March 25, 2015

Michael Varney, President and CEO
Tucson Metro Chamber
P.O. Box 991
Tucson, Arizona 85702

Re: Your Recent Column in The Explorer and Inside Tucson Business Regarding The “Main Thing”

Dear Mr. Varney:

After we met regarding Pima Prospers, I directed the attached memorandum to staff. The current draft of Pima Prospers to be submitted to the Board of Supervisors contains a new section entitled “Repair and Restore our Streets and Highways.”

Enclosed is the latest version of the Economic Development chapter of Pima Prospers. As you can see, repairing and restoring our highways is a central theme of the economic development element. I am sure the Board will continue to address this issue as they move forward to a possible bond issue in November 2015.

Unfortunately, some seem determined to make Arizona uncompetitive with our neighbors. The State budget decision to sweep funds from the Arizona Commerce Authority for the Closing Fund and the Job Training fund means we will not be able to compete on an even footing with surrounding states for new jobs; an unfortunate circumstance.

It is also clear the Legislature has failed to make the connection between transportation funding and economic expansion. Refusing to adopt a simple $8 vehicle registration fee to reduce the diversion of Highway User Revenue Funds from their intended purpose of repairing and maintaining our highways to fund State bureaucratic departments is unimaginable when our transportation system is falling apart. The responsibility for transportation funding belongs with the State, which has failed to address transportation
Mr. Michael Varney
Re: Your Recent Column in The Explorer and Inside Tucson Business Regarding The Main Thing
March 25, 2015
Page 2

needs in Arizona. This refusal to act will continue to hinder our ability to compete for economic development opportunities.

I look forward to your presentation at the April 7, 2015 Board of Supervisors meeting regarding the Business Expansion and Retention Survey.

Sincerely,

C. H. Huckelberry
County Administrator

CHH/anc

Enclosures

c: The Honorable Chair and Members, Pima County Board of Supervisors
Chamber Asks Pima County Board: Please Make the "Main Thing" the Main Thing

Mike Varney, Special to Tucson Local Media | Posted: Monday, March 16, 2015 12:08 pm

At a Pima County Board meeting last June, there was spirited discussion about the County's proposed budget and spending priorities. This was at a time when the County was considering the speculative purchase of land for the expansion of a soccer facility. Citizen after citizen implored the County to get its priorities straight and to make road repairs "the main thing". The voices of the citizens were unmistakable. People are tired of driving on roads that resemble those in a third world country.

It is estimated that County residents spend approximately $143 million per year on car repairs due to pot holes and broken roads. (Source: Pima County Transportation Funding Report, 2013) As citizens and business owners, we deserve better. Good roads are a core responsibility of local government right along with public safety.

In 2014 the Tucson Metro Chamber released a whitepaper that summarized the sentiments of 129 major local employers. The whitepaper was written to ascertain local sentiment about doing business in the City of Tucson and in Pima County. The whitepaper, called the Business Expansion and Retention (BEAR) Project, is available online at the Tucson Metro Chamber at TucsonChamber.org/BEAR. The voices of these 129 major employers also demanded that local streets and roads be brought up to satisfactory condition.

In the most current version of Pima Prospers, a 10-Chapter document that serves as the County's strategic plan, Chapter #6 relates to economic development. Despite the pleas of business owners, the subject of road repairs is nowhere to be found in this section. These are the business owners who will create upwards of 90% of the new jobs we will have in the next ten years. Yes, new jobs are much more likely to come from the expansion and retention of companies already doing business here than companies attracted to our region. Although County supervisors were provided
a copy of the BEAR Project whitepaper wherein business owners clearly stated their needs, the current draft of the Pima Prosper document gives little emphasis to road repair and gives no emphasis to road repair in the section on economic development.

So that begs the question: Why won't Pima County address the main problem that everyone agrees must be solved? Citizens and business leaders seem to agree that the County needs to get its priorities straight.

Estimates from County Administrator Chuck Huckelberry state that fixing our roads will require about $30 million dollars a year for at least ten years. For some reason, funding for road repair takes a back seat to other projects such as land purchases and lavish structures for animals. Taxpayers are asked to consider new County bonds and to accept new taxes to pay for services that are considered basic everywhere else. The County has a general fund treasury of $1,188,464,252 and budgeted just $44,642,049 (3.8%) on transportation in (FY 2015). The Chamber considers this another example of misplaced priorities and ignoring the will of the people and the job creators of Pima County.

It is time for Pima County to make the "main thing" the main thing. The main thing is roads! Ignoring roads ignores the will of the people, the will of job creators and endangers public safety. The taxpayer wants decent roads. The business owner wants decent roads. As public servants it is time for Pima County to listen to its constituents and deliver.

(Editor's Note: Mike Varney is the president/CEO of the Tucson Metro Chamber of Commerce.)
MEMORANDUM

Date: March 4, 2015

To: Arlan Colton, Planning Director
   Development Services Department

From: C.H. Huckelberry
       County Administrator

Re: Pima Prospers

I recently met with Tucson Metro Chamber President Michael Varney. Mr. Varney provided his review of the Pima Prospers Economic Development Element and is concerned about the lack of a statement regarding road repair and restoration. On the attached sheets, he has annotated in blue ink several locations where modifications could be made, including 6.1 discussing other partners. “The Chambers of Commerce and related business advocacy groups” should be mentioned. My annotations are in black ink.

In addition, the Business Expansion and Retention (BEAR) Survey the Metro Chamber produces annually is one Mr. Varney believes should be referenced or discussed in the Pima Prospers document in several locations, as it is intended to be a survey of the business climate.

Regarding road repair and restoration, perhaps a Section 6.5 should be added entitled “Repair and Restore our Streets and Highways.” This section would describe our problem connected to a lack of revenue, no increase in the gas tax for 25 years, etc. The section should then outline appropriate goals:

- Goal 1 – establish short-term funding for road repairs such as General Fund allocations from the County or General Obligation bonds;
- Goal 2 – advocate for long-term financial solutions such as an increase in the statewide gas tax to provide sufficient funding to bring the entire surface transportation network to adequate standards; and
- Goal 3 – adequately fund and maintain a system network of mobility related to all modes of transportation.

Please add these sections and provide it to the Commission. The additions would complement the Pima County Economic Development Plan.

CHH/anc

Attachments

c: John Bernal, Deputy County Administrator for Public Works
This chapter includes the economic development goals and policies needed to support a healthy region. It includes overarching regional goals and policies that:

- Aid the protection of our existing employers;
- Create a welcoming climate to new business development, outside investment, and relocation of companies and employers;
- Bolster opportunities for job growth;
- Leverage the Sun Corridor and other regional collaboration efforts;
- Strengthen the commitment to tourism as an economic engine;
- Reaffirm construction of infrastructure, commercial, residential, public and community facilities as a stimulus of our economy;
- Create and maintain a positive climate for business;
- Capitalize on our people as an economic driver;
- Establish art districts as an economic development tool for redevelopment and revitalization; and
- Repair and restore our streets and highways.
6.1 Business Retention, Expansion and Attraction

Pima County’s efforts to promote economic development, job growth and rising income within the region are focused on specific strategy areas to protect our existing employer base, create new opportunities for job growth to revitalize tourism, and to create a positive environment for business investment, and position our region as the international gateway from Mexico into Arizona. These efforts stem from a plan that Pima County put into place in 2012, after the Great Recession that was geared to identify the county’s role in economic development and focus on those areas where the county could have a measurable impact.

This element encompasses the set of programs and strategies that spur and strengthen economic development. Expanding on our geographic advantage in the Sun Corridor megaregion is critical and Pima County is strategically positioned to capitalize on the increasing commerce between the U.S., Mexico and Canada. South Korea has also emerged as a potential partner in economic trade. Pima County has partners in that effort including the Arizona Commerce Authority (ACA) and Tucson Regional Economic Opportunities, Inc. (TREO). The ACA emphasizes the state’s economic development competitiveness, while TREO pursues high-wage job and investment growth on behalf of the region. These areas include taxation, transportation, energy planning, and support for the military.

Source: Arizona Department of Transportation

Other partners in economic development include the City of Tucson, the Arizona Board of Regents, the University of Arizona, Pima Community College, Chambers of Commerce and related business advocacy groups, the region’s educational system, and the private sector including health care providers, supply chain businesses, and utilities. All are vital for the long-term viability of the region.
In order to help facilitate the creation of new jobs and to provide business growth and expansion in Southern Arizona, the Tucson Metro Chamber conducted a survey (Business Expansion and Retention (BEAR) Project) of local companies to identify the advantages and disadvantages of doing business in our region. Knowing these preferences will pay a large role in helping to prioritize investments and expenditures, and mobilize the resources necessary to enhance economic vitality and job growth.

**Goal 1: Strengthen public and private partnerships to ensure the long-term viability of the region and strength of the Sun Corridor**

**Policy 1:** Continue to work collaboratively and regionally with the Office of the Governor, the Arizona Commerce Authority, TREO, all local jurisdictions, the Arizona Board of Regents, the University of Arizona, Pima Community College, Chambers of Commerce and related business advocacy groups, school districts serving the region and the private sector to coordinate economic development strategies.

**Goal 1 Implementation Measure:**

a. Engage businesses, chambers of commerce, and trade groups in ongoing analysis of needs and opportunities.

**Goal 2: Align economic development strategies, programs, initiatives, and incentives with land use, transportation, infrastructure, services and natural resource conservation decisions to support the long-term viability of the region**

**Policy 1:** Ensure that all land use, transportation, infrastructure, services and natural resource conservation decisions take into consideration the short and long-range viability of the region.

**Policy 2:** Work with water providers to effectively promulgate sound water management and stewardship that enhances system reliability and resiliency and encourages new business and industry recruitment and investment.

**Goal 2 Implementation Measures:**

a. Collaborate at the federal, state and regional level with government agencies and regulators, municipalities, utility providers, private property owners and other relevant stakeholders to develop a competitive set of incentives, targeted at winning new business to the area and thereby expanding the tax base available to pay for community priorities.
b. Work with TREO to continue to improve the existing process for customer service oriented, rapid, coordinated response to site selectors.

c. Lead effort to plan and implement the Sonoran Corridor connecting 1-10 to 1-19.

d. Complete development of the Aerospace and Defense Business Park to provide 2,400 acres for manufacturing and logistics business operations.

e. Develop an inventory of Pima County concept-ready sites available for sale or lease for the location of new primary employment centers or for the expansion of existing employers in the vicinity of the following locations:
   1) Aerospace and Defense Business and Research Park;
   2) Sunset and Interstate 10/River Road;
   3) Tech Parks Arizona; and
   4) Bioscience Incubator.

f. Support infrastructure expansion and mixed income residential, education, community service, passive and active recreational amenities for land use in proximity to designated concept-ready sites where appropriate in support of future live, work, learn, play balanced land uses.

g. Develop and secure road and infrastructure maintenance programs and investments.

**Goal 3: Protect the region’s existing employers, especially our major employers**

**Policy 1:** Support and assist our existing employers from every industry and with special attention to new technology entrepreneurs to foster their success and expansion needs.

**Policy 2:** Meet frequently with existing private employers to solicit their views on assistance that can be provided to sustain and expand their existence including continuing to improve permit processes, development issues, utility access and eliminate code barriers.

**Policy 3:** Develop a robust menu of incentives to encourage additional capital investment and hiring by existing employers.

**Policy 4:** Deal proactively and quickly with government and community issues articulated by private employers.

**Policy 5:** Identify ways to help private employers to expand their business into new markets.

**Policy 6:** Assist private employers in reducing or mitigating barriers to business expansion. Pay particular attention to solving workforce and capital barriers.

**Policy 7:** Encourage international trade into and from Mexico, Canada and Asia.
Goal 3 (Policies 1-7) Implementation Measures:

a. Identify barriers for businesses and work collaboratively to reduce such barriers.

b. Establish a business roundtable to explore ways Pima County can assist business expansion and develop an action plan including working to establish a business one stop center.

c. Work with Chambers of Commerce, the Arizona Mexico Border Commission, the Canada Arizona Business Council, the Arizona Commerce Authority-Mexico Office and other on trade opportunity with Mexico.

d. Work with Tucson Metro Chamber and related business advocacy groups to implement the recommendations resulting from the Business Expansion and Retention (BEAR) survey.

Raytheon

Sonoran Corridor and Aerospace Parkway
Policy 8: Support Raytheon’s efforts to protect its employment base, expansion needs and operations.

Goal 3 (Policy 8) Implementation Measures:

a. Purchase land to minimize urban encroachment and to provide the space necessary to assure the safety and security required for national defense manufacturing.

b. Prioritize the realignment of Hughes Access Road as a new access and bypass road sufficiently south of the current road to provide the space necessary to assure the safety and security required for national defense manufacturing and to facilitate expansion opportunities.

c. Increase the area’s compatibility with the Raytheon mission by improving access to Tucson Airport Authority (TAA) and Pima County-owned properties south of Hughes Access Road. This access makes these properties more attractive for potential development that is compatible with the area.

d. Promote collaborative planning among land owners surrounding Raytheon (County, City, TAA, State, private) to:
   1) Assure that land use and development decisions on adjacent land accommodate all Raytheon manufacturing, space and security requirements;
   2) Maximize amount of concept-ready industrial land available;
   3) Standardize planning and development requirements for industrial area; and
   4) Provide efficient and immediate access to truck, rail and air transport.
   5) Provide for residential housing and mixed-use development where appropriate for convenient work access by current and future employees.

e. Align long-range development plans for the Aerospace/Defense Corridor plans to maximize investments.

f. Invest in Pima County’s future by expanding regional roadway, water, sewer, and utility infrastructure to encourage expansion and relocation in the Aerospace/Defense Business and Research Park.

g. Facilitate the preparation of the Aerospace/Defense Business and Research Park master plan to attract supply chain partners.

h. Require new development in the vicinity to be compatible with Raytheon’s mission and the long-range plans and viability of the Aerospace and Defense corridor.
Economic Development

i. Maximize investments by supporting the long-term development plans of the Aerospace Parkway.

j. Anchor Raytheon’s location as a vital component of the Aerospace Parkway.

Military Resources

Policy 9: Protect the military functionality of Davis-Monthan Air Force Base (DMAFB) and the Arizona National Guard 162nd Fighter Wing.

Goal 3 (Policy 9) Implementation Measures:

a. Promote regional support for the Base mission and expansion needs through multi-jurisdictional lobbying and through lobbying and communicating with State and Federal Officials and military command structure.

b. Support current and future flight operations at DMAFB and 162nd Fighter Wing as an important utilization of existing investment in military facilities, infrastructure and runways which provide efficient access to the Barry M. Goldwater Range.

c. Support the activities and expansion needs of the Arizona Air National Guard 162nd Fighter Wing and its need to develop facilities in the vicinity of the southeastern area of the Raytheon/Air Force Plant 44 facility to enhance operations and functionality.

d. Buffer DMAFB from residential encroachment by requiring that new development complies with all applicable sound mitigation, density and land use requirements within the APZs, the DMAFB Approach/Departure corridor and noise contours.

e. Build support for DMAFB through veteran and retiree support, assistance and participation programs such as Veterans One-Stop and collaboration with the Veterans Administration Hospital and related facilities.
University of Arizona

Policy 10: Leverage the intellectual capacity of the University of Arizona to help solve community problems and service delivery.

Goal 3 (Policy 10) Implementation Measures:

a. Work collaboratively with the University of Arizona to fund and construct Science Park Drive and complete the I19-I10 Sonoran Corridor interlink highway.

b. Create a secure defense and industrial research and testing facility on County owned land.

c. Support efforts that encourage technology and innovation, business incubators and shared resources, and research to expand entrepreneurial opportunities and retain graduates.

d. Utilize the existing international academic and research linkages of University departments and individual professors to develop business contacts and potential business investments and opportunities.

e. Support Tech Launch Arizona and other efforts to encourage innovation and the spin off new technologies to commercial ventures.

f. Continue to expand health service and bio-sciences collaboration at University South.

g. Collaborate and support the University in cross border, Mexico, Canada, Asia and International trade, education, technical consultation and health service efforts.

h. Collaborate with the University of Arizona, Visit Tucson, Arizona-Sonoran Desert Museum and local incorporated jurisdictions to develop a County and Southern Arizona geo-tourism program.

i. Explore adaptive use and reuse of County facilities for emerging technologies such as aquaculture/fisheries at wastewater treatment facilities to encourage investment in water technologies.

j. Utilize the data collection and analysis services of the various colleges such as Eller School of Management, College of Architecture, Planning and Landscape Architecture and University of Arizona Medical Center in a collaborative approach to improve our community and Southern Arizona.

k. Support efforts to graduate more community college transfer students and non-traditional students who are enrolled in school and work.

l. Increase efforts to create degree pathways for incumbent technology workers and high-tech employers.
m. Collaborate on regional water clusters that involve infrastructure, policy planning, education and innovative technologies.

n. Support research and industry growth related to the regions existing optics cluster, astronomy, planetary and space sciences.

**Opportunities for Job Growth**

**Goal 4: Create new opportunities for job growth**

**Policy 1:** Take competitive advantage of the synergies generated by a bi-national and international economy through maximizing international trade with Mexico, Canada and Asia maximizing business opportunities between the Pima County regional of southern Arizona and the world.

**Policy 2:** Increase and maximize employment opportunities and growth of area median income to provide for personal discretionary income as a component of quality of life.

**Goal 4 Implementation Measures:**

a. Foster cross-border meetings and communication and encourage business ventures and mutual co-investment in Sonoran and southern Arizona’s economic development opportunities.

b. Support safe and efficient routes that increase the international mobility of people and goods.

c. Support the CANAMEX Corridor, the Sun Corridor, and the Intermountain West Corridor to enhance international trade throughout the western United States and work with the Canada Arizona Business Council to facilitate commerce and trade with Canada for the Southern Arizona region.

d. Develop the interstate connector, connecting I-19 and I-10, to create a master planned industrial corridor focused on supply chain development, logistics, and cross-border opportunities.

e. Support the expansion of SR 189A as a priority project for ADOT.

f. Support the work of the Tucson Hispanic Chamber of Commerce and other community organizations with a mission to support international trade and business expansion between our community and Mexico.

g. Build cross-border relations with Mexico to address infrastructure issues while encouraging cross-border trade and investment.

h. Support the work of Canada Arizona Business Council and use the Council to identify and pursue investment opportunities from large Canadian businesses.
i. Work collaboratively with other border counties and communities to develop a cohesive strategy to promote and market the region’s assets.

j. Provide opportunities and facilities that encourage Mexican businesses to locate operations in Pima County.

k. Enhance our relationship with Mexico by developing appropriate infrastructure and marketing programs to position Arizona/Sonora regions as the next major gateway to Asian markets.

l. Educate Southern Arizona businesses and citizens about cross border opportunities making it easier for Mexican businesses to do business in Pima County.

m. Become a lead agency with the Canada Arizona Business Council to spur trade opportunities, investments and economic expansion for Southern Arizona to achieve the following:
   1) Integrating Canadian investment into our Pima County Mexico strategy by leveraging Canadian interest in Mexico and developing supply chain opportunities for Canadian companies in Southern Arizona;
   2) Increase Canadian (conventional and medical) tourism in Pima County;
   3) Work with existing Canadian companies in Pima County to ensure quality business operations, involvement in regional corporate citizenship, retention and encourage appropriate investment and expansion; and
   4) Identify specific industry sectors in Canada that promise the most return for our region’s economic development strategy and proactively target specific Canadian companies within those sectors.

Policy 3: Prioritize the establishment of an Aerospace/Defense oriented business park associated with the Tucson International Airport (TIA) as a regional economic engine.

Goal 4 (Policy 3) Implementation Measures:

a. Capitalize on the attractiveness of air service to businesses for passenger, freight and operational needs.

b. Use the nationally acclaimed aviation technology program offered by Pima Community College as a driver to attract industry to the region.

c. Support the recommendations of the Tucson International Airport Master Plan.

d. Attract new employers from the aerospace, defense and transportation industries.
e. Attract suppliers and support businesses to the nearly 200 aerospace and defense-related companies in Pima County.

f. Provide concept-ready sites and aggressively market these to the supply chain of existing companies.

g. Consider demand for increased freight infrastructure driven by the rapidly growing industrial base in deep-water port being developed in northern Mexico.

h. Strengthen partnerships with Tucson Airport Authority (TAA), Raytheon, the Arizona Air National Guard, Tucson Regional Economic Opportunities (TREO) and other tenants, agencies and stakeholders.

**Policy 4:** Partner with emerging technology sectors to address climate challenges and attract clean high tech industries to the region.

**Goal 4 (Policy 4) Implementation Measures:**

a. Add incentives to attract industry that creates or utilizes alternative energy sources.

b. Support the University of Arizona and other innovative partners in addressing and protecting climate focused technologies as part of the new economy. “The economy is about increasing quality of life, improving health, and restoring the environment”.

**Policy 5:** Create new incentives based on national best practices to attract jobs and industries.

**Goal 4 (Policy 5) Implementation Measures:**

a. Maintain an inventory of the region’s zoned industrial land (private and publicly owned).

b. Encourage the PAG Economic Development Committee to proactively engage in projects which provide both immediate and short-term benefit to the region as well as long-range planning.

c. Identify and aggressively market the region’s industrial and other appropriately zoned, concept-ready sites.

d. Solicit input from site selectors about barriers to entry in Pima County and work aggressively to remove them.

e. Work to gain regional support for creating a resource base and funding specifically used to attract desirable employers, grow our long-range tax base and increase contributions and funding for community priorities.
f. Encourage and assist private landholders in developing their industrial lands and consolidating multiple land holdings to attract companies.

g. Encourage appropriate residential and commercial construction to serve employment center areas for the convenience of employees. Consider promoting specialized employment centers that promote synergistic development of like industries such as is occurring in Innovation Park and Port of Tucson.

h. Identify mechanisms to incentivize the utilization of privately-owned undeveloped industrial land such as:
   1) Development agreements with property owners;
   2) Joint ventures and public private partnerships;
   3) Transfer of Development Rights (TDRs); and
   4) Other mechanisms.

i. Identify, develop and offer public land alternatives for special size, location and other requirements that are not available from private sector. Also use public infrastructure and development to promote better development and larger size of private parcels.

j. Fund, and schedule the public infrastructure (water and sewer) and other major utilities, including critical interceptor and transmission improvements, to meet the industry requirements at economically critical sites, to make industrially zoned lands concept-ready for development.

k. Develop a Board of Supervisors policy regarding workforce training and other incentives to encourage the attraction and expansion of businesses, employment and an increasing median wage in Pima County.

l. Work with local school districts and support Pre-K through 12th Grade Public Education and the importance of secondary property taxes and bonding capacity of school districts on attracting economic development.

m. Maintain the current County policy of requiring that incentive agreements assure full, commercial property tax revenue to each of the education districts.

n. Utilize County land, lease, training and tax incentives wisely with a long-range goal of increasing County median income levels.

o. Establish new Aerospace/Defense Business and Research Park and other business parks to be able to negotiate and attract major new industry to the region.

p. Work with Pima Community College and other providers to offer training to upgrade the skills of the region’s current workers.
q. Create an industry attraction incentive matrix that provides a list of available support, fees, incentives and waivers from all sources available to attract business.

Airports and Aviation

Aviation, rail and freight transportation are linked. The Joint Planning Advisory Committee of the Pima Association of Governments, Maricopa Association of Governments, and Central Arizona Association of Governments, conducted a freight transportation study to identify freight commodities transported by truck, rail, and air; developed an inland port market assessment; and identified freight infrastructure improvements. This study was undertaken to develop strategies to diversify the economic base of the Sun Corridor.

The study examined 16 regional freight focus areas throughout the state and identified those that had the greatest opportunity for expansion and development. Of these 16 focus areas, four were selected for further analysis. One of those selected was the Tucson International Airport (TIA). The TIA focus area identified important assets and opportunities for the freight industry and considered the proximity of the airport to the international border with Mexico and major infrastructure such as I-10 and I-19, as well as rail facilities.

The study described TIA as an import distribution center, favoring this location in the Sun Corridor for development that serves a vital purpose in global supply-chain logistics. TIA is uniquely positioned in Arizona to focus on accepting imports and redirecting them to precise markets. These logistical advantages of TIA favor continued expansion of basic employment around the airport.

Ryan Airfield is a general aviation airport located approximately 10 miles southwest of Tucson at the intersection of West Valencia Road and Ajo Way (State Route 86). Ryan occupies over 1,804 acres, and serves as a general aviation reliever airport for Tucson International Airport. More than 300 aircraft are based at the field and 30 tenants ranging from aircraft maintenance shops to charters and flight instruction facilities, provide a variety of services. Ryan Airfield presents an opportunity to become a job creator. In order to become a job center, needed infrastructure must be in place.

Goal 5: Align transportation, land use, infrastructure, and economic development goals to support Tucson International Airport as a logistics center and Ryan Airfield as a job creator
Policy 1: Plan the Sonoran Corridor as a high-speed transportation facility connecting Interstate 19 (I-19) with Interstate 10 (I-10) in an integrated manner following land use directives.

Proposed Sonoran Corridor

- New auxiliary interstate highway
- Second major runway at Tucson International Airport
- Increased rail capacity
- Regional Business and Research Park with emphasis on aerospace, defense and technology
- Buffering Raytheon, the region's largest employer
- Relocating and renaming Hughes Access road as the Aerospace Parkway
Policy 2: Create the Sonoran Corridor as a fully-controlled access parkway that meets the criteria for a full access freeway by:
   a) Requiring that access to the corridor is only allowed through interchange points;
   b) Setting operating speed of the corridor similar to existing freeway speeds in the urban area;
   c) Maximizing public infrastructure investments along the corridor;
   d) Ensuring that highway investments made to relocate Hughes Access Road are compatible with the Sonoran Corridor;
   e) Proposing that the Sonoran Corridor be designated as a state highway under the operational management and control of ADOT; and
   f) Securing significant local funding for development and approval to be provided by local government agencies including Pima County.

Policy 3: Support Tucson International Airport Master Plan and the development of a second main runway.

Policy 4: Support the current and future missions of the 162nd Fighter Wing and the Arizona Air National Guard.

Policy 5: Work with the Tucson Airport Authority, ADOT, and others to provide the infrastructure needed to best position Ryan Airfield as a sub-regional employer.

Policy 6: Recognize the importance and value of the entire length of Valencia Road as an Economic Development Corridor from Ryan Airfield to Saguaro National Park East.

Goal 5 Implementation Measures:
   a. Work collaboratively with TIA in the development of a second runway and the implementation of its master plan.
   b. Work to bring the Sonoran Corridor to fruition.
   c. Promote efforts to position Ryan Airfield as a logistics hub.

Rail, Freight and Shipping

The Port of Tucson’s Container Export Rail Facility is one of only six rail projects selected to receive TIGER V grant funding from the U.S. Department of Transportation. Implementation of the Container Export Rail Facility will make the Port of Tucson the only true inland port in the southwestern United States.

This new facility is a key component of the County’s economic development strategy. It will enable our region’s businesses to access Asia Pacific seaports through the Ports of Los Angeles and Long Beach, as well as private facilities such as American President Line’s Global Gateway South (GGS). As the region that includes the Tucson/Phoenix megalopolitan area (Sun Corridor) and Sonora, Mexico
continue to expand in population and jobs, this facility will provide global market access for manufacturers and commodity exporters through highly efficient direct rail connection to the piers at the Ports of Los Angeles and Long Beach and GGS, as well as the capacity to develop direct rail access to the east coast markets, including produce markets. The expansion of Passenger rail can connect people and jobs within the Sun Corridor. Arizona Department of Transportation is studying a passenger rail route between the Tucson and Phoenix regions. This enhancement will further tie the two economies into one and produce greater opportunity for Southern Arizona.

**Goal 6: Support Port of Tucson as a key transportation and logistics center in southern Arizona**

**Policy 1:** Support rail enhancements, construction and extensions needed for the successful operation of the Port.

**Policy 2:** Continue to participate in ADOT’s process seeking intercity rail connectivity between Tucson, Phoenix and beyond.

**Policy 3:** Support efforts to extend rail access throughout the region.

**Policy 4:** Continue engagement in Innovation Frontier consortium with Arizona and New Mexico border counties and cities to build a shared strategy on the foundation of historical strengths in agriculture, mining, electronics, and aerospace and defense.

**Policy 5:** Leverage the Sun Corridor to attract subsidiary and secondary industries by collaborating with communities to promote the entire region.

**Policy 6:** Improve road maintenance to support our region’s ability to be a key transportation and logistics center.

**Goal 6 Implementation Measures:**

a. Work collaboratively with TREO, Port of Tucson, PAG, Union Pacific, ADOT and other partners to identify appropriate regional rail infrastructure expansion opportunities and position Port of Tucson as a key transportation and logistics center.

b. Actively participate in the state planning efforts to explore the potential of an intercity passenger rail line connecting Southern Arizona with the Phoenix metro area.

c. Collaborate with county partners to promote the region.

d. Strengthen partnerships between Tucson and Phoenix to promote the Sun Corridor and to attract job growth to the County.

e. Spread new employment throughout the region’s Regional Job Growth Centers in Oro Valley, Marana, Sahuarita and South Tucson.
f. Support and facilitate the development of critical infrastructure to enable rapid development of employment center opportunities.

g. Actively seek financial resources to repair and rebuild roads to aid the logistics industry and improve the overall condition of our streets.

**Tucson Regional Economic Opportunities, Inc. (TREO)**

TREO recently released their 2014 Economic Blueprint update that sets priorities to advance prosperity in Southern Arizona. The “We Win as One” Economic Blueprint is designed to increase jobs and prosperity by focusing on the following:

- Healthy Region
- Infrastructure
- Talent Attraction, Development and Retention
- Strong Business Environment

**Goal 7: Support TREO’s efforts to strengthen the regional economy**

**Policy 1:** Continue to support TREO’s efforts in the identification of key industry sectors and industry attraction. Encourage TREO to engage in advocacy beneficial to TREO’s mission and purpose. Actively promote communication with Arizona Commerce Authority and with surrounding counties economic development efforts.

**Goal 7 Implementation Measures:**

a. Provide TREO with financial support, specific objectives and deliverables.
b. Collaborate with TREO to develop incentive packages for desirable new employers.
c. Encourage cross-border recruitment to realize advantages of cost manufacturing in Mexico while having access to design expertise in Southern Arizona.
d. Work with TREO to develop concept-ready supply of industrial sites for potential clients.
6.2 Tourism as an Economic Engine

Goal 1: Revitalize the tourism industry

Policy 1: Create a good first impression.

Goal 1 (Policy 1) Implementation Measures:

a. Support beautification and clean-up projects.
b. Create more natural attractions that serve as destinations.
c. Identify key corridors and major gateways in and out of the region such as Paseo de Las Iglesias, El Corazón, Tucson International Airport, and regional malls that will benefit from landscaping, paving improvements, transit and redevelopment and prioritize these efforts.
d. Support efforts to eradicate invasive, non-native species, such as Buffelgrass, that threaten the Sonoran Desert natural environment.
e. Maintain roads and streetscapes.

Policy 2: Increase tourism opportunities.

Goal 1 (Policy 2) Implementation Measures:

a. Encourage all regional jurisdictions to financially support Visit Tucson in order to increase funding available to support marketing and tourism.
b. Increase tourism opportunities by discounting facility rental fees.
c. Diversify sports attractions by encouraging soccer and other field sports as emerging sports.
d. Build and repurpose existing facility infrastructure to attract amateur and youth tournaments.
e. Support the international and domestic cycling tourism industry.
f. Take advantage of our geography, topography and natural environment to develop Geo-Tourism opportunities.
g. Promote The Loop and other connecting multi-use pathways as regional attractions.
h. Create new and expanding existing tourism venues including the existing major Pima County attractions (i.e. Arizona-Sonora Desert Museum, Pima Air and Space, Old Tucson, and Colossal Cave Mountain Park) through Public
investment. Attractions also serve as an important part of education for the children of this community.

i. Leverage our proximity to Mexico to take advantage of expanding disposable income and demand for American goods by visitors from Mexico.

j. Leverage our partnership with Canada Arizona Business Council (CABC) to expand visitor marketing programs with Canada. Canada ranks second in overnight visitation to Arizona with 773,260 visits in 2013.

k. Maintain a visitor-friendly stance that does not discriminate through policy and law.

l. Encourage and support voluntary private sector initiatives to conduct business in a bilingual and bicultural manner.

m. Create a consolidated gateway through the development of a new Visitor Center located on historical land near the Santa Cruz River for all of our region’s unique resources. Promote a story of Tucson and the region that showcases its uniqueness and diversity and fosters a sense of pride and a sense of place in residents and visitors alike.

Policy 3: Protect the natural environment as this is our greatest tourism attraction including the night skies, our sky islands, and the Sonoran Desert as well as its native species.

Goal 1 (Policy 3) Implementation Measures:

a. Protect and promote the Sonoran Desert as a world destination.

b. Promote regional cycling events that attract an international community by showcasing the Sonoran Desert.

c. Continue building bicycle facilities and promoting regional bicycle events.

d. Continue to protect our dark skies through light pollution abatement efforts/investments.

e. Protect and preserve the rich natural heritage of native species and habitats in the County’s Sky Islands regions.

f. Support, maintain and expand the Pima County regional trail system.

h. Promote destination resorts in the region that attract the out-of-state and international community.

j. Expand medical tourism by working with University Medical Center, TMC, Northwest Medical, Marana Health Center, El Rio, and other regional medical
centers and physician groups. Work with Visit Tucson to develop and market visitor incentive packages for those seeking medical care within our community.

k. Diversify sports attractions at Kino Sports Complex with Minor League Soccer (MLS) teams.

l. Plan monthly visits to Sonora with Visit Tucson to cultivate relationships and change perception of Arizona through welcoming measures.

m. Work with Visit Tucson and the University of Arizona to continue to collect data on the impact of Mexican and Canadian Visitors in Pima County and the impact of major events such as the Tucson Gem Show on our regional economy.
6.3 Positive Climate for Business

Goal 1: Create a positive climate for business and improving business

Policy 1: Create a positive climate for business that:

a) Fosters and encourages private business initiative and entrepreneurship;
b) Collaboratively works with business to reduce barriers to investment, growth and expansion of quality companies and projects;
c) Takes a regional collaborative approach by working with other jurisdictions;
d) Strengthens public/private partnerships and networks;
e) Encourages public-private partnerships for infrastructure and other creative projects that improve the region, including transit expansion;
f) Supports shopping and buying locally as a region through procurement practices;
g) Prioritizes projects, programs and efforts that support local businesses and enhance the entire region such as road and infrastructure maintenance;
h) Promotes utilization of new communication technologies such as new wireless and fiber networks in urban and rural Pima County that invigorate business and encourage investment;
i) Builds bridges between libraries and workforce development;
j) Provides programs for business start-up success;
k) Recognizes the importance of urban form in economic development;
l) Provides accelerated permitting time-frames; and
m) Improves automated permitting and regulatory system as new technologies emerge.

Policy 2: Continue to advocate for good public policy that benefits businesses by:

a) Providing business-friendly governance that promotes healthy people, healthy economy and healthy environment;
b) Simplifying and maintaining a favorable tax structure;
c) Supporting competitive utility fees in exchange for reduced or alternate use of energy sources;
d) Prioritizing road and infrastructure maintenance;
e) Centralizing business centers to serve new and emerging young entrepreneurs; and
f) Considering strategies to support the unique needs of Community Development Target Areas (including Colonias) and rural communities.
Goal 1 Implementation Measures:

a. Work collaboratively with jurisdictions, TREO, the University of Arizona, business and industry membership organizations, chambers of commerce, major employers and other interested agencies and partners to strengthen the public/private partnerships needed to create a positive climate for business throughout the region.

b. Develop a Business Resource One-Stop Center and/or resources network to serve business development needs ranging from the single entrepreneur to all size business including access to capital, tax assistance, regulatory compliance, and marketing.

c. Identify funding sources and grants available to support the unique needs of Community Development Target Areas and rural communities.
6.4 Our People as an Economic Driver

**Goal 1:** Develop our workforce to meet the business needs of our economy

**Policy 1:** Develop potential workforce to meet the business needs of the region by:

a) Encouraging employment centers that integrate housing, jobs and retail services in a walkable and bikeable setting with access to transit;

b) Supporting state and local efforts to assure that affordable, subsidized child care is accessible to all employment centers;

c) Reviewing Tech Parks Arizona Global Advantage and other best practices to promote business park development and leverage production capacity in Mexico;

d) Encouraging the development of mixed-use activity centers as tools for economic development, where appropriate;

e) Examining Livable Wages and setting a standard for business incentives to meet that bar;

f) Acknowledging the poverty in the region, identifying its causal roots, and eliminating barriers to growing a healthy community with a productive workforce; and

g) Investing in early childhood education, daycare and other educational opportunities to give our workforce a head-start.

**Policy 2:** Invest in workforce development with established targeted, measurable outcomes, to ensure a highly qualified talent pool for new and existing jobs at sustainable wage levels by:

a) Providing job training that recruits and builds a workforce from high school forward leveraging the program capacity of Pima Community College and other providers;

b) Working with Pima Community College, the University of Arizona, JTED, and the high schools to improve relevant/quality of occupational education and build community/industry support for targeted occupational education programs, renovation of high-tech equipment and facilities;

c) Working with regional businesses in all sectors to establish and fund year-round job internships for high school, undergraduate and graduate students.

d) Constructing special outreach and investment in disadvantaged populations that are underrepresented in the workforce;

e) Diversifying the region’s economic portfolio to avoid reliance on growth to spur the economy and to minimize labor fluctuations;
f) Leveraging the presence of well over 100,000 former military personnel in Pima County to take advantage of their inherent skills, discipline, and desire to live in the region to enhance the available workforce for expanding employment centers;
g) Designing and providing contextualized basic education and basic computer skills for adults and late teens to overcome educational deficiencies and prepare them for skilled labor positions; and
h) Promoting vocational education over a broad region (Southern Arizona and New Mexico) utilizing and requiring collaboration between multiple public colleges and universities where capital intensive and expensive educational curricula (advanced manufacturing, robotics, advanced machining, nanotechnology, etc.) are not competitively duplicated or replicated unnecessarily, but are developed collaboratively to minimize cost and maximize investment on expensive equipment.
i) Improve applicant confidence, employment opportunities and job satisfaction by establishing and making available a full spectrum of computer technology education for residents and employees in Pima County.
j) Promote and encourage lifelong learning and educational attainment by supporting literacy programs, book festivals, community workshops, and educational aid.

Goal 1 Implementation Measures:

a. Pima County’s Workforce Training Program shall:
   1) Engage businesses as co-sponsors based on their immediate workforce needs and long-term interests;
   2) Provide competencies that match jobs;
   3) Align with credit bearing coursework and transfer to professional degrees;
   4) Provide portable credential or certifications that enhance trainee’s employability; and
   5) Offer supportive services to trainees to aid with childcare, transit, or job search.

b. Continue to support a strong regional One-Stop workforce system that facilitates coordination of workforce services provided by multiple state, local and private entities, and support grant proposals by other agencies that want to collaborate.
c. Leverage the Pima County Library system to improve the overall quality of skills and abilities in the workforce, providing access to the internet, resources, and sponsorship of community events.
6.5 Repair and Restore our Streets and Highways

Transportation cost is a key factor in economic competitiveness. All products, goods and services have embedded in them a component of transportation cost. If that cost is higher in one region than another, the region with the lower transportation cost becomes more competitive.

Our nation, as well as our state, has not invested in transportation system maintenance or expansion. In fact, the maintenance of our transportation system – whether it be ports, airports or surface transportation highways – has deteriorated over the past two decades. The Arizona Legislature has failed to address the issue of transportation financing for the last 24 years, during which time inflation has cut the purchasing power of the 1991 transportation tax revenues in half. A 40-percent increase in fuel economy has further reduced the purchasing power of 1991 transportation tax revenues.

Other states and nations are becoming more competitive while Arizona is falling far behind in competitiveness in transportation system investment. To solve this transportation dilemma to enhance our economic competitive position with our neighbors; steps to coordinate international transportation investments, such as I-11, to maximize the expansion benefits to the region from increased, targeted transportation investments must be taken.

**Goal 1:** Repair and restore our streets and highways

**Policy 1:** Establish short-term funding for road repairs such as General Fund allocations from the County or General Obligation bonds.

**Policy 2:** Advocate for long-term financial solutions such as an increase in the statewide gas tax to provide sufficient funding to bring the entire surface transportation network to adequate standards.

**Policy 3:** Adequately fund and maintain a system network of mobility related to all modes of transportation.

**Goal 1 Implementation Measures:**

- a. Identify short-term funds for road repairs.
- b. Continue to advocate for an increase in the statewide gas tax.
- c. Identify long-term funds to maintain a multimodal transportation network.
6.6 Art Districts as Tools for Economic Development

Art districts can also be a successful tool for revitalization, redevelopment, economic development, and the establishment of healthy communities. They can be located in urban areas, in proximity to government services or in more remote communities such as the community of Ajo, AZ. Art districts help in making a community a destination.

*Art and Landscape Amenities Activating the Public Realm*

**Goal 1:** Capitalize on the market potential of the region’s Creative Economy to grow jobs and wealth

Policy 1: Continue to fund and support the arts as an indirect economic driver in the County and as a key component of healthy communities.

**Goal 2:** Capitalize on the market potential of the region as a destination by supporting entertainment for visitors and residents.

Policy 1: Continue to support regional entertainment events and venues such as the gem show, the music scene, festivals, and other community events.

Policy 2: Support digital, media, performing arts and film industry which utilizes existing community attributes: weather, population diversity, variety of architecture, urban, rural, and desert settings.
Goal 3: Support art districts as a tool for economic redevelopment and revitalization

Policy 1: Identify opportunities for the support of existing art districts and art communities and the establishment of new ones as a part of the County’s economic development strategy that:

a) Promote areas such as the community of Ajo with a large artist population as regional civic and cultural districts;
b) Identify areas with potential for the formation of art districts;
c) Incorporate art programs in libraries and other public facilities;
d) Assess vacant or other under-utilized buildings that may serve creative uses and spur economic development;
e) Identify the boundaries and activities appropriate for art districts including:
   1. Live/work opportunities for artists;
   2. Communal gallery space;
   3. Restaurants and outdoor cafes;
   4. Outdoor gathering spaces including courtyards, plazas, and amphitheaters to host a variety of community events such as art festivals, performances, farmers markets, healthy foods, and music venues; and
   5. Specialty shops and bed and breakfast hospitality.

Let Art Happen!
Goals 1-3 Implementation Measures:

a. Identify funds and work with the community of Ajo to prepare a community plan that:
   1) Establishes the area as the County’s major art district; and
   2) Responds to the needs of Ajo’s residents and businesses.

b. Work with other areas in the County that may benefit from creating an Art District as a tool for economic development.

c. Include plazas and courtyards in the design of new public buildings to allow space for art, music festivals and other events that celebrate the arts and culture of our region.

*Activating the public realm by incorporating gathering spaces for outdoor performances, art and music festivals and other outdoor businesses and events.*
6.7 Construction as a Stimulus of our Economy

For decades, the construction industry has been a sizable sector of our local economy. It has provided thousands of direct jobs, generated sales of materials and supplies, and has served as a basis for economic stimulus during the Great Recession. The job loss in this sector was the greatest of all sectors in the region over the last ten years. Economic experts, including those at the University of Arizona, agree that the recovery of the construction industry is key to Pima County fully emerging from the economic recession. Policies and action items are needed to support the construction industry and promote planned development and growth vital to stimulating other sectors of the economy such as manufacturing.

**Goal 1: Support efforts to return the Construction Industry to sustainable levels of employment and construction activity**

**Policy 1:** Support full employment of community members that are skilled in construction trades and maintain programs aimed at construction trade training.

**Policy 2:** Prioritize construction of infrastructure and public facilities as an essential component to economic development and construction employment.

**Policy 3:** Within current legal parameters, promote procurement policies to contract locally for construction projects including design and engineering components.

**Policy 4:** Work collaboratively with residential and commercial construction industry representatives to improve permitting processes, infrastructure planning processes, including specifications, standards and materials that innovate, reduce costs and shorten timeframes.

**Goal 1 Implementation Measures**

- Review procurement practices and procedures and change as appropriate to conform to state legal practices
- Monitor job training needs in the construction sector
- Continue to attract federal funding and other investments for public construction projects
- Continue working with construction trade representatives to review standards, codes and guidelines used in the regulatory processes.
- Work with industry leaders to encourage the retrofitting and rehabilitation of our housing stock to increase energy efficiency.
- Support and encourage new and innovative construction practices that conserve resources, add to energy conservation, and provide unique affordable housing options.