

**Pima County Bond Advisory Committee
Meeting**

**Friday January 23, 2015
8:00 A.M.**

**River Park Inn
350 S. Freeway
Tucson, Arizona**

SUMMARY OF MEETING

Committee Members Present

Larry Hecker, Chair
Carolyn Campbell, Vice Chair
Joe Boogaart
Ed Buster
Donald Chatfield
Gary Davidson
Paul Diaz (left at 11:20 p.m.)
Brian Flagg
Kelly Gomez
Kelly Gottschalk
Terri Hutts
Michael Lund
Wade McLean (left at 12:25 p.m.)
Ted Prezelski
Patty Richardson
Chris Sheafe
Matt Smith (arrived 8:25 a.m.)
James Ward
Tom Warne (left 12:25 p.m.)
Greg Wexler

Committee Members Absent

Tom Dunn
Rene Gastelum
David Lyons
Dan Sullivan
John Sundt

MOTIONS

MOTION: Terri Hutts moved, seconded by Don Chatfield, to approve \$5 million for the Arizona Velodrome Center conditioned upon it being located at the Kino Sports Complex and a future determination that Perimeter Bicycling has the capacity to operate and maintain the facility. Motion approved 16-4.

MOTION: Terri Hutts moved, seconded by Ed Buster, to approve \$6 million for the Old Tucson Expansion by Arizona Sonora Western Heritage Foundation project. Motion approved 12-8.

MOTION: Chris Sheafe moved, seconded by Chairman Hecker, to approve \$1.5 million for the Performing Arts Center Rehabilitation. Motion failed.

MOTION: Brian Flagg moved, seconded by Vice-Chair Campbell, to approve \$25 million for Pedestrian Safety and Walkability Improvements. The motion was amended to approve \$25 million for Pedestrian Safety and Walkability Improvements, with the eventual inclusion of a final list of projects that may not be exactly the same as the proposed list. Then the motion was restated to approve \$25 million for Pedestrian Safety and Walkability Improvements, with the projects specified on the project sheet, but with the opportunity for more input from communities that did not participate. Motion approved 18-2.

MOTION: Gary Davidson moved, seconded by Joe Boogaart, to delete the \$100 million in Road Repair suggestion. Motion approved 19-1.

MOTION: Ted Prezelski moved, seconded by Ed Buster, to approve \$1.5 million for the JobPath Program Facility. Motion approved 19-1.

MOTION: Gary Davidson moved, seconded by Terri Hutts, to approve the El Corazon – Santa Cruz River: Rillito and Canada del Oro Confluence project at \$10 million. Motion approved 20-0.

MOTION: Greg Wexler moved, seconded by Don Chatfield, to delete the Lower Santa Cruz Levee Extension project. Motion approved 20-0.

MOTION: Paul Diaz moved, seconded by Ted Prezelski, to approve all three projects (40th Street Drainage, South 7th Ave. Between West 28th and 20th Streets Drainage, and East 32nd ½ Street Drainage) for a total of \$7.7 million. Motion approved 19-1.

MOTION: Terri Hutts moved, seconded by Don Chatfield, to approve the Cemetery Wash project for \$2 million. Motion approved 20-0.

MOTION: Vice-Chair Campbell moved, seconded by Don Chatfield, to approve \$1,936,363 for the Pascua Yaqui Tribe Regional Drainage Construction project. Motion approved 20-0.

MOTION: Tom Warne moved, seconded by Greg Wexler, to approve \$25 million for the Innovation/Technology Building UA Tech Park – Bridges project. Motion approved 14-5.

MOTION: Greg Wexler moved, seconded by Wade McLean, to approve \$10,772,000 for Science Park Drive. Motion approved 14-5.

Motion: Greg Wexler moved, seconded by Tom Warne, to approve \$31 million for the Sonoran Corridor. Motion approved 17-2.

MOTION: Wade McLean moved, seconded by Greg Wexler, to approve \$15 million for the Oro Valley Business Accelerator. Motion approved 18-1.

MOTION: Terri Hutts moved, seconded by Greg Wexler, to approve \$30 million for the UAMC South Campus and Behavioral Health Pavilion. Motion approved 14-2.

MOTION: Greg Wexler moved, seconded by Carolyn Campbell, to approve \$5 million for the Davis Monthan Air Force Base Land Acquisition Program. Motion approved 15-2.

MOTION: Gary Davidson moved, seconded by Terri Hutts, to approve \$2 million for the Downtown Legal Services Building Asbestos Abatement and Fire Sprinklers project. Motion approved 17-0.

MOTION: Terri Hutts moved, seconded by Ed Buster, to approve \$2.5 million for elections equipment. Motion approved 16-1.

MOTION: Vice-Chair Campbell moved, seconded by Don Chatfield, to delete the Southern Arizona Mining and Industrial Technology Center. Motion approved 17-0.

MOTION: Gary Davidson moved, seconded by Don Chatfield, to approve \$3 million for the Marana Pool Renovations, and decrease the Marana Heritage and Cultural Park by \$3 million. Motion approved 17-0.

MEETING SUMMARY

1. Welcome

The meeting began at 8:05 a.m. with a quorum.

2. Approval of the January 9, 2015 meeting summary

MOTION: Terri Hutts moved, seconded by Ed Buster, to approve the January 9, 2015 meeting summary, with two corrections to spelling of Tom Warne's name. Motion approved 19-0.

3. Planning for a possible 2015 bond election – Items continued from previous meetings

Chairman Hecker provided an overview of how much in bond funding the Committee has moved forward to date, and how much was still left to consider during today's meeting.

Pima County Supervisor Richard Elias thanked the Committee and spoke in support of open space, neighborhood reinvestment, affordable housing, pedestrian safety, and JobPath projects.

Arizona Velodrome Center – Kino Campus

Speakers in support of the project:

Damion Alexander
Jon Roberts
Joey Iuliano
Richard DeBernardis
Eric Hankins
Kayla Hankins

Don Melhado
Mo Martazavi
Steven Morganstern
Tom Neiman
Olivia Ruiz
David Swanson
Lauren Hall

County Administrator Chuck Huckelberry stated that he could support this project if it is located at the Kino Sports Complex and provided that there is time to more fully vet the capacity of Perimeter Bicycling to operate and maintain the facility.

MOTION: Terri Hutts moved, seconded by Don Chatfield, to approve \$5 million for the Arizona Velodrome Center conditioned upon it being located at the Kino Sports Complex and a future determination that Perimeter Bicycling has the capacity to operate and maintain the facility.

Committee discussion:

- This is an expensive sport, so why can't the proponents come up with at least \$1 million to get it started?
- The bikes are actually less expensive than regular bikes and most facilities make the equipment available to kids for little or no cost.
- Economic bang for this is huge.
- Land is available for this west of downtown and I-10, which may make more sense economically.
- Kino was the approved location.
- Naming rights will be valuable.
- No hotels near Kino site, but is along the Loop.
- If another location comes along, we could consider so long as it is before voters vote.

Motion approved 16-4.

Old Tucson Expansion by Arizona Sonora Western Heritage Foundation

Mr. Huckelberry explained that Old Tucson is located on County property and any of the fixed assets are County assets. If the new non-profit is awarded the lease through a competitive process, they will be responsible for all operations and maintenance costs. Old Tucson used to be the number 2 or 3 tourist attraction before the fire. Bond funding is for repurposing the assets.

MOTION: Terri Hutts moved, seconded by Ed Buster, to approve \$6 million for the Old Tucson Expansion by Arizona Sonora Western Heritage Foundation project.

Speakers in support:

Anne Maley
Corey Knot
Rhonda Wilson
Angelo Joaquin

Robert Carriera
Donald Bredberg
Gayle Castaneda
Brent DeRaad
Jessica Figueroa
Annie Sykes
Charles Young

Committee discussion:

- Mr. Bredberg confirmed that \$8 million, including the \$2 million in other funding, is enough to achieve the goals.
- Would like to see financial statements to understand better if they have the capacity to operate the facility. Mr. Huckelberry confirmed that the County will review financial records during the competitive leasing process, which needs to start soon.
- Cannot support a facility when the private sector has been unable to do so.
- There are higher public needs than Old Tucson and the Velodrome.

Motion approved 12-8

Performing Arts Center Rehabilitation

Mr. Huckelberry stated that he can now recommend the project after receiving the City of Tucson's most recent letter addressing damages and future management.

MOTION: Chris Sheafe moved, seconded by Chairman Hecker, to approve \$1.5 million for the Performing Arts Center Rehabilitation.

Committee discussion:

- Attendees should fund this and there's already been too much investment in downtown.
- The \$1.5 million budget has been refined and it does not include tenant improvements.
- Disappointment with the City's response.
- Most immediate need is the roof replacement.
- This is throwing good money after bad.
- Just recently found damage from leaking roof, but it is recent damage.

Motion failed.

Pedestrian Safety and Walkability Improvements

Speakers in support of the project:

Steve Brown
Senator Steve Farley
Mark Reynolds
Nicole Koch
Ryan Anderson for Mayor Rothschild
Val Schaffer

Ann Woods
Glenn Furnier
Colby Henley
Joy Herr-Cardillo
Michael Bends
BJ Cordova
Andrew Korchmaros
Rico Otero
Theresa Pena
Maia Ingram
Reynolds Saunders
Keyla Niebla
Julie Zapolski
Tim Colson
Amy Smith
Emily Yetman
Joy Mockbee
Shipherd Reed
Denis Cournoyer
Louisa O'Meara
Elliot DuMont
Chris Gans
Sami Hamed

Committee discussion:

- This could be similar to the Neighborhood Reinvestment program in that a process for prioritizing projects could be developed by the Committee.
- RTA funding is available, but it is not enough. This funding would supplement the RTA funding.
- Many neighborhoods built in the 1950's do not have adequate sidewalks.
- City Code requires adjacent property owners to fix the sidewalks.
- No, this is not a gifting concern.

MOTION: Brian Flagg moved, seconded by Vice-Chair Campbell, to approve \$25 million for Pedestrian Safety and Walkability Improvements.

Mr. Huckelberry stated that the Committee could approve \$25 million for specific projects, or approve \$25 million and then develop the program rules.

City Transportation Director Daryl Cole, verified the statement about the City Code, stated that the City has at least \$300 million in sidewalk needs and that he supports this project.

Committee discussion continued:

- Support project as is with \$21 million for specific projects and \$4 million for categorical applications.
- Living Streets Alliance did what the Committee asked; they requested specific projects from jurisdictions, but some jurisdictions chose not to participate.

- No problem with the funding going where the need is as opposed to a percentage to each jurisdiction.
- This is just a drop in the bucket compared to the need.
- Improvement districts would be much faster.
- These supporters will get out the vote.
- These specific projects are in the top quartile of projects identified in the PAG pedestrian plan.
- We need to renew the RTA for another 20 years to increase funding for this, and we need more HURF and a gas tax increase. But this proposal is in front of us now.

The motion was amended to approve \$25 million for Pedestrian Safety and Walkability Improvements, with the eventual inclusion of a final list of projects that may not be exactly the same as the proposed list.

Committee discussion continued:

- Not comfortable approving the project without a set project list.
- We should tentatively approve the list and do more outreach to the jurisdictions that did not participate to refine the list.
- Could continue the item.
- North side of Roger Road project is within unincorporated Pima County.
- We need to consider the needs of the millennium generation, and how to retain and attract them for jobs.
- Uncomfortable voting for the motion like this just because other jurisdictions chose not to participate.
- We have to start somewhere.

Motion restated: Approve \$25 million for Pedestrian Safety and Walkability Improvements, with the projects specified on the project sheet, but with the opportunity for more input from communities that did not participate. Motion approved 18-2.

\$100 million in Road Repair

Speakers in support:
Dave Devine
Nelson Roush

MOTION: Gary Davidson moved, seconded by Joe Boogaart, to delete the \$100 million in Road Repair suggestion.

Mr. Huckelberry explained that he does not support the use of property taxes for road repair or sidewalks because it is not equitable, and would prefer a gas tax increase.

Committee discussion:

- Important to preserve what we have.
- Support for \$100 million in road repair as it has been good for Tucson and is more important than many other projects.
- We should resolve this locally and the Board should vote for a tax for it.
- Legislature continues to shift costs to local government.
- We seriously need a gas tax increase.

Motion approved 19-1.

4. Planning for a possible 2015 Bond Election

JobPath Program Facility

Hermi Cubillos presented the project.

MOTION: Ted Prezelski moved, seconded by Ed Buster, to approve \$1.5 million for the JobPath Program Facility.

Mr. Huckelberry suggested co-locating the facility with the Pima County OneStop, or locating separate buildings on the same campus. Ms. Cubillos responded that JobPath needs a central location, whereas the two locations discussed for Pima County OneStop are on the west or south sides of town.

Motion approved 19-1.

El Corazon – Santa Cruz River: Rillito and Canada del Oro Confluence

MOTION: Gary Davidson moved, seconded by Terri Hutts, to approve the El Corazon – Santa Cruz River: Rillito and Canada del Oro Confluence project at \$10 million. Motion approved 20-0.

Lower Santa Cruz Levee Extension

MOTION: Greg Wexler moved, seconded by Don Chaffield, to delete the Lower Santa Cruz Levee Extension project. Motion approved 20-0.

City of South Tucson 40th Street Drainage, South 7th Ave. Between West 28th and 20th Streets Drainage, and East 32nd ½ Street Drainage

Interim South Tucson City Manager Benny Young thanked the County for the Mission Basin improvements, but said they did not improve localized flooding in the area of these three projects. He stated that the priority for the projects is (1) 40th Street Drainage, (2) South 7th Ave. Between West 28th and 20th Streets Drainage, and (3) East 32nd ½ Street Drainage.

MOTION: Paul Diaz moved, seconded by Ted Prezelski, to approve all three projects (40th Street Drainage, South 7th Ave. Between West 28th and 20th Streets Drainage, and East 32nd ½ Street Drainage) for a total of \$7.7 million. Motion approved 19-1.

Cemetery Wash

Speakers in support:

Mark Pugh

Scott Rogers

MOTION: Terri Hutts moved, seconded by Don Chaffield, to approve the Cemetery Wash project for \$2 million. Motion approved 20-0.

Pascua Yaqui Tribe Regional Drainage Construction

MOTION: Vice-Chair Campbell moved, seconded by Don Chatfield, to approve \$1,936,363 for the Pascua Yaqui Tribe Regional Drainage Construction project. Motion approved 20-0.

Pima County OneStop Center

Dave Devine spoke in support but recommended a 25 percent match for this and other economic development projects.

MOTION: Gary Davidson moved, seconded by Tom Warne, to approve \$6,737,000 for the Pima County OneStop Center. Motion approved 20-0.

Innovation/Technology Building UA Tech Park – Bridges

David Allen spoke in support of the project.
Dave Devine spoke in support, but called for a 25 percent match.

Mr. Huckelberry explained that the project would build upon \$12 million in drainage and sewer improvements that the County has already put into the project area. In his memo, Mr. Huckelberry recommended \$15 million. The UA has requested \$25 million from the County with a \$20 million match. There will be more discussion on the details of the project.

MOTION: Tom Warne moved, seconded by Greg Wexler, to approve \$25 million for the Innovation/Technology Building UA Tech Park – Bridges project.

Committee discussion:

- Support for the project.
- Average annual job salary is \$90,000, but that is the average and 60 percent of the jobs don't require advanced degrees.
- Employees also spend money in the community that creates additional jobs.
- We could support a larger bond program if we had a better tax base and this is a project that will improve the tax base.
- Can't assume jobs will come just because we build a building.
- This is better because it is near the University.
- Great idea, but why can't the University build it? Bruce Wright, UA, responded that UA Tech Parks does not have access to the University bonding, this would be funded in part through industrial development bonds and the UA Tech Park is capped at \$20 million for those bonds. Similar projects in Phoenix have had the support of local government. This will spur private development.
- Phoenix spent \$200 million in bonds for the downtown ASU campus. In our case the City of Tucson doesn't bond much, but Pima County does.
- University should fund this instead.

Motion approved 14-5.

Science Park Drive

Bruce Wright spoke in support of the project.
Dave Devine spoke in opposition.

MOTION: Greg Wexler moved, seconded by Wade McLean, to approve \$10,772,000 for Science Park Drive.

Brian Flagg stated that roads should not be paid for with property taxes just because they are called economic development.

Motion approved 14-5.

Sonoran Corridor

Albert Lannon and Dave Devine spoke in opposition.
Ted Maxwell and Brent DeRaad spoke in support.

Motion: Greg Wexler moved, seconded by Tom Warne, to approve \$31 million for the Sonoran Corridor.

The Committee was shown a 2 minute video of Taylor Lawrence, VP for Raytheon, speaking at a TREO luncheon in 2014.

Committee discussion:

- Why did project go from \$20 million to \$31 million? Mr. Huckelberry explained that the length of the project was extended to build a full 2 lane road, expandable in the future to 4 lanes.
- I-11 is a bad idea, but this is independent.
- I think repairing pot holes is a higher priority.
- Concern that these roads may bring opposition to the bond election.
- These roads are the single most important items.
- There is precedence for this as the County funded road improvements in this area from a 1979 bond election.
- This road will be a big driver for those residing in Sahuarita, Green Valley, Tubac, and Nogales because it cuts distance and time.

Terri Hutts disclosed that her husband works for Raytheon.

Motion approved 17-2.

Oro Valley Business Accelerator

Speakers in support:
Raymond Woosley
Kelle Maslyn
Ted Maxwell
Dr. Paul August
Ken Wertman

Mr. Huckelberry stated that he highly recommends this project.

MOTION: Wade McLean moved, seconded by Greg Wexler, to approve \$15 million for the Oro Valley Business Accelerator. Motion approved 18-1.

UAMC South Campus and Behavioral Health Pavilion

Sarah Frost spoke in support of the project.

Mr. Huckelberry explained that the proposed project is now a \$30 million project, which includes \$5 million for buildout of the Behavioral Health Pavilion.

MOTION: Terri Hutts moved, seconded by Greg Wexler, to approve \$30 million for the UAMC South Campus and Behavioral Health Pavilion. Motion approved 14-2.

Davis Monthan Air Force Base Land Acquisition

Speakers in support:
Bruce Dusenberry
Scott Heins

Committee discussion:

- What has changed since Mr. Huckelberry previously recommended against this? Mr. Huckelberry explained that his previous proposal was to continue purchasing private and State Trust land in the approach-departure corridor, most of which was State Trust land. A few years ago, voters approved legislation that was supposed to make it easier to address the State Trust land via state/federal land exchanges. But the land department just informed him the legislation is very difficult to implement. In addition, the County just learned of private and State Trust land within the Base boundaries (not in the approach departure corridor), which the Base is paying to lease. This project addresses those properties within the Base boundaries. County would acquire the properties and then lease them to the Base for a nominal cost.
- Disagreement about the need to save the Air Force money.
- Cannot be funded under the general open space program as there are specific criteria that determine the eligible lands under that program.

MOTION: Greg Wexler moved, seconded by Carolyn Campbell, to approve \$5 million for the Davis Monthan Air Force Base Land Acquisition Program. Motion approved 15-2.

Downtown Legal Services Building Asbestos Abatement and Fire Sprinklers

MOTION: Gary Davidson moved, seconded by Terri Hutts, to approve \$2 million for the Downtown Legal Services Building Asbestos Abatement and Fire Sprinklers project. Motion approved 17-0.

Elections Equipment

MOTION: Terri Hutts moved, seconded by Ed Buster, to approve \$2.5 million for elections equipment. Motion approved 16-1.

Southern Arizona Mining and Industrial Technology Center

MOTION: Vice-Chair Campbell moved, seconded by Don Chatfield, to delete the Southern Arizona Mining and Industrial Technology Center. Motion approved 17-0.

Marana Pool Renovations

MOTION: Gary Davidson moved, seconded by Don Chatfield, to approve \$3 million for the Marana Pool Renovations, and decrease the Marana Heritage and Cultural Park by \$3 million. Motion approved 17-0.

5. Next Meeting

The next meeting is scheduled for February 6 at the Abrams Public Health Building at Ajo and Country Club. The first agenda item will concern the upper ceiling for bonding capacity and Mr. Huckelberry will have updated information on this before then.

6. Call to the Audience

Sheldon Gutman spoke about the City and County bond committees.
Walter Rogers and Jaye Wells spoke about the Rillito Park Foundation's proposal for Rillito Park.

7. Meeting Adjourned

Meeting adjourned at 12:50 p.m.

Note that speaker cards for those members of the audience that selected not to speak or submitted speaker cards but did not speak are attached to this meeting summary.