



CITY OF
TUCSON

OFFICE OF THE
CITY MANAGER

May 15, 2018

Chuck Huckelberry, Pima County Administrator
130 W. Congress, Floor 10
Tucson, Arizona 85701-1317

SUBJECT: Union Pacific Railroad Nogales Line

Dear Mr. Huckelberry, 

I received your letter dated May 2nd regarding development plans for the Aerospace Research Campus (ARC) and the need for a rail connection from the Nogales Line. The City is in full support of the County's efforts to grow the campus for regional economic development purposes.

As you know, representatives from the City, County and PAG have been working with Union Pacific Railroad (UPRR) for the last few years to help expand rail service to key industrial sites surrounding the airport area. We welcome further progress for development of a rail siding serving the ARC and points east. This would be a good start to developing the rail bypass concept along the future Auxiliary Interstate Highway.

You also mentioned the County's plans to apply for the federal CRISI grant and the need for local matching funds. Ms. Raine indicates that her staff has completed the Nogales Rail Crossing Safety Study and no longer needs the remaining \$50,000 in RTA funds. By way of this letter, we approve of those funds being used for the local match for the County's CRISI grant application. We assume you are working with the RTA to get their approval as well.

Please let me know if you need additional City support and assistance with the CRISI grant application process.

Sincerely, 

Michael J. Ortega, P.E.
City Manager

MJO/RR

cc: Albert Elias, Assistant City Manager
Robin L. Raine, P.E., Interim TDOT Director
Jim DeGrood, RTA Manager



COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER
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C.H. HUCKELBERRY
County Administrator

May 2, 2018

Michael J. Ortega, P.E., City Manager
City of Tucson
255 West Alameda, Floor 10
Tucson, Arizona 85701

Re: **Union Pacific Railroad Nogales Line**

Dear Mr. Ortega:

Pima County is continuing its development of the Aerospace Research Campus (ARC) in an area south of the Tucson International Airport (TIA) in support of creating regional employment centers. You are keenly aware of the economic development benefits of this endeavor. Key to the region's long-term economic growth and sustainability is the development of an auxiliary surface transportation corridor between Interstate 10 (I-10) and Interstate 19 (I-19).

As part of the planning process for the Auxiliary Interstate Highway and in conversations with current and potential tenants including Raytheon Aerospace, World View Enterprises, and Vector Space Systems, it became clear that expanding rail service, as part of the highway development project, would be beneficial in providing a globally competitive research and logistics corridor. Within the State of Arizona, few development opportunities exist with large parcels of vacant land being served by rail and near large employment centers. To meet this demand, Pima County and Union Pacific Railroad (UPRR) began to coordinate a rail siding that could serve the ARC and other large parcels to the east. It was through this effort that the idea of realigning the Nogales Line through the ARC was born. Upon closer examination, the benefits of adding a bypass route became apparent:

- The proposed new alignment opens up thousands of acres of vacant land for industrial and logistics uses that could be served by this new alignment.

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- The UPRR Pacific Fruit Express (PFE) yard located in Tucson is the largest classification yard in Arizona. Developing a streamlined alignment with higher speed and reduced congestion in the Sun Corridor region, allows for increased switching volumes, thereby enhancing overall efficiency and capacity for economic growth. (Arizona State Rail Plan, 2011).
- The bypass route would reduce the impacts at 18 at-grade crossings where approximately 306,000 cars cross daily according to PAG statistics. Currently, these crossings contribute significantly to east-west traffic congestion.
- The bypass route would ensure that all future crossings be configured to minimize car and train interaction with above grade crossings giving priority to train traffic.
- Limiting heavy freight rail traffic and potentially hazardous cargo passing through existing neighborhoods and adjacent to two elementary schools.
- The proposed line's proximity to the Port of Tucson, the region's only intermodal facility in Arizona, will encourage continued logistics' growth through certified direct delivery and origination of international containers.
- The proposed improvements are consistent with the Arizona State Rail Plan.
- Pima County's vision for the ARC and the Nogales Line Bypass are closely tied to the State's goal of supporting economic growth and enhancing the "State's global competitive position through strategic rail initiatives," with inbound and outbound rail freight projected to double by 2030 and triple by 2050 (Arizona State Rail Plan, 2011).

While Pima County owns the nearly 500 acres within the ARC; in partnership with TIA and the Arizona State Land Department, the target area can be expanded to include several thousand acres of available land for rail served development. A recent Economic Impact Analysis completed by Sun Corridor, Inc., projected an annual economic impact of \$3.2 billion once this area is fully developed.

To support this large endeavor, Pima County will be applying for the Federal Railroad Administration's Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant to assist with the project development and infrastructure planning necessary to formally begin this project. The grant application will be for Track 1 – Planning, to pursue the technical analysis, environmental review, market analysis, corridor service development plans and economic forecasting needed to support the development of a an auxiliary network extension as part of the regional rail plan.

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Pima County formally requests your support of our application for the CRISI grant to pursue the analysis and planning of an auxiliary network extension as part of the regional rail plan. The City recently completed the Nogales subdivision rail safety study. There is \$50,000 remaining from the study that, with your approval, can be applied to the grant matching funds. This project will allow Pima County and UPRR to continue to pursue economic initiatives that not only benefit the region, but all of Arizona.

Sincerely,



C.H. Huckelberry
County Administrator

CHH/mp

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Nanette Slusser, Assistant County Administrator for Public Works
John Moffatt, Director, Economic Development Office