



MEMORANDUM

Date: May 9, 2014

To: Chairman and Members
Pima County Bond Advisory Committee

From: C.H. Huckelberry
County Administrator 

Re: **May 16, 2014 Meeting - Future Bond Election Planning for Neighborhood Reinvestment, Affordable Housing, Health, Justice and Law Enforcement, Flood Control and Governmental Facilities**

A. OVERVIEW

There are 22 projects on the agenda for the May 16, 2014 meeting. Please note that we previously scheduled a meeting for May 30th in case the Committee was unable to review all of these projects on May 16. However, since the number of projects scheduled for the June 20th meeting are somewhat low, projects not reviewed at the May 16 meeting could be continued to the June 20th meeting.

For the May 16 meeting, 14 are new or resubmitted projects that will be presented to the Committee at the meeting. Projects within this category that already received tentative approval from the Committee total \$77 million. The updated tentatively approved projects, plus the new and resubmitted projects total \$157.9 million. My recommendations total \$83.7 million.

Attached to this memorandum is a table that summarizes the status of these projects, who requested the projects, their priority ranking, funding requests, and my funding recommendations. Also attached are the Committee's 2013 adopted criteria for project review and project description sheets for each of the projects. In 2013 we did request and receive two-page criteria applications for most new and resubmitted projects explaining how those project met or did not meet the Committee's adopted criteria. Those are not attached but can be found online at <http://webcms.pima.gov/cms/one.aspx?portalId=169&pageId=48373>.

The categories being used for this group of Committee meetings very closely resemble the categories used in the 2013 web-based survey, the results of which can be found online at <http://webcms.pima.gov/cms/one.aspx?portalId=169&pageId=7390>. The Public Health facilities category ranked 5th out of 8 when respondents were asked how important it was to fund a particular category of projects with bond funds. The Neighborhood Reinvestment and Affordable Housing category ranked 7th out of 8 when respondents were asked how important it was to fund a particular category of projects with bond funds. The Flood Control Improvements category ranked 8th out of

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8 when respondents were asked how important it was to fund a particular category of projects with bond funds. Please note that there were no Justice and Law Enforcement proposals included on the survey, but several have now been proposed and are on the agenda for May 16. In addition to surveying the public on broad project categories, we asked respondents to select their top five projects out of a list of projects related to neighborhood reinvestment, affordable housing public health, flood control and other governmental facilities. The top 5 projects within this category, excluding the Pima Animal Care Center Improvements that scored number one and will now be on the ballot in November 2014, in order of highest ranked first, were:

1. Pedestrian Safety and Walkability Improvements
2. Affordable Housing Program
3. Neighborhood Reinvestment Program
4. Pima County Forensic Science Center Expansion and Remodel
5. Santa Cruz River: Rillito and Canada del Oro Confluence

B. AFFORDABLE HOUSING AND NEIGHBORHOOD REINVESTMENT RELATED PROPOSALS

There are six projects under this category; two are tentatively approved, two are resubmittals, and two are new.

<u>Dept</u>	<u>ID</u>	<u>Project Name</u>	<u>Status</u>	<u>Tentatively Approved Funding</u>	<u>Current Funding Request</u>
CD	1	Affordable Housing Program	TA - decrease funding	\$30,000,000	\$30,000,000*
CD	2	Neighborhood Reinvestment Program	TA - decrease funding	\$30,000,000	\$30,000,000*
CD	4	Marana Affordable Housing Land Acquisition, Entitlement & Improvement	Resubmittal		\$1,500,000
CD	5	Marana Neighborhood Reinvestment Housing Stock Retention	Resubmittal		\$1,000,000
		Pedestrian Safety and Walkability Improvements	New		\$25,000,000
		South 12th Avenue Cultural and Culinary Corridor	New		\$3,178,500
			TOTAL	\$60,000,000	\$90,678,500

*Reflects recommendations from the Pima County Neighborhood Reinvestment Oversight Committee and Pima County Housing Commission.

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Neighborhood Reinvestment & Affordable Housing Related - Tentatively Approved Projects

CD1 - Affordable Housing Program

This program was funded at \$5 million in the 1997 bond program and \$10 million in the 2004 bond program. The Housing Commission recommended \$30 million for this future bond program and the Bond Advisory Committee tentatively approved \$30 million. In my September 13, 2013 memorandum to the Committee on this, I recommended \$10 million because of two concerns. One concern was that the decline in the market value of housing during the Great Recession should have resulted in less of a need for this program. Staff however researched this and found that incomes of those in need of affordable housing also declined during this period; with declining incomes there have also been a lowering of what is called Fair Market Rents charged for affordable rental housing, which means that developers of affordable rental housing have less cash flow to finance projects; in the post-recession housing market, new housing developments continue to target higher income families; and a major source of federal funding for affordable housing has been cut in half over the past four years. My second concern was that since 96 percent of the affordable housing bond funding has been spent within the City of Tucson, the City of Tucson should increase its contributions. This concern is still valid. I recognize that the City of Tucson provided over \$12.8 million in funding, an almost equal match for County bond funds at a programmatic level. I've asked staff to develop language that could be inserted into the bond ordinance that requires the City to continue to contribute to a majority of projects, but not all projects.

Recommendation: I am increasing my recommendation for this program to \$15 million, contingent upon (1) language being incorporated into the project sheet and bond ordinance that requires the City, and any other jurisdiction for which projects are located, to continue to contribute to a majority of projects, and (2) Committee support for lengthening implementation of the next bond program to 15 years.

CD2 - Neighborhood Reinvestment Program

This program was funded at \$5 million in the 1997 bond program and \$20 million in the 2004 bond program. The Neighborhood Reinvestment Oversight Committee recommended \$30 million for this future bond program and the Bond Advisory Committee tentatively approved \$30 million. In my September 13, 2013 memorandum to the Committee on this I recommended \$20 million and outlined three major concerns.

The first concern has to do with difficulties in implementing neighborhood reinvestment projects in the City of Tucson from a project administration standpoint. After the Board

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of Supervisors approved a project, there were often lengthy delays in getting Intergovernmental Agreements (IGA) approved, projects took much longer to complete than anticipated, and invoicing for reimbursement was delayed. I do, however, understand the benefit of involving neighborhoods in the design process, even though that too lengthens the process. In the future, we need to include clear requirements in the bond ordinance with respect to timing of IGA's, invoicing, and any other measures that can improve this process.

My second concern is the City's reduced willingness or ability to provide funding contributions to neighborhood reinvestment projects, even though over 80 percent of the 1997 and 2004 bond funded projects were located within the City of Tucson. Initially the City did provide significant matches to projects. However, a major source of City funding for these projects was Back to Basics funds, which was phased out during the Recession. Parks and recreation type neighborhood reinvestment projects were more likely to receive funding from Back to Basics. Whereas transportation related neighborhood reinvestment projects had, and continue to have, more diverse sources of revenue for funding contributions, including regional and federal funds. But simply using someone else's money to match County funds is not fair or acceptable. It is my understanding that City Parks and Recreation staff have stated that if they are required to provide funding contributions for neighborhood reinvestment projects in the future, they will be unable to do so. I think it would be fair to require a contribution level by the City at the programmatic level, so not every project would be required to include city funding, but a good share of them would. Some thought would have to be given to this and how to track it. It would similarly apply to other jurisdictions.

My third concern was that almost 40 percent of neighborhood reinvestment projects are for transportation improvements like speed bumps and sidewalks. Initially I recommended restricting the number transportation related projects as they should be funded by local transportation departments. But the fact is that the neighborhood reinvestment program is built upon the foundation that neighborhoods decide what types of improvement they need most. This simply means that transportation funding is and has been inadequate. County bond funds are being used to substitute for what has been inadequately funded by others.

Finally, I have also asked staff to give some thought to how to ensure that stressed neighborhoods in unincorporated areas and cities and towns other than the City of Tucson have a fair shot at receiving funding.

Recommendation: My recommendation remains at \$20 million. However, I might consider recommending an increase in this amount if (1) concerns about administration of the projects by cities and towns is addressed, (2) a minimum funding contribution of 25 percent is required by cities and towns at a programmatic level (does not have to occur for every project) - in other words it is not free and if the program has value the

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local match should be relatively easy, and (3) more opportunities are provided for stressed neighborhoods outside of the City of Tucson to receive funding.

Neighborhood Reinvestment & Affordable Housing Related - Resubmittals

CD4 - Marana Affordable Housing Land Acquisition, Entitlement & Improvement (Priority 5)

The Town of Marana originally requested this project under a \$2 million request for both affordable housing and neighborhood reinvestment housing stock retention and ranked them 4th in priority. It was later amended to the current \$1.5 million request for the affordable housing, and to 5th priority. The Pima County Housing Commission recommended the project to the Bond Advisory Committee. I did not recommend this project previously because Marana is eligible for the regional affordable housing bond program. The Committee did not tentatively approve this project.

Recommendation: I do not recommend this project because the Town of Marana is eligible for the regional affordable housing program.

CD5 - Marana Neighborhood Reinvestment Housing Stock Retention (Priority 6)

The Town of Marana originally requested this project under a \$2 million request for both affordable housing and neighborhood reinvestment housing stock retention and ranked them 4th in priority. It was later amended to a \$1 million request and reduced to 6th priority. The Neighborhood Reinvestment Oversight Committee recommended the project to the Bond Advisory Committee. I previously did not recommend it because Marana is eligible for the regional neighborhood reinvestment bond program. The Bond Advisory Committee did not tentatively approve this project.

Recommendation: I do not recommend this project because the Town of Marana is eligible for the regional neighborhood reinvestment bond program.

Neighborhood Reinvestment & Affordable Housing Related - New Proposals

Pedestrian Safety and Walkability Improvements

A bike and pedestrian advocacy-based non-profit called Living Streets Alliance (LSA) has submitted a proposal for \$25 million for pedestrian safety and walkability improvements. This is down from their original \$50 million proposal (see letter attached). I have many concerns about this proposal. My understanding is this group is attempting to differentiate themselves from the existing Regional Transportation Authority (RTA) funded pedestrian program and existing County Neighborhood Reinvestment program by targeting improvements along collector streets on the outside

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of neighborhoods. The RTA funded pedestrian category funds improvements mainly to arterials. About 40 percent of projects funded through Neighborhood Reinvestment bonds have included some type of pedestrian enhancements typically within neighborhoods. I agree there is a significant need for pedestrian related improvements, especially in more urban environments. However, I feel strongly that these improvements should be funded by local transportation departments. In November 2012, City of Tucson voters approved \$100 million in bonds for repair of city streets. Similarly, the City could hold another bond election for pedestrian improvements, as could other cities and towns in Pima County. Pima Association of Governments will soon release an updated regional pedestrian plan with a list of high priority project areas and LSA could work with local transportation departments, including the County's, to move these improvements forward. My staff encouraged LSA to reduce this request to one or two specific pilot projects in high need areas that could really highlight the benefits of such improvements and be a model for seeking other local revenue sources in the future. LSA declined such sage advice. The County's Neighborhood Reinvestment and Affordable Housing bond programs started in 1997 with \$5 million in bond funding each.

Another reason that I cannot support funding these types of improvements with County bond funds is that we as a nation are facing a crisis in transportation funding generally. We need a comprehensive solution and until then I will not support nor recommend County bond funding for any type of transportation improvement, except in unique cases like the need for highway improvements south of Tucson for economic development to facilitate trade logistics and job creation.

Recommendation: I do not recommend this project for County bond funding.

South 12th Avenue Cultural and Culinary Corridor (Priority 4)

This is a new project submitted by the City of Tucson for \$3.1 million to improve sidewalks, driveways, landscaping, and lighting, as well as the undergrounding of utility lines, along South 12th Avenue, between 44th Street and Drexel. I cannot recommend this project for the same reasons stated above, and more.

Regarding the sidewalks, the RTA has a pedestrian program where a number of sidewalks have been installed throughout the City. The landscaped medians and shade trees add nearly \$400,000 to the project budget (budget attached) at a time when medians are poorly maintained or not maintained at all. Regarding the undergrounding of electrical utility lines, we asked the City to participate with the County to eliminate the overhead electrical line along Toole Avenue in the downtown area, and the City declined. The public art component is about eight percent of the project construction cost; normally this would be \$20,000 instead of \$150,000. The City of Tucson

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matching funds are normal routine maintenance that should be done. The HAWK crossing is being obtained by using a number of federal funds.

In addition, my understanding is that my staff raised concerns regarding the feasibility of this project that still have not been addressed, including existing right of way constraints that could prevent the construction and safe use of sidewalks along this route because of the number of driveways and parking spaces that exist in areas proposed for sidewalk improvements.

Recommendation: I do not recommend this project. These improvements are strictly local.

C. HEALTH RELATED PROPOSALS

There are three health related proposals:

<u>Dept</u>	<u>ID</u>	<u>Project Name</u>	<u>Status</u>	<u>Tentatively Approved Funding</u>	<u>Current Funding Request</u>
FM	97	Pima County North Clinic Relocation & Expansion (formally Theresa Lee Clinic Relocation)	TA - scope change	\$4,000,000	\$4,000,000
FM	84	Marana Health Center Expansion	TA - scope change	\$3,000,000	\$3,000,000
		Pima County Forensic Science Center Expansion & Remodel	New		\$20,000,000
			TOTAL	\$7,000,000	\$27,000,000

Health - Tentatively Approved Projects

FM97 - Pima County North Clinic Relocation & Expansion (formally Theresa Lee Clinic Relocation); Scope Change

The 2004 bond program included \$2 million for the relocation of the Theresa Lee Health Clinic, currently located along the Interstate 10 frontage road, south of Congress along the new Street Car line (directly north of where the Committee will be meeting on May 16). Some of the Committee members may remember meeting in the actual clinic during one subcommittee meeting in 2007. Approximately \$1.6 million remains after the use of bond funding to relocate the TB clinic to the Kino Health Campus as recommended by the Committee and approved by the Board in 2009. After a comprehensive review of alternative locations, including the renovation at this site,

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and of client usage and access to the clinic, I have recommended to the Board of Supervisors that the remaining funds be used to purchase and remodel an existing facility in the current Cope Community Services-Cholla Campus located less than a half mile off of the Interstate 19 and Valencia exit. If acquired, this facility would also relocate the clinical functions of the Walter C. Roger Clinic located at Irvington and 6th Avenue. The Board will consider this at their May 13 meeting.

In 2010 the Committee tentatively approved \$4 million to be combined with the \$1.6 million of remaining 2004 bond funding, to fund this relocation. While this can now be accomplished with the proposal to acquire and remodel the facility near I-19 and Valencia, the extensive evaluation of the County's health clinic services also resulted in a need to expand services currently provided at 1st Avenue south of Prince Road, in space leased by the County. This North Clinic cannot be expanded at its current location. Therefore the proposal is to relocate the clinic to an expanded facility. This could include purchase and remodel of an existing building or construction of a new building.

Recommendation: I recommend this project.

FM84 - Marana Health Center Expansion; Scope Change

In 2010 the Committee tentatively approved \$3 million for the development of the Marana Health Center (MHC) clinic in Marana. Since then this clinic and phase 2 of the clinic have been constructed and are operational, and the request is now for phase 3, which would include an annex to the facility for an imaging center and expanded urgent care, freeing up space for primary and specialty care services. In my September 13, 2013 memorandum I removed this project from the list due to legal and practical concerns. Legally, the concern was that County funding of a private entity such as this may violate the gift clause in the State Constitution. In addition, from a practical standpoint the concern was that the County would not own the building and could therefore not ensure the long term use of the facilities for which bond investors and voters would hold the County accountable.

On April 2, 2014 the CEO of MHC adequately addressed these concerns in writing (letter attached), by stating (1) That the amount of uncompensated care not covered by any other funding source would quickly exceed the value of the bond funding allocated to the project and annual reports could be made to the County accounting for this; and (2) The existing facility is subject to a binding, legal obligation that encumbers the property to be used for the provision of primary healthcare services for the underserved as required by federal funding. MHC has also recorded deed restrictions that limit the use of the property for similar health services. In addition, MHC offered to provide Pima County with a recorded interest in the Annex.

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While I commend MHC for addressing these legal and practical concerns related to the provision of bond funding, I am concerned from a policy perspective about providing County funding in general to this Center. From a needs perspective, there are many areas within Pima County that have fewer healthcare providers per capital than the Marana area, including areas served by MHC satellite facilities. While the increase in primary care capacity in general is desirable, I would like to know if MHC evaluated how the expansion of imaging and urgent care services at their Marana location positively impacts the needs of the populations served by their satellite primary care sites. MHC is one of four Federally Qualified Health Centers in the County. The others include El Rio, United in the Sahuarita/Continental/Three Points areas, and Desert Senita in Ajo. The latter two serve areas in much greater need of support. That said, United did not submit a proposal, and Desert Senita did submit a proposal but did not address the same legal and practical concerns we had with MHC.

Recommendation: I do not recommend this project as there are areas of greater need in the County.

Health - New Projects

Pima County Forensic Science Center Expansion and Remodel

This is a new \$20 million proposal for a new or expanded and remodeled Forensic Science Center to significantly improve the capacity to provide autopsy and death investigation services to Pima County and 10 other counties. This is a regional facility that is located on the Kino Health Campus and would remain in that location. The center and its staff provide services to 10 other counties in the areas of death investigation, death certification, public health monitoring, mass fatality planning and support, child death review, criminal and civil litigation support and consultation, and training to law enforcement. In return, these other counties fund a significant portion of the operating revenue for the Center. The Center has become the repository for the remains of people who die in the desert while crossing into the US, due to the proximity to the United States/Mexico border. As was highlighted in the Arizona Daily Star on May 1st, continuing efforts to develop a centralized database for identifying the remains of border crossers is a collaborative well regarded effort that is physically embedded in the Center. In addition, the facility and its staff support the training of pathology residents and medical students. The current facility is not adequately meeting these regional needs and needs to be expanded and modernized for both current operations and future projected operations.

Recommendation: I recommend this project

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D. JUSTICE AND LAW ENFORCEMENT

There are two court related proposals and three proposals from the Sheriff. All of these are either new or resubmitted proposals.

<u>Dept</u>	<u>ID</u>	<u>Project Name</u>	<u>Status</u>	<u>Tentatively Approved Funding</u>	<u>Current Funding Request</u>
FM	99	Drexel Heights Sheriff Substation	Resubmittal		\$2,200,000
FM	22	Sheriff District Substations System Efficiencies & Upgrades	Resubmittal		\$5,000,000
		North Central Sheriff's Substation	New		\$3,100,000
		Superior Court 9th Floor Renovation	New		\$4,700,000
		Green Valley Courthouse Expansion	New		\$500,000
			TOTAL		\$15,500,000

FM99 - Drexel Heights Sheriff Substation (Resubmittal)

This project was originally considered and recommended by the Justice and Law Enforcement subcommittee. However, at the time I did not recommend it as I felt the need for additional funding for the Downtown Joint Courts facility was a higher priority. The full Bond Advisory Committee did not tentatively approve the project. Since then the County has funded the Joint Courts Facility (now the Public Service Center) with alternative funding and we are no longer seeking bond funds. This area southwest of Tucson is currently served from the San Xavier Sheriff substation located on East Ajo Way near Country Club Road. This \$2.2 million project would locate a new Sheriff substation, possibly on County land adjacent to Manzanita Park and the existing Drexel Heights Community Center at West Irvington and San Joaquin Roads. The new location would reduce current response times for incident calls to the area, as well as prepare for future demands from this area that is anticipated to experience considerable population growth.

Recommendation: I recommend this project

FM22 - Sheriff District Substations System Efficiencies and Upgrades (Resubmittal)

This \$5 million project was originally considered and not recommended by the Justice and Law Enforcement subcommittee. It involves energy efficiency improvements, security enhancements, refurbishing and upgrading of many of the Sheriff substations, as well as the headquarters.

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Recommendation: Due to many competing needs, I do not recommend this project.

North Central Sheriff's Substation (New)

This new \$3.1 million project includes land acquisition and development of a new substation to serve the Catalina Foothills area, enhancing response times and relieving the load from other existing substations that currently serve this area.

Recommendation: I recommend this project.

Superior Court 9th Floor Renovations (New)

This new \$4.7 million project would remodel the 9th floor of the Superior Court building, which houses the administration and human resources functions of Superior Court. Substantial investment has already been made to this facility with 1997 and 2004 bond funding. In addition \$130 million was just spent for courts generally in the new Public Service Center. Due to many other competing needs for bond funding, I cannot support this project.

Recommendation: I do not recommend this project.

Green Valley Courthouse Expansion (New)

This new \$500,000 project would expand the lobby, office area and file room at the Justice Courts facility in Green Valley. This minor investment would address security concerns, provide additional room for public seating and eliminate the need to continue renting mobile trailers for file storage.

Recommendation: I recommend this project.

Alternative to Expansion of County Jail

As I mentioned to the Committee at the March 21 meeting, the Sheriff's department is also requesting additional space at the County Jail – very expensive space at over \$150,000 per detention cell. There have been several proposals and quite a lot of research on alternatives to expanding the Jail, including modifications to the juvenile detention facilities such that they could house juveniles transferred to the adult system therefore freeing up space at the Jail. This is primarily a cost avoidance issue. The County made a significant investment in developing the juvenile detention facility, but it is significantly underutilized. Over \$40 million of 1997 bond funding was spent to build a detention facility that could house 300 juveniles, but only 30 juveniles are currently being detained at the facility. It would make sense to use this existing space first, with

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the necessary physical site and sound separation modifications costing perhaps a few million dollars, as opposed to many millions to construct an addition to the Jail. This solution requires the support of the Presiding Judges of the Superior and Juvenile Courts, as well as the Sheriff's department. Ellen Wheeler, our Assistant County Administrator for Justice and Law Enforcement, is in the process of discussing this option with the judges and Sheriff's department and I'm optimistic that we can have a modest proposal for the Committee's consideration in the fall.

E. FLOOD CONTROL

There are five flood control related proposals; one is tentatively approved, three are resubmittals, and one is new.

<u>Dept</u>	<u>ID</u>	<u>Project Name</u>	<u>Status</u>	<u>Tentatively Approved Funding</u>	<u>Current Funding Request</u>
FC	58	Santa Cruz River: Rillito and Canada del Oro Confluence	TA – scope change	\$10,000,000	\$10,000,000
FC	9	Lower Santa Cruz Levee Extension	Resubmittal		\$7,000,000
FC	14	40th Street Drainage	Resubmittal		\$3,000,000
FC	16	South 7th Avenue Between West 28th and 29th Streets Drainage	Resubmittal		\$2,500,000
		East 32nd 1/2 Street Drainage	New		\$2,200,000
			TOTAL	\$10,000,000	\$24,700,000

Flood Control - Tentatively Approved

FC58 - Santa Cruz River: Rillito and Canada del Oro Confluence; Scope Change

The Committee tentatively approved \$10 million for this project in May 2010. At that time it included design and construction of soil cement bank protection along both banks of the Santa Cruz River between Sunset Road and Ina Road. Then in September 2010, Regional Flood Control District Director Suzanne Shields presented to the Committee on a long term project called El Corazon Tres Rios del Norte, which was and is still to include a variety of improvements including bank protection of the existing Orange Grove sand and gravel pit, adaptive reuse of the Ina Road land fill, riparian habitat restoration, park and recreational elements, trails, water reclamation, road improvements etc. Many partners are included in this long term project, including CalPortland, City of Tucson, Town of Marana, Regional Transportation Authority,

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Bureau of Reclamation and US Army Corps of Engineers. An updated project sheet describing this project is attached. However, the project sheet will continue to be improved upon over this summer to include estimates of the other funding contributions that are expected.

Recommendation: I recommend this project and its updated scope.

Flood Control - Resubmittals and New Proposals

FC9 - Lower Santa Cruz Levee Extension (Resubmittal Priority 4)

The Town of Marana originally requested this \$7 million project in 2007 and ranked it 9th in priority. More recently the priority was changed to 4th. The Public Works subcommittee did not recommend this project to the full Committee.

Recommendation: Consistent with the Public Works subcommittee, I do not recommend this project.

FC14 - 40th Street Drainage (Resubmittal Priority 2)

FC16 - South 7th Avenue between West 28th & 29th Streets (Resubmittal Priority 4) East 32nd ½ Street Drainage (New Priority 1)

The City of South Tucson had originally in 2006 and 2007 requested \$3 million for FC14 40th Street Drainage and \$2.5 million for FC16 South 7th Avenue. These bond funding requests have not changed. The East 32nd ½ Street Drainage is a new project proposal. FC16 South 7th Avenue was recommended by the Public Works subcommittee, but the full Committee did not approve the project. All three of these projects were included in the County's 2004 voter approved City of South Tucson Urban Drainage bond project (No.5.3). Design was completed with those bond funds, but additional funding is necessary for construction. The City's semi-annual reports to the Committee stated that they would be requesting future bond funding to complete these three projects.

However, according to our Regional Flood Control District Director, drainage into the City of South Tucson was greatly reduced by the Flood Control District's construction of Mission View Detention Basin at The Bridges project located at Park and 36th Street. This should have reduced the need for the East 32 ½ drainage project and 40th Street drainage project. The South 7th Avenue between 28th and 29th Streets may still warrant improvements.

Recommendation: I recommend against funding the East 32 ½ drainage project and 40th Street drainage projects due to a lack of necessity, and ask that the City of South

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Tucson meet with our Regional Flood Control District to determine whether the South 7th Avenue project is still needed.

F. GOVERNMENTAL FACILITIES

Three projects are proposed under this general category and all received tentative approval from the Committee in the past.

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FM	9	Green Valley Government Center Parking & Access Improvements	TA	\$2,000,000	\$2,000,000
FM	34	Downtown Legal Services Building Asbestos Abatement & Fire Sprinklers	TA	\$2,000,000	\$2,000,000
FM	110	Elections Equipment	TA - decrease funding	\$5,000,000	\$2,400,000
			TOTAL	\$9,000,000	\$6,400,000

FM9 - Green Valley Government Center Parking & Access Improvements

FM34 - Downtown Legal Services Building Asbestos Abatement & Fire Sprinklers

Recommendations: These projects are still needed and no changes have been proposed since they were tentatively approved by the Committee.

FM110 - Elections Equipment; Decrease Funding

The Committee approved \$5 million for this project in April 2010. In reviewing this project last year, I was concerned that the new, nationally certified, optical scanning and tabulating election equipment would not be available for purchase for some time and that certification of the equipment may still be under review. However, staff has confirmed the equipment is currently available for purchase and has met the necessary certification (see Attachment B). In addition, cost estimates for the equipment have decreased to \$2.4 million.

Recommendation: I recommend this project and its reduction from \$5 million to \$2.4 million in bond funding.

CHH/dr

Attachments

Chairman and Members, Pima County Bond Advisory Committee

Re: **May 16, 2014 Meeting - Future Bond Election Planning for Neighborhood Reinvestment, Affordable Housing, Health, Justice and Law Enforcement, Flood Control and Governmental Facilities**

May 9, 2014

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- c: The Honorable Chair and Members, Pima County Board of Supervisors
 The Honorable Clarence Dupnik, Pima County Sheriff
 Lisa Royal, Presiding Judge for Green Valley Justice Courts
 Kent Batty, Superior Court Administrator, Pima County Superior Court
 Hank Atha, Deputy County Administrator for Community and Economic Development
 Jan Leshner, Deputy County Administrator for Medical and Health Services
 Ellen Wheeler, Assistant County Administrator for Justice and Law Enforcement
 Suzanne Shields, Director, Regional Flood Control District
 Michael Kirk, Director, Facilities Management Department
 Nicole Fyffe, Executive Assistant to the County Administrator
 Diana Durazo, Special Staff Assistant to the County Administrator

**Neighborhood Reinvestment, Affordable Housing, Health, Justice and
Law Enforcement, Flood Control and Governmental Facilities
Project Tables**

Dept	ID	Neighborhood Reinvestment, Affordable Housing, Public Health, Justice & Law Enforcement, Flood Control, and Governmental Facilities	Status for 2014 Meetings	BAC Tentative Approval Date	Submitted By, Priority if Provided (Location if submitted by an organization)	Tentatively Approved Funding	Current Funding Request*	County Admin. Recommend.	2014 BAC Tentative Approval	2014/15 BAC Final Approval	Notes
		Neighborhood Reinvestment & Affordable Housing									
CD	1	Affordable Housing Program	TA - decrease funding	4-Jan-10	PC	\$ 30,000,000	\$ 30,000,000	\$ 15,000,000			
CD	2	Neighborhood Reinvestment Program	TA - decrease funding	4-Jan-10	PC	\$ 30,000,000	\$ 30,000,000	\$ 20,000,000			
CD	4	Marana Affordable Housing Land Acquisition, Entitlement & Improvement	Resubmittal		Marana - 5		\$ 1,500,000	\$ 0			
CD	5	Marana Neighborhood Reinvestment Housing Stock Retention	Resubmittal		Marana - 6		\$ 1,000,000	\$ 0			
		Pedestrian Safety and Walkability Improvements	New		Living Streets Alliance (TBD)		\$ 25,000,000	\$ 0			
		South 12th Avenue Cultural and Culinary Corridor	New		Tucson - 4		\$ 3,178,500	\$ 0			
		Health									
FM	97	Pima Co. North Clinic Relocation & Expansion(formally Theresa Lee Clinic Relocation)	TA - scope change	19-Mar-10	PC	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000			
FM	84	Marana Health Center Expansion	TA - scope change	19-Mar-10	MHC (Marana)	\$ 3,000,000	\$ 3,000,000	\$ 0			
		Pima County Forensic Science Center Expansion & Remodel	New		PC		\$ 20,000,000	\$ 20,000,000			
		Justice & Law Enforcement Facilities									
FM	99	Drexel Heights Sheriff District Station	Resubmittal		PC		\$ 2,200,000	\$ 2,200,000			
FM	22	Sheriff District Substations System Efficiencies and Upgrades	Resubmittal		PC		\$ 5,000,000	\$ 0			
		North Central Sheriff's Substation	New		PC		\$ 3,100,000	\$ 3,100,000			
		Superior Court 9th Floor Renovation	New		PC		\$ 4,700,000	\$ 0			
		Green Valley Courthouse Expansion	New		PC		\$ 500,000	\$ 500,000			
		Flood Control									
FC	58	Santa Cruz River: Rillito and Canada del Oro Confluence	TA	21-May-10	PC	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000			
FC	9	Lower Santa Cruz Levee Extension	Resubmittal		Marana - 4		\$ 7,000,000	\$ 0			
FC	14	40th Street Drainage	Resubmittal		S. Tucson - 2		\$ 3,000,000	\$ 0			
FC	16	South 7th Avenue Between West 28th and 20th Streets Drainage	Resubmittal		S. Tucson - 4		\$ 2,500,000	\$ 2,500,000			
		East 32nd 1/2 Street Drainage	New		S. Tucson - 1		\$ 2,200,000	\$ 0			
		Governmental Facilities									
FM	9	Green Valley Government Center Parking & Access Improvements	TA	19-Mar-10	PC	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000			
FM	34	Downtown Legal Services Building Asbestos Abatement & Fire Sprinklers	TA	19-Mar-10	PC	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000			
FM	110	Elections Equipment	TA - decrease funding	16-Apr-10	PC	\$ 5,000,000	\$ 2,400,000	\$ 2,400,000			
		TOTALS				\$ 77,000,000	\$ 157,878,500	\$ 83,700,000			

*For Affordable Housing and Neighborhood Reinvestment Programs, the current funding request amount reflects recommendations from advisory committees, not the County Administrator.

Criteria

Pima County Bond Advisory Committee
Criteria for Project Inclusion
Revised June 14, 2013

- Broad demonstrated support by public
- Has regional public benefit
- Partnerships
- Other funding sources or matches
- Education and workforce training
- Advances Board adopted principles of sustainability and conservation
- Previously authorized large-scale bond projects or programs that are now short funding
- Phasing of large projects
- Impact on operating and maintenance costs for governments and commitment to fund these ongoing costs
- Project or program is a capital improvement, not a repair or maintenance project

Criteria below would apply to the entire bond package at the end of the process and not to individual projects:

- Advances Board adopted principles of economic development and basic employment growth that will attract more jobs to the community.
- Advances the following nine principles that represent the shared values identified in the Imagine Greater Tucson process: accessibility, educational excellence, environmental integrity, good governance, healthy communities, higher education, broad-based prosperity, quality neighborhoods, and regional identity.
- Regional or jurisdictional balance

Project Sheets

Department: Pima County Community Development and Neighborhood Conservation Department
Date: May 6, 2014

Future Pima County Bond Election Proposed Project

Project Name: AFFORDABLE HOUSING PROGRAM

Location: Communities throughout Pima County.

Scope: Provide funds to non-profit corporations, units of government, licensed builders/developers in private sector for the development of affordable housing. This program promotes the creation of affordable housing through the construction of new development that include housing opportunities for low and moderate income families. Unlike other bond projects with specific earmarks for identified projects, the bond funds which support the Affordable Housing program establish criteria for eligible projects and a process for project selection. Additionally, the program records a 30 year Affordability Housing Restriction on each unit to ensure preservation and long term affordability.

Benefits: The Affordable Housing program provides for the expansion of homeownership and rental opportunities, the provision of access to safe, decent, affordable housing for low-moderate income residents of Pima County, and encourages public-private partnerships in the development and creation of affordable housing. In 1997, the voters of Pima County approved \$5 million, and in 2004 \$10 million for the Affordable Housing program and the establishment of a Housing Trust Fund. The success of the current program can be measured by the number of housing developments that have been completed, the public and private sector partnerships developed, and the funds leveraged for home ownership and rental opportunities. As of March 31, 2014, The Pima County Housing Commission has recommended and the Board of Supervisors have approved funding for development of 469 single family housing units, and 461 multi-family rental units for a combined total of 930 affordable housing units (1997 & 2004 Bonds).

General Obligation Bond Funds for Affordable Housing from 1997 and 2004 combined total of \$15 Million used for development will leverage more than \$129 Million. Increasing home ownership and rental opportunities for families by using bond funds to reduce housing costs becomes more critical than ever before. The General Obligation Bond Funds for Affordable Housing have been "economic stimulus" package in Pima County since the completion of the first project in 2003. It has been well documented that housing development creates local jobs and stimulates the economy through property and sales tax revenue, while sustaining and stabilizing families, neighborhoods and community.

The high foreclosure rate and the Great Recession in Pima County affected housing development in Pima County. Several recent reports and studies show that affordable housing continues to be a challenge for the low-wage earner, special populations, and low to moderate income families. The changes in the 2004 bond language have created an opportunity for bond funds to be used for the purchase of foreclosed homes. Bond funds have historically been looked at favorably by lenders, providing leverage and less risk to a financed project. Bond funds have become very attractive to developers, and can work as a tool to encourage the inclusion of affordable housing in future development of housing. County Bond Counsel has determined that bond funds can be used for the vertical development and construction, as long as there is a 30 year affordability restriction in place as required by state statutes. Overall bond funds strengthen and expand the opportunities for for-profit and non-profit partnerships and collaborations for new development projects in the future.

Costs: With projected costs of \$20,000 per unit, with a goal of at least 1,500 new affordable housing units, the bond request cost is estimated at \$30 million.

Bond Funding: \$30,000,000

Other Funding: Although each project is unique in its funding sources, historically, the average leverage is 10:1, with typical funding sources being HOME (Home Investment Partnership Program), CDBG (Community Development Block Grants), State of Arizona Department of Housing, Private Foundation, Private Lenders,

and Owners Equity.

Fiscal Year Project Start and Finish Date: Since this is a successful ongoing program, it is estimated that there will be a 10 year timeframe for completing all 1500 units, starting in 2016-2026.

Project Management Jurisdiction: A designated Project Manager from the department is responsible for oversight responsibilities related to the contract as approved by the Board of Supervisors. The Contractor must submit documentation for draw requests which are reviewed and approved by the Project Manager based upon a physical site inspection prior to funds being released.

Future Operating and Maintenance Costs: For those bond funded projects that include offsite improvements in the public right of way are included and upon completion of the housing development project, the jurisdiction in which the project resides will be responsible for the operating and maintenance costs. For single-family housing units the property ownership is conveyed to a qualified low income buyer with deed restrictions requiring a 30 year affordability period. The Deed will name Pima County as the Trustor and requires that the County approve any subsequent buyers within the 30 year period to ensure the new owner meets the income eligibility guidelines in place at the time of sale and transfer. Single-family rental units purchased may be owned by Pima County with management by Pima County Real Property division or another management entity. Pima County may decide to transfer the housing to a land trust or a non-profit entity which will be responsible for the management of the housing. The rental unit's cash flow will provide the funds for management, maintenance and operating expenses. Multi-Family units will be owned by the Contractor upon completion. Projects approved will require Low Income Housing Tax Credits to ensure long term affordability, monitoring, and management.

Regional Benefits: Affordable Housing projects benefit all residents of the specific development. Through increased affordable, safe and decent rental and home ownership opportunities benefits are extended to all residents in the surrounding community. While individual projects are specific to an identified community, the overall program is based on a regional approach and the improvement in the quality of life, throughout the urban, suburban and rural areas of Pima County.

Supervisor District of Project Location: All

Department: Pima County Community Development and Neighborhood Conservation Department
Date: May 6, 2014

Future Pima County Bond Election Proposed Project

Project Name: NEIGHBORHOOD REINVESTMENT PROGRAM

Location: Stressed neighborhoods and communities in Pima County. Stress is determined by a combination of sources and factors including but not limited to City of Tucson Neighborhood Stress Map and Pima County CDBG Target Areas.

Scope: Small scale capital improvement projects developed in stressed neighborhoods and communities throughout Pima County, including but not limited to street lights, sidewalks, park improvements, community centers, speed bumps, and traffic mitigation devices. Unlike other bond projects with specific earmarks for identified projects, the bond funds support the Neighborhood Reinvestment program and should establish criteria for eligible projects and a process for project selection

Benefits: The Neighborhood Reinvestment program pursues two goals: physical revitalization of public infrastructure in stressed communities and empowerment of area residents. There are at least 35 identified stressed neighborhoods and communities in Pima County which have not yet applied for Neighborhood Reinvestment funding. Many of these neighborhoods and communities are in the unincorporated portion of Pima County, which were not eligible for 1997 NR funding. In addition, every one of the fifty 2004 Neighborhood Reinvestment bond recipient neighborhoods has asked when they can submit a second proposal for additional infrastructure improvements, describing erosion of streets, parks, and other public amenities, in addition to absence of recreational facilities, street lighting, and accessible sidewalks.

As unincorporated communities grow and there is an increasing demand for small capital projects to promote community stability, it is inevitable that they will seek Neighborhood Reinvestment funding. As disintegrating infrastructure and social problems continue to plague the urban core neighborhoods, residents will seek funds to stabilize their communities. Written surveys returned by neighborhoods with NR projects demonstrate the community building value of the small capital projects.

Costs: Estimated to be \$30,000,000. Individual Neighborhood Reinvestment Projects have a maximum of \$750,000 in special circumstances. The average cost of 2004 NR projects was \$341,528 (not including the matching funds from the beneficiary jurisdictions). Based on post survey information from 50 neighborhoods that received 2004 funds, additional infrastructure improvements would be needed. The \$30 million bond request costs were estimated using the 50 neighborhoods surveyed and an additional 40 stressed neighborhoods that did not receive any funding, multiplied by the average cost per project.

Bond Funding: \$30,000,000

Other Funding: None identified at this time. However, as each project is developed by neighborhood residents, it is incumbent upon the residents to identify other sources of funds for larger scale projects. The 1997 and 2004 NR projects have obtained supplemental funding from Pima County CDBG, State Department of Transportation Enhancement grant, City of Tucson CDBG, and Tucson Back to Basics grants. The 1997 and 2004 NR projects have leveraged \$15.7 million in matching funds for the Neighborhood Reinvestment Program.

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: A Project Coordinator from Pima County is responsible for the overall management of each project approved by the Board of Supervisors. The project construction management is determined in consultation with the jurisdiction in which the project is located. It is anticipated that projects will be developed in the City of Tucson, the City of South Tucson, the Town of Marana and unincorporated Pima County. Memoranda of Agreement will be utilized for all projects which are the sole responsibility of an identified Pima County Department.

Future Operating and Maintenance Costs: The current IGA utilized for Neighborhood Reinvestment projects identifies the jurisdiction in which the project is developed to assume all responsibility for the Operation and Maintenance costs for a period of at least 25 years.

Regional Benefits: Neighborhood Reinvestment projects benefit neighborhoods and communities throughout incorporated and unincorporated Pima County. While individual projects are specific to an identified community, the overall program is based on a regional approach and the improvement in the quality of life throughout the urban, suburban and rural areas of Pima County.

Supervisor District of Project Location: All

Town of Marana
Date: April 15, 2013

Future Pima County Bond Election Proposed Projects

Project Name: Affordable Housing Land Acquisition, Entitlement, and Improvement Fund

Location: Town of Marana incorporated area

Scope: By acting as the land developer for affordable housing projects, the Town can leverage land acquisition dollars and community resources to offer community partners entitled and improved land. Marana's Affordable Housing Advisory Commission will work under the direction and oversight of the Pima County Affordable Commission to administer designated funding for land acquisition and infrastructure planning and development. Infrastructure improvements may include the installation of sewer lines, road construction, and parks and shared amenities development.

Benefits: Recognizing the key links between future commercial growth and the ability for the region to supply a ready workforce, safe affordable housing for working families and low-income vulnerable populations is a critical element to growth and sustainability. The lack of affordable housing in Northwest Pima County and the Town of Marana, in particular provides, a significant challenge to the region that will require create flexible solutions and a wide-variety of partnerships to address. The Town of Marana will be able to offer improved housing lots to non-profit partners for the development of affordable housing at a cost that is not prohibitive and contributes to the overall success of the project. The availability of safe appropriate affordable housing is vital to regional stability.

Costs: \$1,500,000

Bond Funding: \$1,500,000

Other Funding: None identified at this time

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Town of Marana

Future Operating and Maintenance Costs: Operating costs (indirect and administrative) - for land acquisition and off-site infrastructure improvements will be paid by the Town of Marana through general fund dollars.

Regional Benefits: Safe affordable housing is critical to the continued economic growth in the region. The ability to retain and attract new businesses to the region will be reliant on the availability of adequate housing for the workforce in Pima County.

Supervisor District of Project Location: District 1 and 3

Town of Marana
Date: April 15, 2013

Future Pima County Bond Election Proposed Projects

Project Name: Neighborhood Reinvestment Housing Stock Retention Fund

Location: Town of Marana incorporated area

Scope: Recognizing the value Marana's rich history plays as we move toward the future, neighborhood revitalization and infill projects have to work in coordination with new development to address a wide-variety of needs. Designated funding for both housing and infrastructure repair will be used in conjunction with other funding streams to bring aging neighborhoods and housing stock into alignment with contemporary standards including the development of neighborhood parks, sidewalk improvements, or other infrastructure needs designed to bring older neighborhoods the amenities enjoyed by newer developments.

Benefits: The rehabilitation of aging housing stock and the development of a neighborhood reinvestment fund will help rejuvenate and maintain vibrant neighborhoods offering affordable options in a fast growing real estate market.

Costs: \$1,250,000

Bond Funding: \$1,000,000

Other Funding: \$150,000 annually

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Town of Marana

Future Operating and Maintenance Costs: Operating costs (indirect and administrative) - for parks and infrastructure improvements will be paid by the Town of Marana through general fund dollars.

Regional Benefits: Safe affordable housing is critical to the continued economic growth in the region. The ability to retain and attract new businesses to the region will be reliant on the availability of adequate housing for the workforce in Pima County.

Supervisor District of Project Location: Districts 1 and 3

Department: TBD
Date: May 02, 2014

2014 Bond Election Proposed Projects Template

Project Name: Pedestrian Safety and Walkability Improvements

Location: Pima County (all jurisdictions)

Scope: \$25 million for pedestrian safety and walkability capital improvement projects to be allocated on a need-basis in Pima County member jurisdictions. (This is a reduction of our previous \$50 million proposal. The reduction is based on extensive conversations with Pima County and other jurisdictions). Projects may include, but are not limited to: enhanced connections and crossings; continuous sidewalk networks; streetscape improvements; traffic calming; and green infrastructure. This program will focus on that pedestrian collector system that falls between the in-neighborhood pedestrian efforts of Neighborhood Reinvestment and arterial efforts of the RTA. In cooperation with these entities and the jurisdictions, it will focus on bringing pedestrians safely and comfortably to community destinations, such as schools, businesses, parks, community centers, libraries, and transit stops.

Each jurisdiction will be eligible to apply for funding by showing their commitment to developing a need-based pedestrian bond implementation plan within a larger long-term pedestrian plan that aligns with the goals and objectives outlined in the Pima Association of Governments (PAG) Regional Pedestrian Plan Update, which will be completed by Fall 2014. The projects will logically focus on the more urbanized areas of our community but with pilot projects in all jurisdictions, in all City of Tucson Wards, and in all Pima County Districts. The PAG plan will include specific indicators that measure progress toward desired outcomes in pedestrian infrastructure and safety and thus will provide a built-in evaluation for the implementation of this bond project. Living Streets Alliance will work with the County to convene a transparent oversight committee to review proposals from each jurisdiction and make recommendations to the Board of Supervisors based on each proposal's demonstration of need and potential to fulfill the goals and objectives outlined in the PAG Plan.

Benefits: Walking is the most basic and equitable mode of transportation that exists; every person is a pedestrian at some point during their day. To increase the number of people walking, the distances being walked, and the diversity of trips made by foot, walking needs to be safe, comfortable and convenient. A walkable environment has the following benefits:

- Safety – a reduction in the terrible toll of injuries and deaths to pedestrians in our communities
- Transportation – reduced traffic congestion and increased efficiency/effectiveness of a multi-modal transportation system
- Health – reduced levels of obesity, heart disease, adult onset diabetes, and other illnesses resulting from sedentary lifestyle
- Equity and Diversity – increased access for people of all ages and abilities, including the 33% of the population that can not or does not drive an automobile at any given point in time
- Environment – improved air and water quality
- Climate Change – curbed urban heat island effect
- Economic Development – improved pedestrian connections to business districts to promote small scale, local economic development as well as increased “livability” which makes it nationally competitive as desirable place for major employers and venture start-ups

Costs: Currently undefined. The proposal process will necessitate that each jurisdiction quantify the monetary value of pedestrian improvements needed within their own jurisdiction.

Bond Funding: Twenty-five Million Dollars

Other Funding: Jurisdictions applying for funding will be required to provide a 2% match that will be designated toward implementing pedestrian education and awareness activities (which will be defined in their application). These activities would be designed to encourage Pima County residents to walk and utilize pedestrian capital improvement, and also educate pedestrians and drivers on pedestrian safety. Additionally, jurisdictions may leverage these funds to secure additional match funding through the Transportation Alternatives Program and other federal funding opportunities.

Fiscal Year Project Start and Finish Date: Start FY2016; End when all funding has been expended

Project Management Jurisdiction: Pima County Project Management Department will provide overall control of the project design, management, and construction procurement in cooperation (MOU's) with each jurisdiction. Living Streets Alliance will provide overall project guidance and planning in a similar manner to the current efforts of Neighborhood Reinvestment.

Future Operating and Maintenance Costs: Each jurisdiction will assume responsibility for future Operation and Maintenance costs of improvements made within their jurisdiction and will be required to provide documentation of their existing O&M policies.

Regional Benefits: Benefits outlined above as they relate to pedestrian safety, the economy, public health and the environment are all on a regional level. Each trip made by Pima County residents begin and end with walking. Additionally, a truly multi-modal transportation network (which benefits and is used by the entire region) necessitates walking as a mode of transportation. A robust multi-modal transportation network alleviates traffic congestion for drivers and provides affordable alternative transportation options for non-drivers.

Supervisor District of Project Location: All

Project Name: South 12th Avenue Cultural & Culinary Corridor

Location: Project area is within a two mile corridor on South 12th Avenue, from Ajo Road in the north to Drexel in the south.

Scope: This is an economic development project to invest in signage, art, landscape, and pedestrian and bicycle safety improvements along one of Pima County's most culturally unique, vibrant, and underserved commercial corridors. Specifically, the project will include signage designating the commercial district along the corridor, sidewalks, pedestrian median refuge islands, landscaping, nodes of shade and seating, and resurfacing of the roadway to add bike lanes.

Benefits: The South 12th Avenue Cultural and Culinary Corridor project will improve safety, walkability, regional identity, and aesthetics in a cultural district that celebrates the region's unique Mexican American heritage. It will spur further commercial investment in the commercial corridor; increase opportunities for culinary and cultural tourism; and improve conditions for the tens of thousands of pedestrians, bicyclists, transit users, and motorists who use the corridor every day.

This portion of South 12th Avenue is a distinctive hub of Pima County's Latino culture and a popular regional culinary destination. The corridor is lined with schools, churches, and shops that have traditionally been owned by and cater to generations of Mexican American and native families. South 12th Avenue is home to some of Tucson's most celebrated and successful Mexican restaurants, is a key segment of Visit Tucson's "Best 23 Miles of Mexican Food," and is the focus of regular "Best of the Barrio" food tours. It lies on the region's second most heavily used transit route; hosts Tucson's two major private bus lines providing service to Mexico; and is heavily used by automobiles, bicyclists, and pedestrians.

Neighborhoods and local business leaders have engaged in corridor planning efforts for nearly two decades, but have seen very little infrastructure built. Pima County's \$9 million 12th Avenue Community Revitalization Project (1997 HURF bonds) planned improvements for the area, but delivered very little in the busiest core of the corridor (the project area). Most of the area is not served by sidewalks or safe pedestrian crossings, and is devoid of shade or landscape improvements. It has been the site of 27 auto accidents involving bicyclists and pedestrians in the past four years, including three fatalities.

Recently, a new business association has come together with the interest of investing in and beautifying the corridor to support and encourage business development. The South Side Business Coalition (SSBC) has sponsored lending and credit support, classes at Microbusiness Advancement Center and the University of Arizona, and local graffiti cleanups. The SSBC has been collaborating with City staff on grant applications and efforts to seek out support for strategic investments in infrastructure along the corridor. Neighborhood associations and local schools (C.E. Rose, St. John's, and Pueblo) continue to indicate their support for improvement planning and initiatives.

Project planning and implementation will be coordinated under the City's new Planning and Service Areas model, a City-led public process outlined in Plan Tucson (General Plan) to coordinate and enhance land use planning, infrastructure improvements, and public service delivery. An important goal of the Planning and Service Areas model is to identify and support the distinctive needs and identities of different regions of the city.

Cost: \$4,978,500

Bond Funding: \$3,178,500

Other Funding: The City of Tucson will fund roadway resurfacing (mill and overlay) of the project segment of 12th Avenue, including restriping the roadway to include bike lanes (\$1.8m). The City will also be using \$200,000 in federal Safe Routes to Schools funds for a HAWK pedestrian crossing in the project area.

The project area has been rated among the top three highest stress census tracts within the City's adopted CDBG Target Area, and as such is considered a priority. The City used approximately \$75,000 to place shelters over three heavily used bus stops in 2013; and anticipates that the corridor will be eligible for up to \$250,000 to continue improvements in 2014/2015. In the same period City staff will work with the Microbusiness Advancement Center to employ Microenterprise Technical Assistance Funds to assist businesses on the corridor. The City will also be investing \$30,000 in landscape improvements at the corner of 12th Avenue and Ajo Road in 2014/2015.

The City of Tucson and Pima County are working together to compete for designation as a federal Promise Zone for the region, which if awarded could bring funding to build on these improvements. In addition, the City will continue to pursue funding opportunities such as the federal Transportation Alternatives Program, historic sign preservation monies, and tribal 12% gaming funds.

Fiscal Year Project Start and Finish Date: Start date 2017/2018, End date 2020/2021.

Project Management Jurisdiction: City of Tucson

Future Operating and Maintenance Costs: The City of Tucson will maintain the improvements at an estimated annual cost of \$40,000. The City has demonstrated its commitment and capability to maintain a high level of O&M in its care of the similar improvements that Pima County completed to 12th Ave. south of Drexel.

Regional Benefits: Businesses, governments, and community leaders across Pima County increasingly trade on the region's cultural and economic ties with Mexico as a source of tourism, visitor spending, and economic development. South 12th Avenue is the terminus of the region's two major Mexican bus lines, a popular alternate route to I-19 into downtown Tucson, and the heart of neighborhoods with generations of Mexican American heritage and a 90% Hispanic population. It is a gateway by which many Mexican visitors enter the region, a nationally recognized culinary destination, and has served as an incubator for successful businesses that now operate branches throughout the region. With targeted investment and continued business and public engagement, the corridor has the potential to become a culturally relevant public space and tourist destination comparable to that of Olvera Street in L.A. or the Mission District in San Francisco.

Investing in the condition and character of the South 12th Avenue Cultural and Culinary Corridor will promote tourism, support the development of local and regional businesses, improve safety and connectivity on a regionally significant transportation route, and complete the investments begun by Pima County in 1997.

The project has been identified among the highest priorities by the City of Tucson's Bond Projects Advisory Committee, a body which represents the interests of 55% of Pima County residents.

Supervisor District of Project Location: District 5

Department: Health Department
Date: April 30, 2014

2014 Bond Election Proposed Projects Template

Project Name: North Public Health Clinic

Location:

This bond package replaces the current Health Department locations at 3550 N.1st Ave. The site for the new facility needs to be readily accessible by individuals with limited income and limited transportation, including our community's homeless and refugee populations.

Scope:

The North Clinic has operated as a public health center since 1973. The North Clinic itself operates from a leased facility. The building is too small to support current service demands and is out of compliance with best practices for clinical facilities. Minimal modifications have been made to the building since it opened as a public health center, which leaves it essentially medically obsolete.

Benefits:

Public health services in a new or purchased/remodeled facility of approximately 12,000 square feet will serve an estimated 5400 per year which are currently served by our North Clinic location. The specific services to be delivered at this site include the following services:

- HIV/STD Program (mandated): Counseling and education to residents about sexually transmitted diseases and prevention measures; testing services, screening, evaluation, partner notification, treatment of infections; investigation of mandatory reports; needle exchange program.
- Well Woman Health Check (WWHC): Breast and cervical cancer screening and diagnostic services for low-income, uninsured, and underinsured women; case management, outreach, and education.
- Family Planning: Contraceptive counseling and supplies, reproductive health exams, cervical and breast cancer screening; evaluation and treatment of abnormal tests; diagnosis and treatment of sexually transmitted diseases.
- Immunization Program: Immunizations and related counseling services are provided to adults and children at this location. These services are provided to both insured and uninsured individuals.

As public health evolves, other appropriate services may be added to this location to meet community needs.

Benefits:

A modern multi-service clinical facility would afford these benefits:

- Readily accessible disease prevention services, located proximate to the hard-to-reach populations served by these programs.
- Planning, integrating, coordinating and sharing resources, expertise and information to effectively and efficiently respond to communicable disease surveillance and outbreaks.
- Replacing medically antiquated facilities with a new and remodeled building conducive to incorporation of new medical technology, as well as having a site that complies with current building codes for medical services.

Costs: \$4,000,000

Bond Funding: \$4,000,000

Other Funding: None identified at this time.

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County

Future Operating and Maintenance Costs: There should be no increase in the O&M budget of the existing North Clinic coming from the County's general fund as existing expenses will transfer to the new facility. Current annual O & M budget is \$155,587

Regional Benefits: Clinical services provided at the North Health Clinic benefit all of Pima County.

Supervisor District of Project Location: TBD

Department: Town of Marana
Date: April 2, 2014

2014 Bond Election Proposed Project

Project Name: Marana Health Center Expansion

Location: 13395 N. Marana Main Street, Marana, AZ

Scope: Development of a 45,000 sq. ft. Annex to the Marana Health Center (MHC) to include an Imaging Center; expand Urgent Care; provide additional space for the expansion of the Pediatric, Family Practice, and Obstetrics and Gynecology programs; and provide additional space for Specialty Providers.

Benefits: MHC is a Medical Home and provides comprehensive medical care, behavioral health, dental, pharmacy, imaging/radiology, labs, chronic disease management, and nutritional services including WIC. Primary care programs include Pediatrics, Family Practice, Internal Medicine, Obstetrics and Gynecology. MHC operates an Urgent Care Clinic and contracts with Specialty Providers who treat patients at MHC. This combination of programs allows MHC to coordinate care and be a “one-stop shop” for patients, improving health outcomes and saving money.

The proposed Annex will house an Imaging Center to consolidate and provide a permanent location for imaging and radiology equipment. The Annex will allow expansion of MHC’s Pediatrics, Family Practice, Obstetrics and Gynecology, Urgent Care and Specialty Provider programs. These expansions will allow the Marana Health Center to treat an additional 10,000 patients overall, with 4,000 of the additional patients expected to receive uncompensated care. With the proposed Annex allowing for the expansion of the Pediatrics, Family Practice and OB/GYN clinics, the majority of the new patients will be children and families who are often in critical need of free or low-cost healthcare.

As part of the expansion of various clinics, the Annex will allow the Marana Health Center to provide more walk-in or same day visits and more night and weekend visits. The expanded hours will provide working families a way to obtain healthcare without missing work or having to go to higher-cost emergency rooms, saving money and reducing the cost of healthcare.

The Marana Health Center provides services for all patients regardless of their ability to pay. MHC provides eligibility assistance for patients applying for AHCCCS, the Healthcare Marketplace, and other programs. Patients can also pay on a sliding-fee-scale based on their income and will receive care regardless of whether MHC is reimbursed for their care in any way. While MHC receives grant funding to cover some of the uncompensated care it provides, a significant amount of care remains uncompensated. Construction of the Annex will increase the services MHC is able to provide to those in need of healthcare services, but unable to pay for it. As well as increasing uncompensated care, it will also increase the provision of healthcare to patients on AHCCCS, Medicare, or in the Healthcare Marketplace.

During the last four years, MHC has been one of the principle economic drivers in the Marana and North Pima County area. The proposed Annex will enable MHC to continue this economic growth and expansion. In addition to creating more jobs, the Annex will benefit Pima County's residents by saving time and money by diverting patients from more costly emergency room visits with the expanded appointments and hours. It will also help to improve the health and well-being of patients as they will not have to put off seeking treatment or miss work in order to go to the clinic. The health of MHC's patients will improve as follow-up visits with specialists can be facilitated at MHC. These improvements will also benefit Pima County businesses by avoiding lost productivity from sick employees who miss work or face increased medical and insurance bills.

The Annex will meet critical needs, save money and improve health outcomes for Pima County residents while providing a return on investment that quickly exceeds the value of the bond funding to be provided.

Costs: \$8,000,000

Bond Funding: \$3,000,000

Other Funding: \$2,000,000 in retained operating surpluses
\$3,000,000 (minimum) from capital funding campaign

Fiscal Year Project Start and Finish Date: Construction start date *projected* for January, 2017, completion date June, 2018.

Project Management Jurisdiction: Marana Health Center and Town of Marana

Future Operating and Maintenance Costs: Based on 45,000 sq. ft. facility projected O&M will be \$225,000 covered by the Marana Health Center operational budget.

Regional Benefits: MHC provides healthcare to the rapidly expanding Marana and Northwest Pima County areas that have seen significant growth and are expected to continue to see growth in the future. The proposed Annex to the Marana Health Center will provide for additional healthcare services for residents of the northwestern metropolitan area, Marana, Avra Valley, and Picture Rocks.

Supervisor District of Project Location: 3

Department: Health
Date: April 30, 2014

Future Bond Election Proposed Projects Template

Project Name: Pima County Forensic Science Center

Location: 2825 E District – Kino Medical Campus

Scope: Build new or an addition to the Forensic Science Center at the Kino Campus; with six (6) complete autopsy stations, refrigerated storage for a minimum of 300 remains, anthropology and special procedures suite, advanced imaging technology (CT or LODOX Scanning and Digital Radiography) and all associated support spaces. The facility will include a separate visitor entrance and waiting area with public restrooms with meeting and deposition areas. There will also be an administration area to support the CME and his staff and state-of-the-art and energy efficient mechanical and electrical systems.

Benefits: The Pima County Forensic Science Center is a regional facility providing autopsy and death investigation services to Pima and 10 surrounding counties. The current facility has outgrown its' capacity and is severely outdated and inadequate. A new facility will update technology, correct problems of capacity and safety as well as allow growth into the foreseeable future.

Costs; \$20,000,000

Bond Funding: \$20,000,000

Other Funding: None identified at this time.

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County

Future Operating and Maintenance Costs: Annual building O&M for utilities and maintenance shall be approximately \$180,000. The increase of approximately 30% above current expenses due to increased square footage

Regional Benefits: The Pima County FSC is a regional facility providing autopsy and death investigation services to Pima and 10 surrounding counties. It is also the regional receiver of all the remains of border crossers who perish in the desert while crossing into the US.

Supervisor District of Project Location: District 2 - Ramón Valadez

Department: Pima County Sheriff's Dept.

Date: April 29, 2014

Future Pima County Bond Election Proposed Project

Project Name: Drexel Heights Sheriff's Sub-Station

Location: Area of southwest Tucson between Drexel and Valencia Roads. Location considered is Drexel Heights Community Complex at W. Irvington and San Joaquin Rd.

Scope: Construct a Sheriff's sub-station approximately 5000 sq ft. including site development and parking. Substations are the base of operations for Sheriff's Department District teams to provide efficient and timely response.

Benefits: Provide Law Enforcement services to this rapidly growing unincorporated area. The Drexel Heights area southwest of Tucson is currently served from the San Xavier substation located on East Ajo Way near Country Club Rd. The new location would reduce current response times for incident calls to the area. The geographical area of this district would be surrounding the Drexel Heights and surrounding region covering both districts 3 and 5. The substation would also become part of the developing Community Services Complex in this area.

Costs: \$2,200,000

Bond Funding: \$2,200,000

Other Funding: None identified at this time

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County / Sheriff's Department

Future Operating and Maintenance Costs: \$30,000 per year building maintenance & utilities

Regional Benefits: Improved law enforcement services for Pima County.

Supervisor District of Project Location: District 3 or 5 - Sharon Bronson or Richard Elias

Department: Pima County Sheriff's Department
Date: April 29, 2014

Future Pima County Bond Election Proposed Project

Project Name: District Substations System Efficiencies and Upgrades

Location: Ajo District, Foothills District, Tucson Mountain District, Catalina Substation, Rincon District, Robles Junction Substation, Tucson Estates Substation, San Xavier District, Green Valley District, Corona de Tucson Substation, Court Enforcement, Judicial Security and Headquarters.

Scope: The Pima County Sheriff's Department serves the population of Pima County through the establishment of satellite district offices, offices, and substations. Many of these facilities are old and in need of refurbishing or upgrades to better serve the public and officers assigned there. Some of these issues deal with security of the facilities, remodeling for energy efficiencies, and ergonomic office landscaping to permit better use of limited space and facilities.

Benefits: The Pima County Sheriff's Department serves the population of Pima County through the establishment of satellite district offices, offices, and substations. These provide the service population direct access to our services and officers. By stationing the officers at these various locations, it provides improved response times and enhanced calls for services.

Costs: \$5,000,000

Bond Funding: \$5,000,000

Other Funding: None identified at this time

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County

Future Operating and Maintenance Costs: Net savings on utility costs due to higher efficiency equipment; approximately \$20,000 per location

Regional Benefits: Improved law enforcement services and access for service population in Pima County

Supervisor District of Project Location: All Districts

Department: Pima County Sheriff's Dept.

Date: May 1, 2014

Future Pima County Bond Election Proposed Project

Project Name: Pima County North Central Sheriff's Sub-Station

Location: Property to be purchased in the vicinity of River Rd to the south, Sunrise to the north, Sabino Canyon to the east and Campbell Ave. with easy access on and off streets.

Scope: Land Acquisition and construction of a Sheriff's sub-station approximately 5,000 sq ft. including site development and parking.

Benefits: Provide enhanced Law Enforcement services to this already heavily populated unincorporated area. The geographical area of this facility would enhance response times and relieve the load from other existing sub-stations.

Costs: \$3,100,000

Bond Funding: \$3,100,000

Other Funding: None identified at this time

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County

Future Operating and Maintenance Costs: Estimated to be \$30,000 per year for building maintenance & utilities.

Regional Benefits: Improved law enforcement services for Pima County.

Supervisor District of Project Location: District 1 or 3 - Ally Miller or Sharon Bronson

Department: Facilities Management
Date: April 22, 2014

Future Pima County Bond Election Proposed Project

Project Name: Superior Court 9th Floor Administration Renovation.

Location: Superior Court in Pima County, 110 W. Congress St., Tucson

Scope: Provide a complete renovation and remodeling of the 9th floor of the Superior Court building to house the Administration and Human Resources functions of the Court. All services including design, interior design and construction services.

Benefits: Renovation and remodeling will provide for an updated and efficient floor plan. The current plan dates from the early 1970's and is inefficient and has not been able to keep pace with the changing needs and space requirements of the Court Administration. Such older floor plans are loaded with circulation inefficiencies and do not respond easily to change. Many of the divisions have become scattered within the plan and would benefit from an open plan work environment and a consolidation of their divisions.

Costs: \$4,700,000

Bond Funding: \$4,700,000

Other Funding: None identified at this time

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County

Future Operating and Maintenance Costs: Future O&M cost can be expected to decrease with a more efficient and open floor plan as well as updated and efficient lighting fixtures and higher efficiency HVAC systems.

Regional Benefits: The Superior Court in Pima County serves the whole of Pima County. A modern and efficient department can be expected to provide better service to the courts, the legal community and to the public in general.

Supervisor District of Project Location: District 5 - Richard Elias

Department: Green Valley Justice Court
Date: May 6, 2013

2014 Bond Election Proposed Projects Template

Project Name: Green Valley Courthouse Expansion

Location: 601 N. La Canada Drive, Green Valley, Arizona

Scope: Addition to expand Lobby, office area and file room, approximately 985 GSF and enclose approximately 140 SF of the entry vestibule to house a magnetometer

Benefits: There is very limited seating for the public. Further, expanding the lobby will enhance security as there is currently not enough room to accommodate an X-Ray machine and magnetometer. The Sheriff's Department recently conducted a security audit and indicated that the judge and staff are vulnerable. Expansion of the file room will eliminate the need for the court to rent mobile trailers for file storage. There is currently 8 staff sharing space in the front office which measures 506 SF. Expanding this area will provide staff more room and desk space to process court documents and files many of which must currently be stored in a modular storage container on site.

Costs: \$500,000

Bond Funding: \$500,000

Other Funding: None identified at this time

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County

Future Operating and Maintenance Costs: Future O&M expenses shall be for utility increases of the addition. High building efficiency shall minimize increases to less than \$2000 per year.

Regional Benefits: Providing increased security, safety and confidentiality to the public and staff conducting business in the Justice Court serving the region of southern Arizona near Green Valley.

Supervisor District of Project Location: District 4 – Ray Carroll

El Corazon de Tres Rios Del Norte - Santa Cruz, Rillito and CDO Rivers Confluence Area

Location: Santa Cruz River at the Rillito River and CDO confluences, between Camino Del Cerro and Ina Road.

Scope: This project originated as part of the Tres Rios Del Norte Ecosystem Restoration Feasibility study, developed in partnership with the US Army Corps of Engineers, the City of Tucson, and Town of Marana. The project consists of design and construction of regional recreation, flood control, and environmental restoration along both banks of the Santa Cruz River between El Camino del Cerro and Ina Road. This project will connect with exiting river parks along the Santa Cruz River, the CDO Wash and the Rillito River, thereby extending the existing system of bike paths and trails. The project will also provide ecosystem restoration and recreation along 1.5 miles and 250 acres in and adjacent to the Santa Cruz River. On the west side, a trail system incorporating the De Anza National Historic Trail will be included to provide passive recreation opportunities along with trail heads to the Tucson Mountain trail system.

Benefits:

1. The project will provide a shared divided urban path system along the Santa Cruz River to connect with river park and trail system improvements approved as part of the 2004 Bond Program for the Santa Cruz River Park from the Rillito-CDO-Santa Cruz trails. Including construction of pedestrian bridges over the Rillito River and the CDO Wash
2. The project will mitigate degradation to habitat along the Santa Cruz River, preserves and enhances open space, and is consistent with the goals of the Sonoran Desert Conservation Plan.
3. The River Park trail system would provide passive recreation benefits to the growing community that utilizes and enjoys the River Parks. Provide linkage to shared paths planned along Silverbell as part of the RTA project as well as providing trail heads for Tucson Mountain trails.
4. Improve trail connection to recreational centers to Ted Walker Park, Christopher Columbus Park, Dan Felix and other parks in the immediate area.

Total Project Bond Funding: \$10,000,000

Other Funding: Potential Federal Cost Share as part of Tres Rios del Norte Environmental Restoration Project. RTA funding. Heritage Fund. Regional Flood Control District – land acquisition costs.

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Regional Flood Control District and County Natural Resources Parks & Recreation

Future Operating and Maintenance Costs: Estimate 10% of project cost annually at \$100,000. To be funded by the Regional Flood Control District.

Supervisor District of Project Location: Districts 1 and 3 – Ally Miller and Sharon Bronson

Town of Marana
Date: April 15, 2013

Bond Election Proposed Projects

Project Name: Lower Santa Cruz Levee Extension

Location: Northeast bank of the Santa Cruz River, from Sanders Road to Trico-Marana Road

Scope: Design, acquisition and construction of a levee extension for the Santa Cruz River

Benefits: This project will protect the Berry Acres neighborhood from flooding, along with removing approximately 3 square miles of agricultural land from the Santa Cruz River floodplain. This will remove approximately 50 residential dwellings from the Santa Cruz River Floodplain.

Costs: \$14,000,000

Bond Funding: \$7,000,000

Other Funding: Land Owner/Developer contributions and exactions

Fiscal Year Project Start and Finish Date: FY 2014/2015 – FY 2017/2018

Project Management Jurisdiction: Pima County Flood Control District, Town of Marana

Future Operating and Maintenance Costs: As with other flood control and mitigation projects, the management, maintenance and operations will be under the control of the Pima County Flood Control District.

Regional Benefits: Will address local flooding from a regional watercourse draining the entire metropolitan area.

Supervisor District of Project Location: District 3

For Internal Use only:

Specific County Administrator Contemporary Issue being addressed with expenditure:

Jurisdiction: City of South Tucson
Date: March 2013

Future Pima County Bond Election Proposed Project

Priority: A

Project Name: 40th Street Drainage

Location: From East 40th Street and South 4th Avenue along West and East 40th Streets, West 38th Street, South 8th Avenue and West 37th Street to West 37th Street and Interstate 10.

Scope: Constructs underground culvert to carry storm water to drain under Interstate 10.

Benefits: Mitigate drainage issues at our most successful commercial facility (Fiesta Mercado/Food City), the 60-unit owner-occupied town-home residential development (Valle del Sur) directly west of Food City as well as alleviating flooding around Mission View Elementary School.

Costs: \$3,000,000

Bond Funding: \$3,000,000

Other Funding: \$3,000,000

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: City of South Tucson

Future Operating and Maintenance Costs: To be determined

Regional Benefits: Makes whole drainage system from Tucson through South Tucson to Santa Cruz River

Supervisor District of Project Location: District 2 – Ramon Valadez

Jurisdiction: City of South Tucson
Date: March 2013

Future Pima County Bond Election Proposed Project

Priority: A

Project Name: South 7th Avenue between West 28th and 29th Streets

Location: South 7th Avenue between West 28th and 29th Streets

Scope: Install an underground drainage pipe along the roadway at South 7th Avenue between West 28th and 29th Streets and conveying floodwaters to the existing ADOT Detention Basin west of 12th Avenue.

Benefits: Corrects regular flooding of South 7th and 8th Avenues by conveying the stormwater exiting out of the existing underground drainage structure underneath South 6th Avenue at 29th Street unto South 7th Avenue north to West 28th Street and then westerly to the existing ADOT Detention Basin west of South 12th Avenue. Once completed project will improve drainage capacity near Ochoa Elementary School in the northwestern quadrant of South Tucson. Pedestrians (mainly children) will benefit by not having storm-water accumulate, thus allowing them to safely cross the intersection

Costs: \$2,500,000

Bond Funding: \$2,500,000

Other Funding: none

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: City of South Tucson

Future Operating and Maintenance Costs: To be determined

Regional Benefits: Contributes to completing flood control infrastructure

Supervisor District of Project Location: District 2 – Ramon Valadez

Jurisdiction: City of South Tucson
Date: March 2013

Future Pima County Bond Election Proposed Project

Priority: A

Project Name: East 32nd ½ Street Drainage

Location: From Drainage bridge under Union Pacific Railroad between South 32nd and South 33rd Streets, north under South 2nd Avenue to 32nd Street, and west under South 32nd Street to connect to existing underground drain at South 3rd Avenue and East 32nd Street.

Scope: Captures water at largest intake of storm runoff into the City of South Tucson, and connects existing underground drain previously built during South 4th Avenue construction and then to ADOT detention basin at West 29th Street and Interstate 10 through west connection scheduled under 2004 Bonds.

Benefits: Completes major drainage and flood control infrastructure through central City of South Tucson

Costs: \$2,200,000

Bond Funding: \$2,200,000

Other Funding: none

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: City of South Tucson

Future Operating and Maintenance Costs:

Regional Benefits: Appropriately connects regional storm drainage through City of South Tucson

Supervisor District of Project Location: District 2 – Ramon Valadez

Department: Facilities Management
Date: May 1, 2014

FM9

Future Pima County Bond Election Proposed Project

Project Name: Green Valley Government Center Master Plan Implementation

Location: 601 N. La Canada Way, Green Valley, Arizona

Scope: Implementation of the Green Valley Government Center Master Plan for facilities, landscaping, parking and roadway improvements.

Benefits: The Green Valley Government Center is a highly utilized site that has both Governmental services and non-governmental services such as the White Elephant Thrift Store and the Lyon's Club Recycle Center. The numbers and kinds of uses have quickly out grown the site and the parking facilities. Implementation of the master plan will allow for initial site improvements to accommodate the need for safe parking and circulation for future site development

Costs: \$2,000,000

Bond Funding: \$2,000,000

Other Funding: None identified at this time

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County

Future Operating and Maintenance Costs: O & M costs would not be affected by infrastructure planning and initial installations by supplementing or replacement of existing systems and materials.

Regional Benefits: Center provides a wide range of government services including the Justice Courts Motor vehicle services sheriff's substation and the Joyner- Green Valley Public Library. These services are convenient to the whole of the southern area of Pima County.

Supervisor District of Project Location: District 4 - Ray Carroll

Department: Facilities Management
Date: May 1, 2014

FM34

Future Pima County Bond Election Proposed Project

Project Name: LSB Abatement and Fire Sprinkler

Location: Legal Services Building, 32 North Stone Ave

Scope: Continue asbestos abatement and installation of fire sprinkler systems for 1 of the remaining 5 floors and the basement of the LSB. Work will include the demolition and build back of existing office space as funding allows.

Benefits: Complete the abatement process and fire protection work started in 1997.

Costs: \$8,300,000

Bond Funding: \$2,000,000

Other Funding: None identified at this time

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: Pima County

Future Operating and Maintenance Costs: O & M expenses would be reduced as a result of this project which would replace existing antiquated equipment with new energy efficient systems and minimize maintenance time and materials expenses for repairs.

Regional Benefits: Extends the useful life of a valuable County building asset in the downtown.

Supervisor District of Project Location: All Districts

Department: Facilities Management
Date: May 1, 2014

FM110

Future Pima County Bond Election Proposed Project

Project Name: **Elections Equipment**

Location: N/A

Scope: The current election/ballot tabulation system used by Pima County is approximately eleven years old and needs to be replaced

Benefits: A modern election tabulation system will increase election integrity and transparency.

Costs: \$3,500,000

Bond Funding: \$2,400,000

Other Funding: \$1.1 million (Federal Help America Vote Act (HAVA))

Fiscal Year Project Start and Finish Date: TBD

Project Management Jurisdiction: N/A

Future Operating and Maintenance Costs: Estimated to be \$20,000 per year.

Regional Benefits: Countywide benefit

Supervisor District of Project: All Districts

Living Streets Alliance Letter



02 May 2014

To: Larry Hecker, Pima County Bond Advisory Committee, Chair

Cc: Carolyn Campbell, Pima County Bond Advisory Committee, Vice-Chair
Nicole Fyffe, Executive Assistant to the Pima County Administrator

Re: **Living Streets Alliance Pedestrian Safety & Comfort Bond Program Proposal**

Dear Mr. Hecker,

The following is an updated Bond Program proposed on behalf of the Board of Directors and staff of Living Streets Alliance regarding Pedestrian Safety and Walkability in our region.

Living Streets Alliance (LSA) is a local non-profit organization dedicated to expanding and improving transportation options in our region in reaction to the direct and indirect impacts that transportation and transportation infrastructure have on public health, the environment, the local economy, public safety, and the quality of life in our communities. Last year, we submitted a proposal for \$50 million in designated funding for pedestrian capital improvements in our region. It received the second highest ranking (40.1% of votes) in its category (Public Health, Flood Control, Neighborhood Reinvestment and Government Facilities) in the online Bond Survey, second only to Pima County Animal Care Improvements, which has since been pulled as a stand-alone ballot measure. **This makes Pedestrian Safety & Comfort the number one priority in its category across jurisdictions.** While the need for pedestrian improvements within our region is staggering, we also acknowledge that there are many other worthy projects and programs proposed for the Bond, and have reduced our request to \$25,000,000.

Over the past year, we have further refined our proposal to compliment existing programs, projects, and initiatives within our region. To ensure that our proposal is not a duplication of efforts, we met with numerous local leaders to identify how this proposal can most benefit our region. We have received excellent recommendations and encouragements. The major lessons we learned from this process and have incorporated into our proposal include:

- Work as a complementary program with Pima County Neighborhood Reinvestment to connect neighborhoods to community destinations and to maximize the positive impact of the bond on low-income residents
- Work as a complementary program with the RTA to connect to pedestrian facilities on arterial streets
- Connect safe, attractive pedestrian routes with transit and bus stops
- Enhance safety and attractiveness of pedestrian routes to neighborhood schools
- Use pedestrian infrastructure/districts to promote access to local business
- Maximize the potential for the pedestrian environment to promote walking to improve the health of our communities
- Focus on best practices and “complete streets”
- Include shade and sustainable landscapes
- Work with an interdisciplinary team of County staff that are responsible for implementation and disbursement of funds

In our region, the Neighborhood Reinvestment Program works at the neighborhood level, while the RTA works at the arterial level. We propose working at the “collector” level through this Pedestrian Bond. These three tiers combined will leverage the work of each and create a truly connected pedestrian network, as a key part of a multi-modal regional transportation system. This is a forward-looking and collaborative vision for the future of our region that has been expressed by a broad spectrum of voters. We urge the Pima County Bond Advisory Committee to include the reduced request of \$25 million for capital pedestrian facilities in addition to the full funding of Neighborhood Reinvestment.

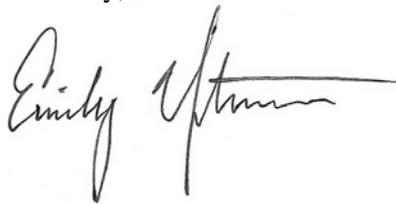
We envision this Pedestrian Safety and Comfort Program functioning in a similar manner to the County’s Neighborhood Reinvestment Program in which a set of concrete criteria will be used to select high quality pedestrian projects that are prioritized by each jurisdiction. Jurisdictions will be encouraged to consider the following set of criteria when selecting a project:

- **Access** – does the facility/project encourage or enable people to walk to access common destinations?
- **Economic Development** – is there a burgeoning cultural or business district that lacks quality public space?
- **Quality Experience** – does the project create a pleasant and comfortable pedestrian experience?
- **Safety** – does the project make it safer and easier for vulnerable populations to walk (children, seniors, those with limited mobility or without cars)?
- **Expedience** – are there any “shovel-ready” projects on the shelf? (i.e. have already gone through the design phase, but lack funding for implementation)

Pima Association of Governments is in the process of updating their Regional Pedestrian Plan. It is near completion and will likely be adopted by Regional Council later this year. The need for – and value of – designated funding for pedestrian capital improvements in Pima County is evident in the full Plan, which is currently available in draft form. I have attached two maps that clearly demonstrate the urgency for safety improvements as well as the potential for creating a walkable environment. It is essential to our quality of life in this region.

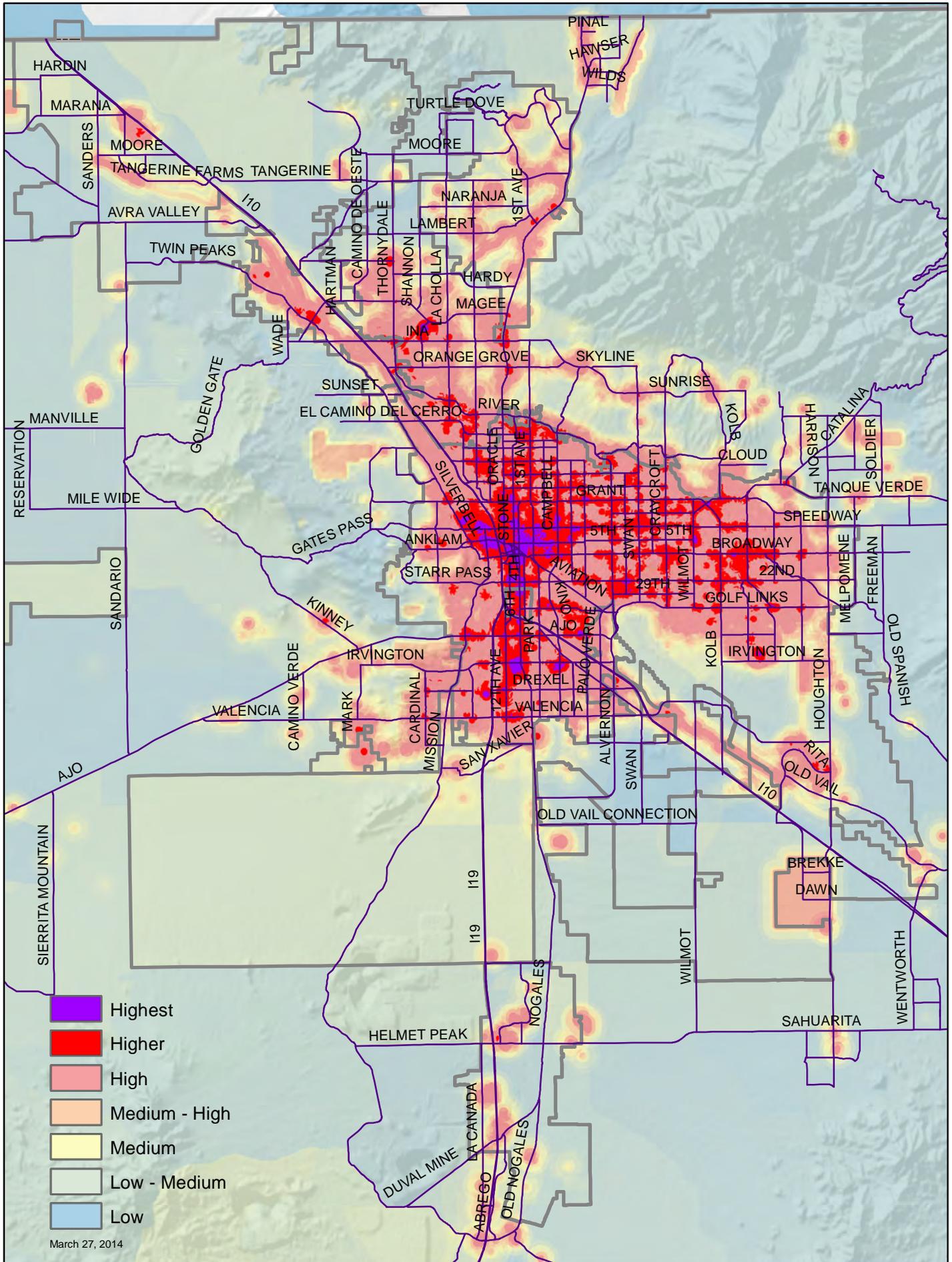
We look forward to presenting our proposal to you in greater detail on May 16th. Meantime, please feel free to contact me should you have any questions or need additional information.

Sincerely,

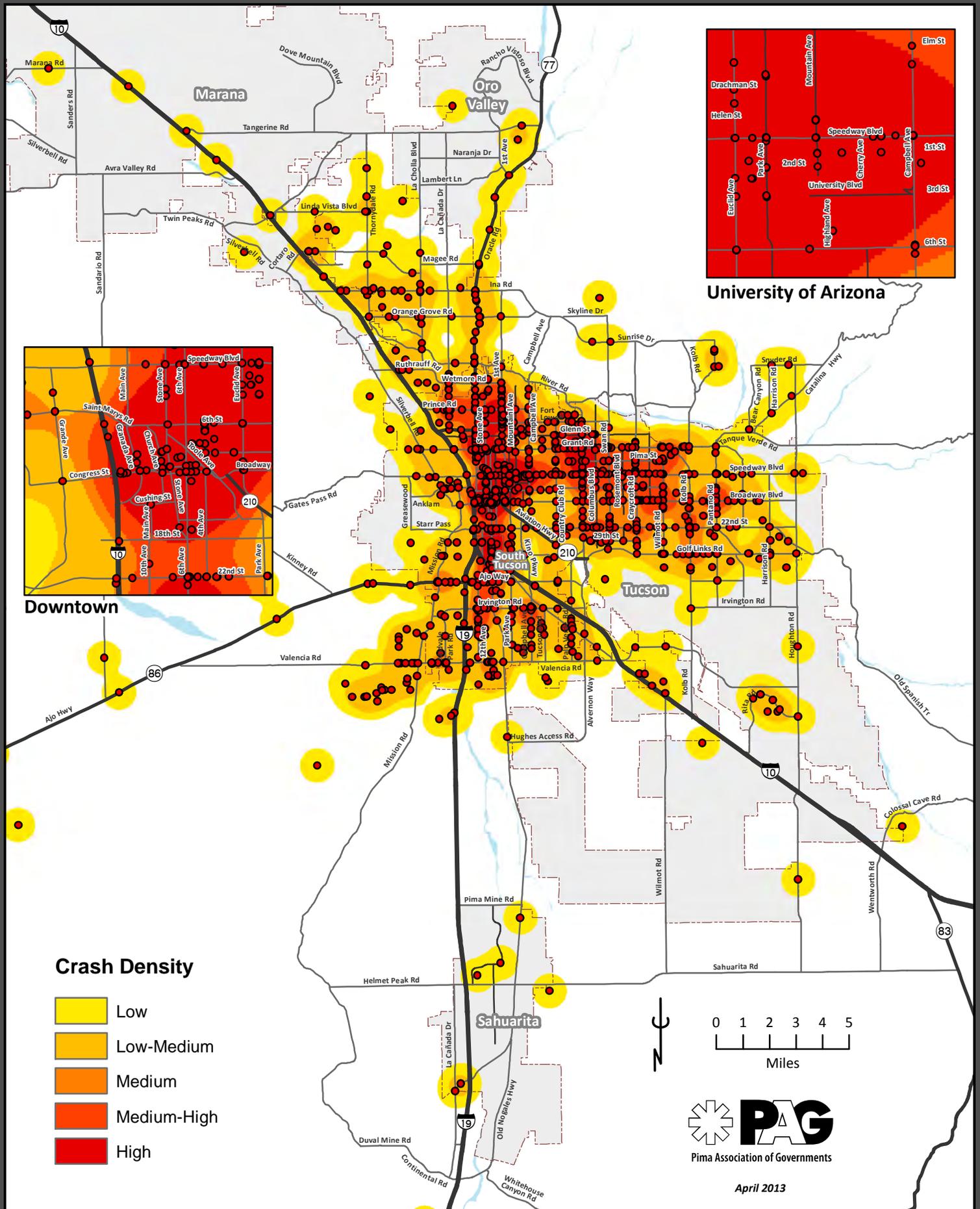
A handwritten signature in black ink, appearing to read "Emily Yetman". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Emily Yetman
Executive Director

Demand Composite - w/UA poly and complete vuln users



Pedestrian-Involved Crashes, 2007-2011



Department: TBD
Date: May 02, 2014

2014 Bond Election Proposed Projects Template

Project Name: Pedestrian Safety and Walkability Improvements

Location: Pima County (all jurisdictions)

Scope: \$25 million for pedestrian safety and walkability capital improvement projects to be allocated on a need-basis in Pima County member jurisdictions. (This is a reduction of our previous \$50 million proposal. The reduction is based on extensive conversations with Pima County and other jurisdictions). Projects may include, but are not limited to: enhanced connections and crossings; continuous sidewalk networks; streetscape improvements; traffic calming; and green infrastructure. This program will focus on that pedestrian collector system that falls between the in-neighborhood pedestrian efforts of Neighborhood Reinvestment and arterial efforts of the RTA. In cooperation with these entities and the jurisdictions, it will focus on bringing pedestrians safely and comfortably to community destinations, such as schools, businesses, parks, community centers, libraries, and transit stops.

Each jurisdiction will be eligible to apply for funding by showing their commitment to developing a need-based pedestrian bond implementation plan within a larger long-term pedestrian plan that aligns with the goals and objectives outlined in the Pima Association of Governments (PAG) Regional Pedestrian Plan Update, which will be completed by Fall 2014. The projects will logically focus on the more urbanized areas of our community but with pilot projects in all jurisdictions, in all City of Tucson Wards, and in all Pima County Districts. The PAG plan will include specific indicators that measure progress toward desired outcomes in pedestrian infrastructure and safety and thus will provide a built-in evaluation for the implementation of this bond project. Living Streets Alliance will work with the County to convene a transparent oversight committee to review proposals from each jurisdiction and make recommendations to the Board of Supervisors based on each proposal's demonstration of need and potential to fulfill the goals and objectives outlined in the PAG Plan.

Benefits: Walking is the most basic and equitable mode of transportation that exists; every person is a pedestrian at some point during their day. To increase the number of people walking, the distances being walked, and the diversity of trips made by foot, walking needs to be safe, comfortable and convenient. A walkable environment has the following benefits:

- Safety – a reduction in the terrible toll of injuries and deaths to pedestrians in our communities
- Transportation – reduced traffic congestion and increased efficiency/effectiveness of a multi-modal transportation system
- Health – reduced levels of obesity, heart disease, adult onset diabetes, and other illnesses resulting from sedentary lifestyle
- Equity and Diversity – increased access for people of all ages and abilities, including the 33% of the population that can not or does not drive an automobile at any given point in time
- Environment – improved air and water quality
- Climate Change – curbed urban heat island effect
- Economic Development – improved pedestrian connections to business districts to promote small scale, local economic development as well as increased “livability” which makes it nationally competitive as desirable place for major employers and venture start-ups

Costs: Currently undefined. The proposal process will necessitate that each jurisdiction quantify the monetary value of pedestrian improvements needed within their own jurisdiction.

Bond Funding: Twenty-five Million Dollars

Other Funding: Jurisdictions applying for funding will be required to provide a 2% match that will be designated toward implementing pedestrian education and awareness activities (which will be defined in their application). These activities would be designed to encourage Pima County residents to walk and utilize pedestrian capital improvement, and also educate pedestrians and drivers on pedestrian safety. Additionally, jurisdictions may leverage these funds to secure additional match funding through the Transportation Alternatives Program and other federal funding opportunities.

Fiscal Year Project Start and Finish Date: Start FY2016; End when all funding has been expended

Project Management Jurisdiction: Pima County Project Management Department will provide overall control of the project design, management, and construction procurement in cooperation (MOU's) with each jurisdiction. Living Streets Alliance will provide overall project guidance and planning in a similar manner to the current efforts of Neighborhood Reinvestment.

Future Operating and Maintenance Costs: Each jurisdiction will assume responsibility for future Operation and Maintenance costs of improvements made within their jurisdiction and will be required to provide documentation of their existing O&M policies.

Regional Benefits: Benefits outlined above as they relate to pedestrian safety, the economy, public health and the environment are all on a regional level. Each trip made by Pima County residents begin and end with walking. Additionally, a truly multi-modal transportation network (which benefits and is used by the entire region) necessitates walking as a mode of transportation. A robust multi-modal transportation network alleviates traffic congestion for drivers and provides affordable alternative transportation options for non-drivers.

Supervisor District of Project Location: All

**South 12th Avenue Cultural & Culinary Corridor
City Project Budget Estimate**

South 12th Avenue Cultural and Culinary Corridor - Project Budget Estimate

PIMA COUNTY BOND FUNDS				
ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	TOTAL AMOUNT
Sidewalk	60,000	S.F.	8.00	480,000.00
Driveway realignments (ADA)	120	EA.	2,000.00	240,000.00
Curb access ramps (ADA)	50	EA.	1,200.00	60,000.00
Curbing (between properties and sidewalk)	500	L.F.	18.00	9,000.00
Landscaped medians with irrigation	6	EA.	40,000.00	240,000.00
Pedestrian nodes (seating, shade structure, signage)	8	EA.	20,000.00	160,000.00
Street trees and landscape with irrigation	2	L.M.	75,000.00	150,000.00
Traffic Control	1	EA.	30,000.00	30,000.00
Lighting (LED replacement, pedestrian lighting)	2	L.M.	60,000.00	120,000.00
Decorative concrete paving	1,000	S.Y.	30.00	30,000.00
Undergrounding of overhead utility lines (proposed, technically uncertain)	2	L.M.	250,000.00	500,000.00
CONSTRUCTION SUBTOTAL				\$2,019,000.00
Design (10%)				\$201,900.00
Construction and Administration (15%)				\$302,850.00
Contingencies (25%)				\$504,750.00
Public Art, including signage				\$150,000.00
TOTAL - PIMA COUNTY BOND FUNDS				\$3,178,500.00
CITY OF TUCSON FUNDS				
Asphalt mill & overlay, restripe with bike lanes (all costs included)	2	L.M.	800,000	\$1,600,000
HAWK crossing	1	EA	200,000	\$200,000
TOTAL - CITY OF TUCSON FUNDS				\$1,800,000
GRAND TOTAL - PROJECT				\$4,978,500

MHC Healthcare's Letter



April 2, 2014

Chuck Huckleberry
County Administrator
Pima County
130 W. Congress, Floor 10
Tucson, AZ 85701

Dear Administrator Huckleberry:

This letter provides information to resolve the legal and accountability issues raised about MHC Healthcare's (MHC's) bond proposal. The letter begins with a quick summary of MHC's proposal and of the concerns raised which may affect MHC's eligibility for bond funding. Then, the letter provides information to overcome these concerns in order to maintain MHC's eligibility for bond funding.

Marana Health Center Bond Proposal

The Marana Health Center's proposal was tentatively approved for \$3 million by the Pima County Bond Advisory Committee (BAC). MHC's proposal is for bond funding to go towards Phase Three of our construction plan for the Marana Health Center located in North Marana. Phase Three includes a 45,000 sq. ft. annex attached to the existing Marana Health Center facility. The Annex will include an Imaging Center, expand MHC's Urgent Care, provide additional space for expansion of the Pediatric, Family Practice, and Obstetrics and Gynecology programs, and provide additional space for Specialty Providers.

Bond funding will be combined with MHC's operational and other funds to build the Annex. As part of the expansion of various clinics, the Annex will allow the Marana Health Center to provide more walk-in or same day visits and more night and weekend visits. This will help to save money and reduce the cost of healthcare by diverting patients from more costly emergency room visits. It will also help to improve the health and well-being of patients as they will not have to put off seeking treatment or miss work in order to seek a variety of healthcare services provided at the Marana Health Center.

The Annex will meet critical needs, save money and improve health outcomes for Pima County residents while providing a return on investment that quickly exceeds the value of the bond funding to be provided, as discussed below.

Legal and Accountability Concerns

The legal and accountability concerns were raised in your letter to MHC dated September 17, 2013, and in your memorandum to the Pima County Bond Advisory Committee (BAC) dated September 13, 2013, and titled: *Future Bond Election Planning – Update and Recommendations Memorandum*.

The issues identified in the letter and memorandum are:

1. Possible gift clause issue if MHC “cannot provide binding assurance they will provide free or low-cost healthcare services to the public at a value equal to or exceeding the County’s bond funding investment.” (Memorandum, page 31)
2. Accountability concerns since the County does not own the building and it is “difficult to assure with certainty that the public investment would be maintained long term if the organization went out of business and sold the facility to an organization that did not provide the same public benefit.” (Memorandum, page 31)
3. Originally, an assumption that the “County would have owned the facility and leased it to MHC Healthcare. Under such an arrangement, we could have assured that the County’s public investment in the building would be maintained regardless of the tenant and could probably have overcome State gift clause concerns by requiring that services be provided to low income individuals.” (Letter)

These issues will be addressed with the increase in free and low-cost healthcare services that will be provided by the Marana Health Center as a direct result of the Pima County bond funding and with legal encumbrances on the property requiring such services.

Resolution of Concern #1

Construction of the Annex is expected to enable the Marana Health Center to treat an additional 10,000 patients overall, with 4,000 of the additional patients expected to receive uncompensated care.¹ With the proposed Annex allowing for the expansion of the Pediatrics, Family Practice and OB/GYN clinics, the majority of the new patients will be children and families who are often in critical need of free or low-cost healthcare. The walk-in, night and weekend hours that will be expanded with the Annex will provide working families a way to obtain healthcare without missing work or having to go to higher-cost emergency rooms.

The Marana Health Center provides services for all patients regardless of their ability to pay. MHC provides eligibility assistance for patients applying for AHCCCS, the Healthcare Marketplace, and other programs. Patients can also pay on a sliding-fee-scale based on their income and will receive care regardless of whether MHC is reimbursed for their care in any way.

While MHC receives grant funding to cover some of the uncompensated care it provides, a significant amount of care remains uncompensated. This is care that is not reimbursed by federal, state, county or private sources, but is care which MHC must absorb. Currently, the Marana Health Center provides \$1,150,478 annually in uncompensated care. The addition of the Annex is expected to increase the amount of uncompensated care by a minimum of \$350,000 annually, to more than \$1,500,000.² Thus, the Marana Health Center's provision of uncompensated care to Pima County residents in need of such services will quickly exceed the value of the proposed Pima County bond funding.

As described in the next section, the provision of services is guaranteed for many years to come. This will ensure the amount of the proposed Pima County bond funding will be exceeded by the value of services in the public interest provided by the Marana Health Center. This will protect Pima County taxpayers and avoid a potential gift clause violation.

If Pima County is interested in a report, then following receipt of bond funding MHC can provide Pima County and/or the BAC with an annual report demonstrating the number of patients provided care and the amount of uncompensated care provided at the

¹ Statistics provided are specific to the Marana Health Center where the proposed Annex will be located and do not include patients or care provided at satellite clinics that are part of the larger MHC Healthcare system.

² These estimates are based on current population and inflation levels and can be expected to increase with inflation and as Northwest Pima County again begins to grow exponentially.

Marana Health Center. This report will provide accountability and demonstrate the public investment is being matched, and exceeded, with the provision of public services to those in need.

Resolution of Concern #2 & 3

Concerns #2 and #3 deal with the risk to County taxpayers of maintaining the public investment long-term and the need to ensure the property continues to be used for a public purpose, regardless of the owner of the property and management of the facility. This issue can be resolved and the public investment can be maintained and guaranteed with existing and proposed legal encumbrances on the property.

The Marana Health Center received federal funding as part of the American Recovery and Reinvestment Act of 2009 (ARRA). The grant is from the U.S. Health Resources and Services Administration (HRSA) and provided for the provision of primary care services for the underserved. As a condition of receiving federal funding, MHC entered into a binding, legal obligation that encumbers the property to be used for purposes consistent with the original grant, and thus its current use. It also restricts the mortgaging, selling or transferring of the property without the permission of HRSA, which will also protect the property from being sold or used in a way that is not consistent with its current use (see attached).

MHC has also recorded a Declaration of Covenants, Conditions, Restrictions and Easements for the Marana Health Center that limits use of the property for the provision of health care services or purposes related to health care services or public health and wellbeing. (Relevant pages attached).

The proposed Annex will be attached to this facility. In addition to the existing federal restrictions on the main facility, MHC is willing to provide the County with a recorded restriction, or other legal assurance, in order to provide Pima County with a recorded interest and to place further restrictions on the use of the Annex. These legal assurances will address the concern of guaranteeing the provision of public services and protecting the public investment that comes with the proposed bond funding.

Summary

These existing and proposed legal obligations will enable MHC to overcome the concerns identified by Pima County by ensuring there will be proper accountability and a public benefit that exceeds the bond funding to be provided. Therefore, the Marana

Health Center project will avoid a violation of the gift clause and maintain its eligibility for bond funding. The construction of the Phase Three Annex, funded in part by the proposed Pima County bond funds, will generate an increase in the number of patients served and a corresponding increase in the amount of uncompensated care provided at the Marana Health Center. The recorded restrictions attached to the property held by the federal government and proposed for Pima County ensure the property will continue to be used for healthcare and social services for the disadvantaged.

Therefore, the public's long-term interest will be protected and services that benefit the public will be provided in an amount that exceeds the public investment provided through the proposed bond funds. With these assurances and proposed restrictions, the Marana Health Center should be able to overcome the concerns raised and maintain its eligibility for the tentatively approved Pima County bond funding.

Thank you for the opportunity to work with you and your staff to resolve the concerns and issues raised that risked the eligibility of the Marana Health Center for the proposed bond funding of our Phase Three Annex. I look forward to the opportunity to continue working with you and your staff to provide any additional information needed as we work together to meet the needs of the underserved in Pima County.

Sincerely,



Clinton Kuntz
MHC Healthcare CEO

Attachments:

Notice of Federal Interest
Declaration of Covenants, Conditions, Restrictions and Easements
Updated MHC Project Bond Sheet

Cc: Jan Leshar, Deputy County Administrator
Nicole Fyffe, Executive Assistant to the County Administrator
Diana Durazo, Special Staff Assistant to the County Administrator
Regina Nassen, Deputy County Attorney

CK/jjb



Department: Town of Marana

Date: April 2, 2014

2014 Bond Election Proposed Project

Project Name: Marana Health Center Expansion

Location: 13395 N. Marana Main Street, Marana, AZ

Scope: Development of a 45,000 sq. ft. Annex to the Marana Health Center (MHC) to include an Imaging Center; expand Urgent Care; provide additional space for the expansion of the Pediatric, Family Practice, and Obstetrics and Gynecology programs; and provide additional space for Specialty Providers.

Benefits: MHC is a Medical Home and provides comprehensive medical care, behavioral health, dental, pharmacy, imaging/radiology, labs, chronic disease management, and nutritional services including WIC. Primary care programs include Pediatrics, Family Practice, Internal Medicine, Obstetrics and Gynecology. MHC operates an Urgent Care Clinic and contracts with Specialty Providers who treat patients at MHC. This combination of programs allows MHC to coordinate care and be a “one-stop shop” for patients, improving health outcomes and saving money.

The proposed Annex will house an Imaging Center to consolidate and provide a permanent location for imaging and radiology equipment. The Annex will allow expansion of MHC’s Pediatrics, Family Practice, Obstetrics and Gynecology, Urgent Care and Specialty Provider programs. These expansions will allow the Marana Health Center to treat an additional 10,000 patients overall, with 4,000 of the additional patients expected to receive uncompensated care. With the proposed Annex allowing for the expansion of the Pediatrics, Family Practice and OB/GYN clinics, the majority of the new patients will be children and families who are often in critical need of free or low-cost healthcare.

As part of the expansion of various clinics, the Annex will allow the Marana Health Center to provide more walk-in or same day visits and more night and weekend visits. The expanded hours will provide working families a way to obtain healthcare without missing work or having to go to higher-cost emergency rooms, saving money and reducing the cost of healthcare.

The Marana Health Center provides services for all patients regardless of their ability to pay. MHC provides eligibility assistance for patients applying for AHCCCS, the Healthcare Marketplace, and other programs. Patients can also pay on a sliding-fee-scale based on their income and will receive care regardless of whether MHC is reimbursed for their care in any way. While MHC receives grant funding to cover some of the uncompensated care it provides, a significant amount of care remains uncompensated. Construction of the Annex will increase the services MHC is able to provide to those in need of healthcare services, but unable to pay for it. As well as increasing uncompensated care, it will also increase the provision of healthcare to patients on AHCCCS, Medicare, or in the Healthcare Marketplace.

During the last four years, MHC has been one of the principle economic drivers in the Marana and North Pima County area. The proposed Annex will enable MHC to continue this economic growth and expansion. In addition to creating more jobs, the Annex will benefit Pima County's residents by saving time and money by diverting patients from more costly emergency room visits with the expanded appointments and hours. It will also help to improve the health and well-being of patients as they will not have to put off seeking treatment or miss work in order to go to the clinic. The health of MHC's patients will improve as follow-up visits with specialists can be facilitated at MHC. These improvements will also benefit Pima County businesses by avoiding lost productivity from sick employees who miss work or face increased medical and insurance bills.

The Annex will meet critical needs, save money and improve health outcomes for Pima County residents while providing a return on investment that quickly exceeds the value of the bond funding to be provided.

Costs: \$8,000,000

Bond Funding: \$3,000,000

Other Funding: \$2,000,000 in retained operating surpluses
\$3,000,000 (minimum) from capital funding campaign

Fiscal Year Project Start and Finish Date: Construction start date *projected* for January, 2017, completion date June, 2018.

Project Management Jurisdiction: Marana Health Center and Town of Marana

Future Operating and Maintenance Costs: Based on 45,000 sq. ft. facility projected O&M will be \$225,000 covered by the Marana Health Center operational budget.

Regional Benefits: MHC provides healthcare to the rapidly expanding Marana and Northwest Pima County areas that have seen significant growth and are expected to continue to see growth in the future. The proposed Annex to the Marana Health Center will provide for additional healthcare services for residents of the northwestern metropolitan area, Marana, Avra Valley, and Picture Rocks.

Supervisor District of Project Location: 3

F. ANN RODRIGUEZ, RECORDER
Recorded By: JCC
DEPUTY RECORDER
305

W
CAROL FIELD
PICK UP



SEQUENCE : 20110610238
NO. PAGES : 1
NOTICE 03/02/2011 14:42
PICK UP
AMOUNT PAID : \$9.00

NOTICE OF FEDERAL INTEREST

On October 6, 2010, the Health Resources and Services Administration awarded Grant No. C8ACS21246 to Marana Health Center, Inc. The grant provides funds for construction of a building, which is located on the land described below in Pima County, State of Arizona:

(That portion of Lots 1 and 2 Northwest Quarter (NW ¼) of Section 27, Township 11 South, Range 11 East, Gila and Salt River Meridian, Pima County, Arizona, Record of Survey, Marana Main Street and Civic Center Drive recorded in Book 36 of records of Survey, page 25)

The Notice of Award for this grant includes conditions on use of the aforementioned property and provides for a continuing Federal interest in the property. Specifically, the property may not be (1) used for any purpose inconsistent with the statute and any program regulations governing the award under which the property was acquired; (2) mortgaged or otherwise used as collateral without the written permission of the Associate Administrator, Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA); or (3) sold or transferred to another party without the written permission of the Associate Administrators, OFAM, HRSA> These conditions are in accordance with the statutory provisions set for in the American Recovery and Reinvestment Act of 2009 Pub. L. 111-5b and the Public Health Services Act, Title 3, Section 330, as amended, Title 45 CFR part 74 or 92 as applicable, the HHS Grants Policy Statement, and other terms and conditions of award.

These grant conditions and requirements cannot be nullified or voided through a transfer of ownership. Therefore, advance notice of any proposed change in usage or ownership must be provided to the Associate Administrator, OFAM, HRSA.

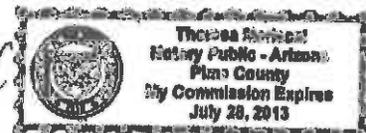
Signature:
Typed Name: Clarence Vaine
Title: Chief Executive Office
Date: February 28, 2011

STATE OF Arizona
COUNTY OF Pima

On this 28th date of February, 2011, before me, the undersigned, a Notary Public for the County of Pima, Arizona, personally appeared before me and is known to be the person who executed this instrument on behalf of said Marana Health Center, and acknowledged to me that he executed the same as the free act and deed of said Corporation.

Witness my hand and official seal:

Notary Public in and for the County of Pima, State of Arizona.



F. ANN RODRIGUEZ, RECORDER
RECORDED BY: LLW
DEPUTY RECORDER
1956 PE-2

SMARA
TOWN OF MARANA
ATTN: TOWN CLERK
11555 W CIVIC CENTER DR
MARANA AZ 85653



DOCKET: 13646
PAGE: 13
NO. OF PAGES: 19
SEQUENCE: 20091810005
09/18/2009
REST 08:28
MAIL
AMOUNT PAID \$ 15.00

When recorded, return to:

Haralson, Miller, Pitt, Feldman & McAnally PLC
One South Church Ave., Ste. 900
Tucson, AZ 85701-1620
Attn: Rebecca A. Reed

**DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR
MARANA HEALTH CENTER**

15000 0403-1

and walls of all buildings and any other structures or improvements on the Properties.

5.1.2. Notwithstanding anything to the contrary contained in this Declaration, no sewers, electrical lines, water lines, or other utilities or service lines may be installed or relocated on the Properties, except as initially designed and installed by Declarant, unless approved by Declarant.

5.1.3. This easement in no way affects any other recorded easements on the Properties.

5.1.4. In no event shall any portion of the above mentioned easements for utilities be constructed to authorize the placing or installing of sewers, electrical lines, water lines or other utilities under any permanent building or structure constructed on the Properties.

5.2. US Mail Easement. There shall be an access easement for the delivery and collection of the U.S. Mail over all portions of the Properties.

5.3. Pedestrian/Utility Easement. If any Lot is encumbered by a pedestrian or utility easement for the benefit of pedestrians or for the installation and placement of utilities, then by accepting a deed to such Lot, the Owner acknowledges and consents to such easement.

5.4. Common Areas Easement. Declarant has an easement over all portions of the Properties on which any Common Area has been constructed for the purpose of performing its obligations for maintenance, repair, replacement or restoration of such Common Areas. Declarant will use commercially reasonable efforts to minimize any interference with operations on or use and enjoyment of such portion of the Properties in connection with its exercise of this easement.

6. Uses and Restrictions.

6.1. Health Care Services and Related Commercial Purposes. Lots and Improvements on and in the Properties shall be occupied and used by businesses and entities solely for the provision of health care services or commercial or non-profit purposes related to health care services or public health and wellbeing.

1-10000 07/16/04