, these Fixit stations provide a quick spot to refill tires or make small adjustments with tools attached to each stand," says Department of Transportation Bicycle and Pedestrian Program Manager Matthew Zoll.

"Feedback I'm getting is that the Fix-In stations are being used as intended and everybody loves them." Apparently a lot of people love The Loop too as bike and pedestrian counts continue to rise. "In some sections, such as between Campbell and 1st Avenue, we've counted 2,400 users on weekdays and over 3,300 users on a Saturday."

There's a Trader Joe's at 4209 N. Campbell Ave., that is a magnet for Loop users. "We get a lot of walk-in traffic from people who buy everything from a single item to two or three bags of supplies that will fit into their saddlebags," says store spokesman Adam Strong. "Our store continues to grow in volume and with more people coming into our parking lot directly from the riverwalk, some of our growth could be attributed to these Loop shoppers."

Michael Foster owns nearby Caffè Luce and says he gets runners and walkers both starting and at the end of their run/walk in need of a bagel or coffee "to build up energy or to recover from their run. Since they paved the path, there's been a noticeable increase in customer traffic that probably accounts for 15 to 20 percent of our business. We wouldn't go under if it didn't exist, but we'd feel it if it wasn't there."

ATTACHMENT 2



Board of Supervisors Memorandum

October 4, 2011

Completion of the Julian Wash and Harrison Greenways

Background

Pima County has invested \$56 million in river park development and expansion of The Loop, a 55-mile off-street pathway system around the Tucson metropolitan area. The Santa Cruz, Rillito and Pantano River Parks are either complete or nearing completion. Key connections between the parks are now taking shape with the recent construction of the Rillito/Santa Cruz connection and the ongoing design of the Santa Cruz/Julian Wash junction. Only the southern and easternmost segments of The Loop remain mostly undeveloped. The Julian Wash Greenway is the longest of the four river park reaches at 16.1 miles. The Harrison Greenway is 6.8 miles. Combined, these two reaches make up just over half of the regional linear park system, The Loop. To date, only 6.9 miles have been constructed between these two reaches.

Julian Wash Greenway

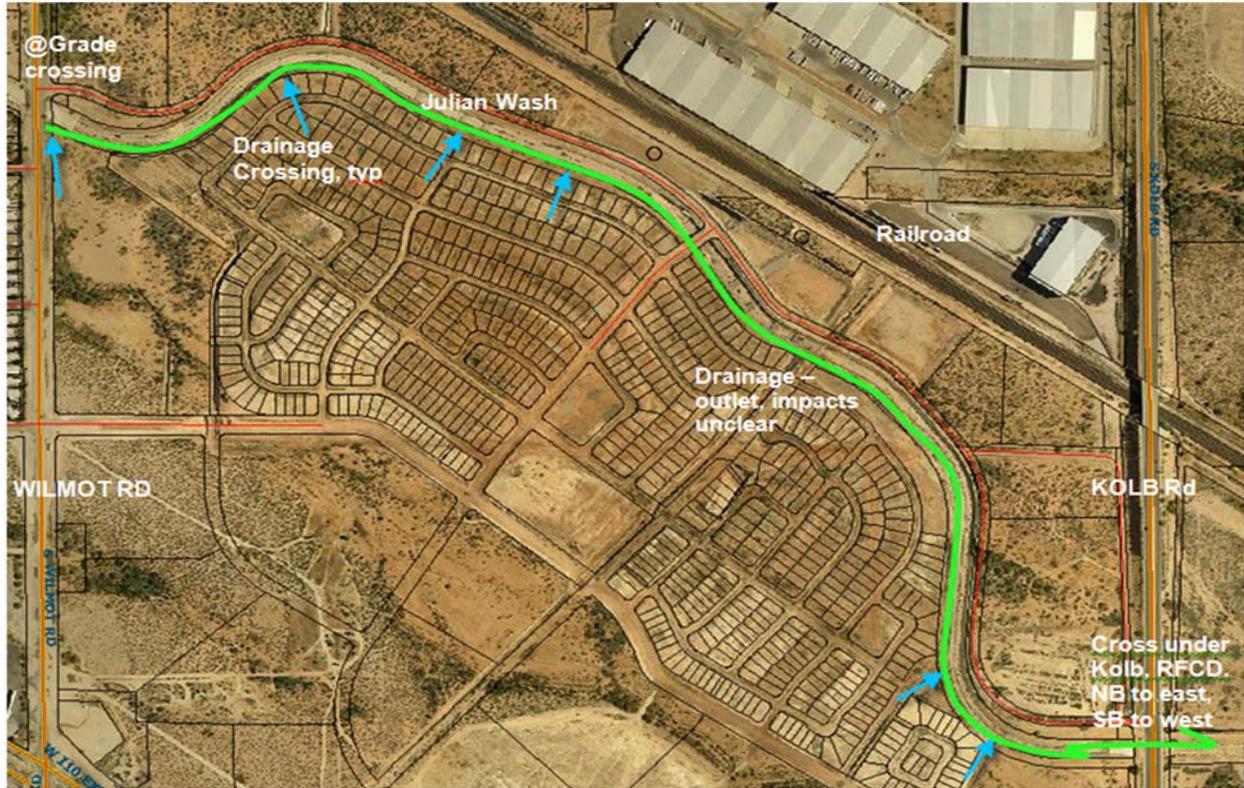
The Julian Wash begins east of Houghton Road and connects with the downtown Tucson area and the Santa Cruz River Park. Designated as a greenway, the right of way width is less than the typical river park and at-grade crossings are more common. Despite the differing designation, the Julian Wash Greenway is unique in its landscapes and cultural character. The greenway traverses three jurisdictions: Pima County and the Cities of Tucson and South Tucson. It links major employment sites such as The University of Arizona's Science and Technology Park and two major healthcare facilities: the Southern Arizona VA Healthcare System and The University of Arizona Medical Center – South Campus with environmental and sports facilities, such as the Kino Environmental Restoration Project and Kino Sports Complex. The greenway also connects with the Pascua Yaqui Village. With completion of the El Paso/Southwestern Greenway, the Julian Wash Greenway will provide the strongest connections from The Loop to the city center.

Pima County, the City of Tucson, and The University of Arizona Science and Technology Park recently completed a 2.1-mile reach of the Julian Wash Greenway from Kolb Road to Rita Road. The 2004 Pima County Bond Program funded this project. The Loop provides recreational components as well as alternate transportation options to the 7,000-plus employees and students onsite and the neighborhoods and businesses in Rita Ranch and surrounding areas.

The goal of completing the remaining segments of these greenways is achievable. Most have either been planned or designed as part of earlier development projects, thus making these projects prime candidates to get to construction quickly. The following seven projects can be advanced to construction in the next 12 months:

Project 1, Kolb Road Underpass. This project is essentially a continuation of the most recently completed section at The University's Science and Tech Park. The new reach ends at Kolb Road. High traffic volumes and high speeds prevent the installation of an at-grade crossing; therefore, the Regional Flood Control District is developing an alternative underpass for Kolb Road that uses an existing box culvert. The project is fully funded with monies remaining from the recently completed adjacent bond project.

Project 2, La Estancia (Kolb Road to Wilmot Road). Plans for this 1.4-mile segment through the La Estancia development were approved by the City of Tucson in 2006 as part of the Planned Area Development (PAD). The PAD commits the developer to numerous onsite improvements, including the build-out of the full river park cross-section. The past several years have seen development in the region grind to a virtual standstill. Despite ongoing discussions with the developer, there are no immediate plans to advance this project. Since this segment of the greenway is an integral link between two previously developed segments and provides continuity to a major employment hub, Pima County is prepared to advance this project now, pending an agreement between the City and the developer. This agreement will include provisions that either reimburse the County for river park improvements or invest an equal amount into like improvements in the general vicinity of or along other segments of the Julian Wash. The plan will provide an immediate infusion of capital for river park improvements, create desperately needed jobs in the construction industry and lay the groundwork for aesthetic and alternate modes improvements in the Aerospace and Defense Corridor concept. The project costs are estimated at \$650,000 and will be funded with DOT-41 bond monies. DOT-41 funds were set aside for purposes such as these.



Projects 1 and 2.

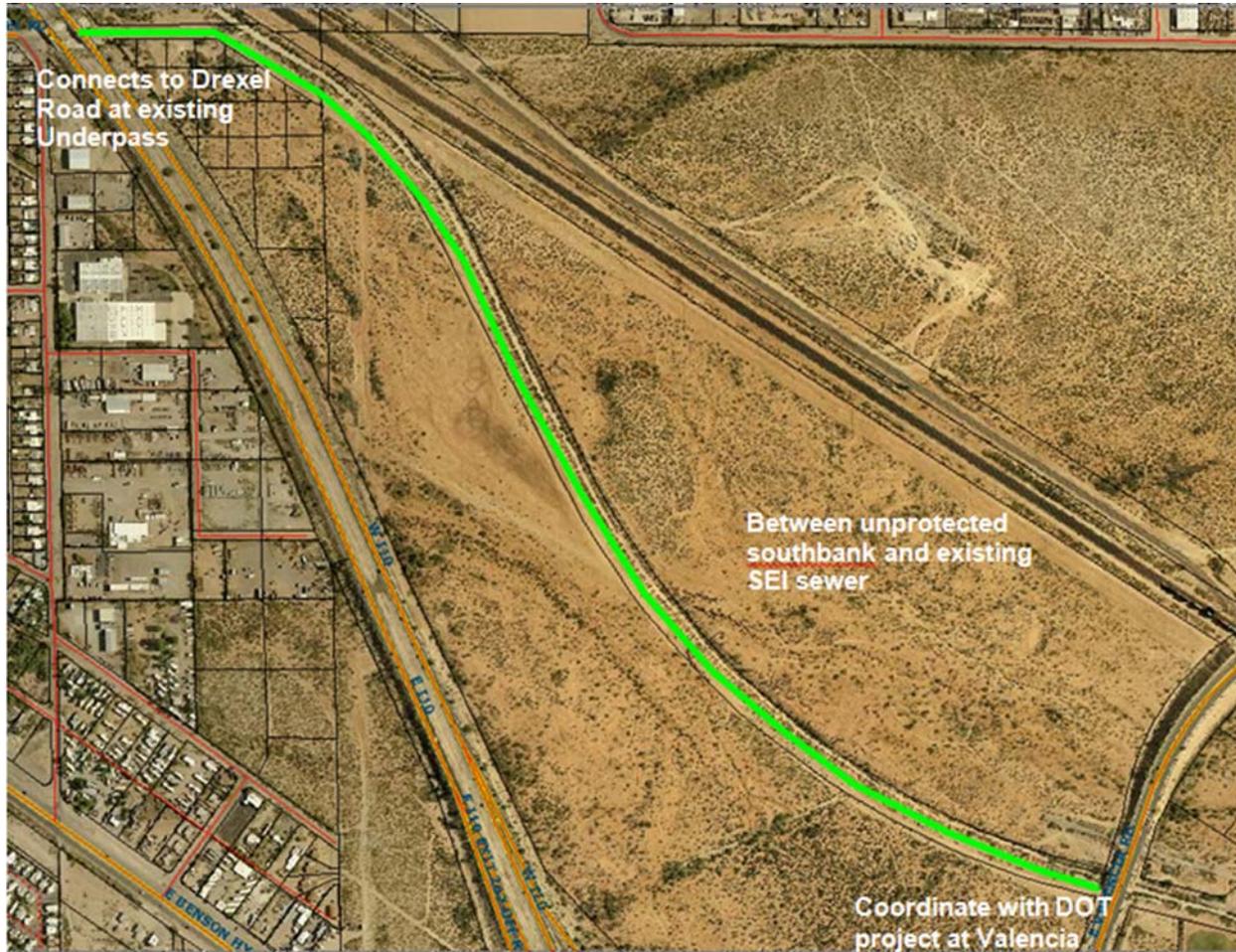
Project 3, Wilmot Road to Van Buren Avenue. This one-mile segment of the greenway was completed during the construction of the adjacent subdivision as a requirement of the developer. Although still in reasonable condition, the County proposes seal coating and striping this one-mile segment to provide continuity between the two abutting segments. The estimated cost for these improvements is \$60,000 and will be funded from DOT-41 bond monies. This project may be combined with one of the adjacent projects if economies of scale benefit.

Project 4, Van Buren Avenue to Valencia Road. This 0.6-mile segment of the greenway crosses from the south bank of the Julian Wash to the north bank and runs through the recently completed ball fields at Thomas Jay Park. The project will provide access to Valencia Road with the Valencia Road improvement project funded by the Regional Transportation Authority (RTA). The underpass and drainage improvements required by the RTA project will also benefit the greenway. The Julian Wash improvements are estimated at \$720,000. DOT-41 monies are proposed to fund the project.



Projects 3 and 4.

Project 5, Valencia Road to Drexel Road. This undeveloped property has been proposed for annexation with the City of Tucson. The Julian Wash Greenway was previously dedicated to the RFCD through this segment, as well as an adjacent sewer easement. Pima County is proposing a continuation of the greenway improvements through this 1.25-mile reach. The greenway will transition to on-street bike lanes at Drexel Road and Interstate 10. Additional stabilization is required along the sewer easement. These improvements may be combined with the greenway project and will be funded by the Regional Wastewater Reclamation Department. The improvements cost an estimated \$700,000, and DOT-41 monies are proposed to fund the project.



Project 5.

Project 6, Drexel Road to Country Club Road to the Kino Environmental Restoration Project (KERP). Due to significant longstanding development and channelization of the Julian Wash in this area, the greenway is proposed to transition to on-street bike lanes along Drexel and Country Club Roads for approximately 4.2 miles to the KERP. The project crosses both City and County jurisdictions, thus requiring additional coordination. This reach will link to one of the region's most significant environmental restoration projects, as well as the Kino Memorial Stadium, Sam Lena Park, and the adjacent University of Arizona Medical Center – South Campus, another major employment center and part of the expanded Aerospace and Defense corridor plan. The estimated project cost is \$3.4 million. Funding will come from the 1997 bond project, DOT-11, Drexel Road, Tucson Boulevard to Alvernon Way. The bond project allocates \$6.5 million for improvements along the Drexel Road corridor from Alvernon Way to Tucson Boulevard. This project will expand the reach

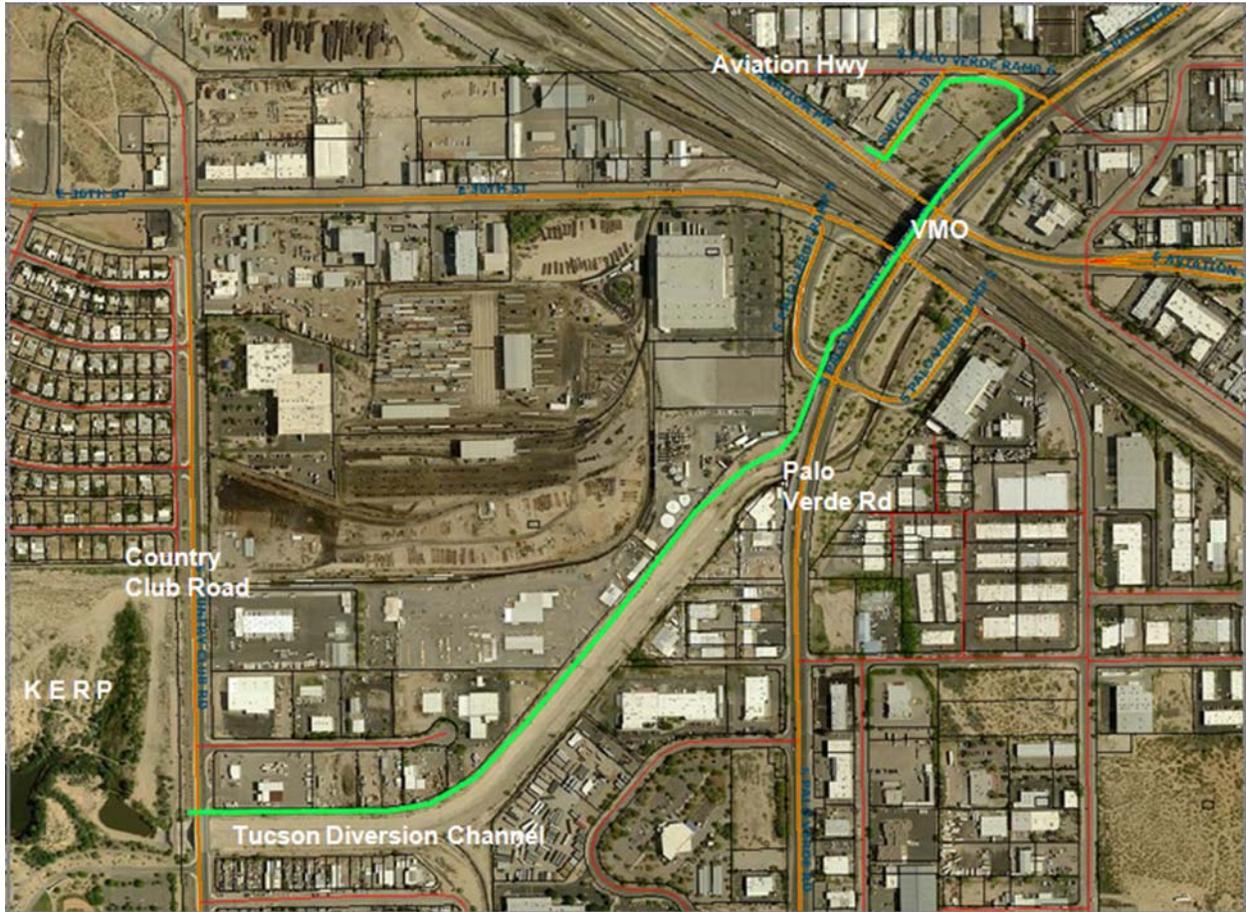
and add improvements along Country Club Road to match the prior improvements from DOT-12, completed in 2008.



Project 6.

Project 7, KERP to Aviation Highway. The KERP is primarily fed with runoff from the Tucson Diversion Channel. The Drexel/Country Club bike lanes mentioned in the prior project description will terminate at the Tucson Diversion Channel. The Channel alignment provides an alternate, off-street route connecting the Julian Wash and KERP with the Aviation Bikeway, one of the regions first and longest midtown off-street bikeways. This 1.15-mile connector will begin to form the spokes, the internal bikeway network, which will eventually connect the metropolitan neighborhoods with The Loop. The project includes both on-street improvements such as striping and signage as well as off-street paving and bike safety improvements along the Diversion Channel, including pavement

patching and sealcoat of the path around KERP. The estimated project cost is \$500,000. Funding will come from the DOT-11, Drexel Road Improvement Project.



Project 7.

Project 8, Park Avenue to Sixth Avenue. The pathway system downstream from the KERP is severely constrained due to existing commercial and industrial development. With minimal available right-of-way, greenway improvements will be limited to a paved path with occasional decomposed granite path and landscaping throughout this one-mile section. Pima County's Communities Putting Prevention to Work Grant is providing funding to identify the most viable route alternatives and provide construction documents for this final un-built section of the greenway. Project costs are estimated at \$1 million and will be funded with monies from DOT-41.



Project 8.

Harrison Greenway

Several reaches of The Loop deviate from the riverbanks but still allow continuous off-street travel. One of these segments is the Harrison Greenway, which connects the eastern end of Julian Wash with the eastern end of the Pantano River. The Harrison Greenway is the latest addition to The Loop, providing an immediate opportunity to link Julian Wash and Pantano River. The Harrison Greenway has received overwhelming support from the City of Tucson, Vail School District, DMAFB and the Rita Ranch Neighborhood Association.

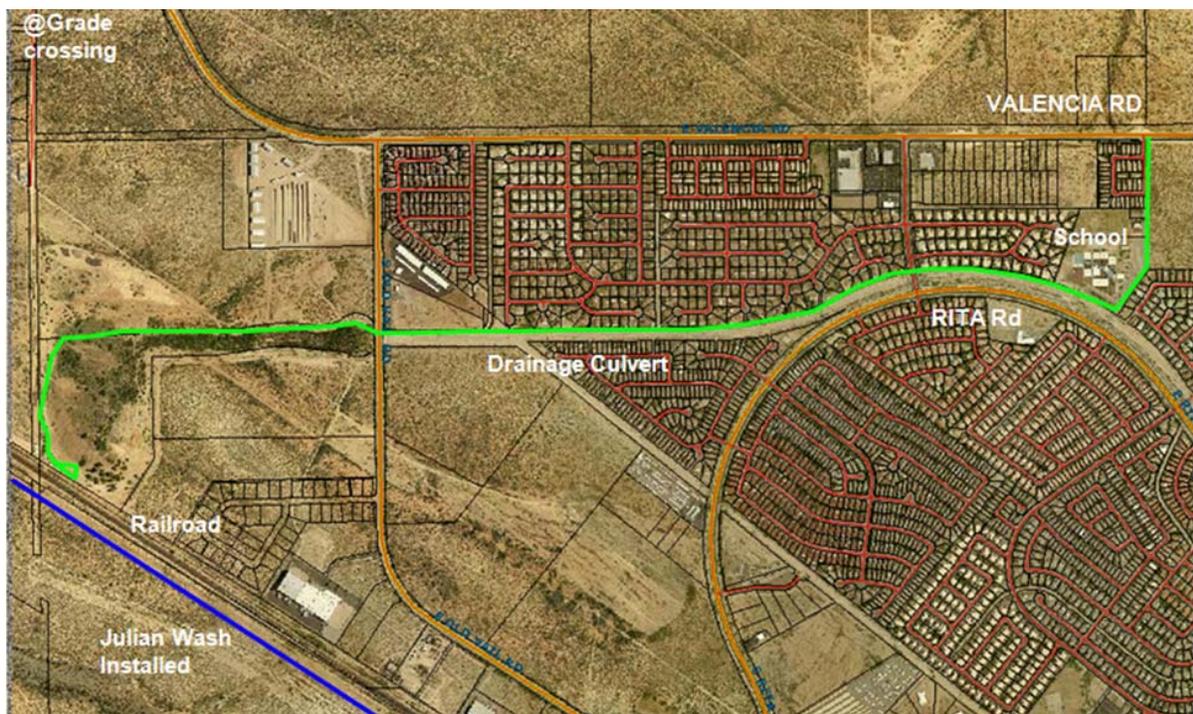
The original Loop route identified Houghton Road as the easternmost connection between the Pantano River and Julian Wash. However, the Houghton Road alignment has proven exceedingly costly to acquire due to the commercial zoning and State land ownership. The City of Tucson Mayor and Council voted on September 13, 2011 to amend the 2004 bond project for the Houghton Greenway to allow the easternmost reach to be moved one mile

west to Harrison Road. Houghton Road will remain the easternmost reach of The Loop with completion delegated to future developers.

Projects 9 through 11 – The Harrison Greenway is being designed in three phases. Design of the southern section from Rita Road to the Julian Wash is complete. The northern section, from Irvington Road to Pantano Wash, is under design and being coordinated with the RTA-funded intersection improvement managed by the City of Tucson. The middle section runs the length of the Davis-Monthan Air Force Base (DMAFB) fence line along the Harrison Road alignment. Design will commence shortly on this section. The total cost to construct all phases is \$5 million. However, the construction of the paved path and minimal drainage and safety improvements can be completed for approximately \$2.2 million; thus providing a primary linkage between the Julian Wash Greenway and Pantano River Park. These improvements are funded with \$1.35 million in 2004 bond monies for the Harrison Greenway. Approximately \$50,000 of the \$1.4 million was used in prior years for the planning and design of the Houghton Greenway. The remaining \$850,000 will come from DOT-41.

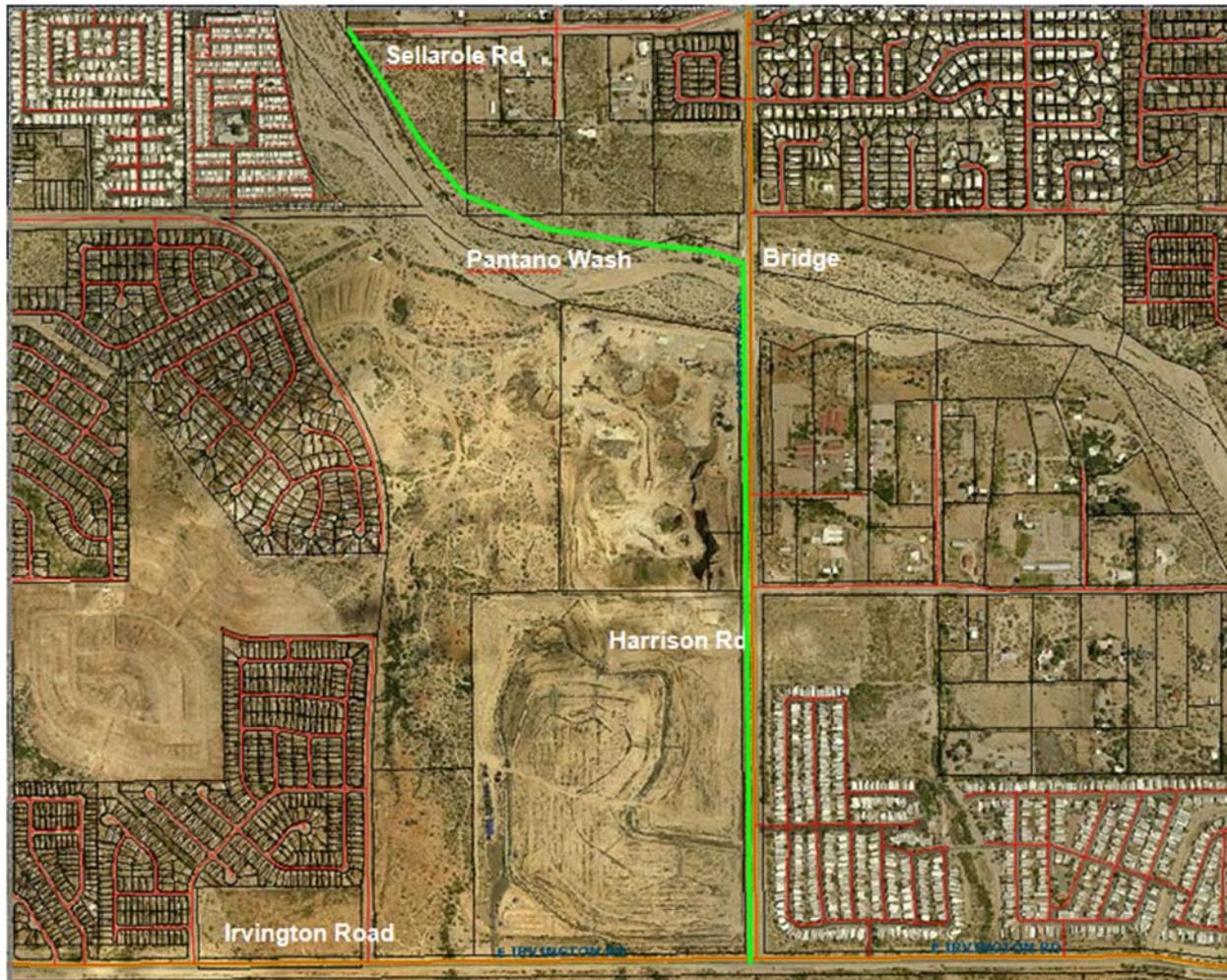
Phase 1 – Julian Wash to Valencia Road

The Union Pacific Railroad tracks bisect the route at the Julian Wash. An at-grade crossing is the preferred option for access to the Harrison Greenway. If the crossing is not approved, a pedestrian/bicycle bridge will be needed at significant cost. Discussion with UPRR on this and other crossings are continuing.



Phase II – Irvington Road to Sellarole Road

This segment is adjacent to Fantasy Island, a popular mountain bike trail, and a private BMX facility. The City of Tucson is beginning construction on the intersection improvements and has offered to coordinate the greenway through this area. The alignment parallels the Harrison landfill which accounts for some additional mitigation costs in areas where the landfill toe crosses the alignment.



Phase III – Valencia Road to Irvington Road

DMAFB is completing munitions clean-up on this segment of the greenway. Once complete, the fence line will be relocated approximately 50-feet to the west allowing adequate room for the paved path and avoiding costly and protracted negotiations for

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Recommendation

Job creation is critical for the recovery of our region. Bike path construction creates 46 percent more jobs than typical roadway projects; 11.4 versus 7.8 jobs per million invested. These projects, therefore, offer the biggest bang for the buck in terms of job creation. As the region further develops the Aerospace and Defense Corridor concept, investment in quality of life and aesthetic improvements in the target area are two key elements in attracting and retaining high-wage employers.

Therefore, I recommend the Board approve the 11 projects proposed in this memorandum at a total cost of \$9.83 million. Funding for the greenways will come from bonds previously approved for these purposes. Each of these projects can be put out to bid or design quickly, thus providing a much need infusion of capital into the design and construction industries.

Respectfully submitted,



C.H. Huckelberry
County Administrator

CHH/mjk – September 21, 2011

c: Richard Miranda, Interim City Manager, City of Tucson
John Bernal, Deputy County Administrator for Public Works
Nanette Slusser, Assistant County Administrator for Public Works Policy

ATTACHMENT 3

