Report and Recommendations on Amending County Bond Ordinances
County Bond Advisory Committee, September 26, 2008


I. Background

The County is currently implementing several bond programs: the May 20, 1997 General Obligation and Sewer Revenue Bond Program, the November 4, 1997 Highway User Revenue Fund (HURF) Transportation Bond Program, the May 18, 2004 General Obligation and Sewer Revenue Bond Program, and the May 16, 2006 General Obligation Bond Program. Pima County Code Chapter 3.06, the “Truth in Bonding” code, requires that bond ordinances be amended to reflect substantial modifications to bond-funded projects. The code defines what constitutes a “substantial modification,” and when an amendment must be adopted in relation to actions of the Board that implement affected projects. The code also requires that amendments to bond ordinances be considered and adopted by the Board at public hearings, after advance public notice, and only after review by the County Bond Advisory Committee.

Recommended amendments to these bond programs include proposed changes to 3 projects from the May 20, 1997 General Obligation Bond Program Sewer Revenue Bond Program and 1 program and 3 projects from the May 18, 2004 General Obligation and Sewer Revenue Bond Program. This is the 10th round of amendments for the May 20, 1997 General Obligation and Sewer Revenue Bond Program, and the 7th round of amendments to the May 18, 2004 General Obligation and Sewer Revenue Bond Program. The recommended amendments affect the following projects:

1997 GO/Sewer
SC-8 Superior Court New Court Rooms
P-37 Santa Cruz River Community Park
FC-4 Mission View Wash

2004 GO/Sewer
Open Space Bond Program – Habitat Protection Priorities Category
2.4 Animal Care Center
2.6 Green Valley Performing Arts Center Phase 2
4.16 Ajo Curley School Art Institute

This report summarizes the ordinance amendment requirements of the Truth in Bonding Code and summarizes the recommended amendments by project. The two ordinances containing the
recommended amendments, shown in legislative style, are attached.

II. **Ordinance Amendment Requirements Per the Truth In Bonding Code**

Section 3.06.070 of Pima County’s Truth in Bonding Code establishes procedures for making changes to a bond improvement plan ordinance. Recognizing that over time the availability of more detailed design and cost information, and changes in circumstances, often require changes in a bond improvement plan presented to the voters at the time of a bond election, Section 3.06.070 authorizes the Board to amend bond improvement plans to accommodate “substantial modifications” to projects. Substantial modifications are defined as:

1. An increase or decrease in total actual project costs by 25 percent or more
2. An increase or decrease in actual bond costs by 25 percent or more
3. An increase or decrease in actual other revenues by 25 percent or more
4. A delay in a project construction or implementation schedule of 12 months or more
5. A delay in the scheduled sale of bonds of 24 months or more
6. Any project that is not constructed
7. Any project that is added to those to be constructed
8. Any increase or decrease in the project scope that alters the disclosed project benefits
9. All changes to a bond implementation plan necessitated by only a portion of the proposed bond questions being approved at the special election

The required timing of an amendment varies based on whether the amendment impacts only funding, or other aspects of a project. Pursuant to the Code, the Board of Supervisors can authorize a substantial modification to the funding for a project on a de facto basis by awarding or amending a contract for the project that reflects that change in funding, while at the same time acknowledging that the action will require a future conforming amendment to the bond ordinance. In this situation, the amendment takes place after the Board takes action by awarding a contract. The reason for this is that amendments should not be based on cost estimates, and prior to the awarding of contracts or approval of purchase agreements, cost estimates may vary. For all other types of substantial modifications, an amendment of the bond ordinance is necessary before the modification is implemented.

The County Bond Advisory Committee must review and make recommendations to the Board of Supervisors regarding all proposed bond ordinance amendments. The Conservation Acquisition Commission must review and make recommendations to the Board of Supervisors and the Bond Advisory Committee regarding proposed amendments to the open space bond program. The Conservation Acquisition Commission recommended the amendment impacting the 2004 Open Space Bond Program at its September 4, 2008 meeting. If a jurisdiction other than the County is responsible for implementing a bond project, the governing body for that jurisdiction must make a recommendation for a bond ordinance amendment to that project to the Board of Supervisors at a public meeting. The City of Tucson’s Mayor and Council approved Resolution No. 21069, attached, recommending an amendment to P-37 Santa Cruz River Community Park, at their September 3, 2008 meeting.
III. **Recommended Amendments**

In order to amend the bond ordinances, the Board will be asked to adopt a separate ordinance for each of the two affected bond programs. The two ordinances are attached to this report, with language that is being deleted shown in the “strike-out format” (example), while new language that is being added to the ordinances is underlined (example). Note that the titles of projects were originally underlined, and therefore this does not mean that the titles are changing. In this format, the ordinances only contain those projects that are being amended, and do not reproduce the entirety of each of the two bond ordinances.

A brief description of the recommended ordinance amendments for each project is presented below.

A. **Recommendations for Ordinance Amendments Relative to the 1997 General Obligation and Sewer Revenue Bond Program**

**SC-8, Superior Court New Courtrooms**

This ordinance amendment adds implementation periods 5, 6 and 7 (fiscal years 2005/06 through 2010/11). Final work includes space and design analysis for floors 8 and 9, and is scheduled for completion in fiscal year 2009/10. The remainder of the project was completed in March 2005.

**P-37 Santa Cruz River Community Park**

This ordinance amendment changes the location and scope of the project. The location of the project would change from the east bank of the Santa Cruz River at Ajo Way, to the Menlo Park Elementary School on Grande north of Congress. The scope of the project would change from a sports field complex to soccer field complex. The development of the soccer complex will include site preparation, earthwork, relocation of existing basketball courts, signage, new turf and irrigation system, soccer goals, lighting and parking facilities. The amendment also adds implementation periods 5, 6 and 7 (fiscal years 2005/06 through 2010/11). The amendment is being proposed because the site on which the original project was to be built is now inadequate in size due to construction of the I-10/I-19 interchange, insufficient bank protection along that segment of the Santa Cruz River, significant archaeology in the area, and hydrological and utility easement constraints. Development of a soccer complex at Menlo Park will assist with the shortage of playing fields in southwest Tucson. Pending approval of an ordinance amendment, this project is scheduled to be completed in August 2010. The City of Tucson’s Mayor and Council approved Resolution No. 21069, attached, recommending an amendment to P-37 Santa Cruz River Community Park, at their September 3, 2008 meeting.

**FC-4 Mission View Wash**

This ordinance amendment expands the scope of the project and increases other funding. As originally planned, the project was for a detention basin on Greyhound Park Wash that is a tributary to Mission View Wash. No significant downstream improvements were planned. During the design phase of the project it became obvious that a detention basin for this tributary would not adequately address flooding downstream in the Mission View Watershed and adjacent 18th Street Watershed. This final project now provides a detention basin to control flood waters from
both the Greyhound Park Wash and the Downtown Airport Runway Wash by a detention basin and a storm drain outlet south to the Tucson Diversion Channel. The project will require increasing other funding from the Flood Control District tax levy, from $3,717,026 to $8,625,000. This project, while more complex and costly, addresses a much larger area between Park Avenue and the Santa Cruz River. Staff provided adequate notice to the Board in May 2008 regarding the increased cost and expanded scope of the project, and that such would require an ordinance amendment. The project is scheduled to be completed by Spring 2009.

B. Recommendations for Ordinance Amendments Relative to the 2004 General Obligation and Sewer Revenue Bond Program

Open Space Bond Program – Habitat Protection Priorities Category

This ordinance amendment would change the scope of one category of lands in the Open Space Bond Program, the Habitat Protection Priorities category. $56 million of the original $112 million allocated to the Habitat Protection Priorities remains unspent after outreach to many property owners, and a lack of State Trust land reform. The Habitat Protection Priorities are a list of properties developed in 2002 as eligible properties to purchase under the 2004 bond program, based on the best available science at that time, and in order to implement the Sonoran Desert Conservation Plan (SDCP). The SDCP was developed to be adaptive to changes in the best available science. During the planning process for a future bond election, the Conservation Acquisition Commission recommended updates to the Habitat Protection Priorities based on the premise that additional biological and hydrological information is now available that was not available in 2002. At their September 4, 2008 meeting, the Conservation Acquisition Commission approved a recommendation to support a similar update to the Habitat Protection Priorities eligible for purchase in the 2004 bond program to be consistent in the County’s use of best available science and to allow for consideration of new high priority conservation opportunities.

2.4 Animal Care Center

This ordinance amendment adds $1,510,375 in non-bond funding to the project in order to complete additions to and remodeling of the 35-year old Animal Care Center. The project is scheduled to be complete in January 2010.

2.6 Green Valley Performing Arts Center Phase 2

This ordinance amendment adds $250,000 in non-bond funding to the project in order to complete Phase 2 of the project. Phase 2 of the project is scheduled to be complete in December 2008.

4.16 Ajo Curley School Art Institute

This ordinance amendment expands the project scope to include other Ajo Townsite historic buildings being rehabilitated by the International Sonoran Desert Alliance, in addition to the Curley School. Expanding the scope will allow Pima County to purchase preservation easements on additional historic buildings in the Townsite and ensure their long-term preservation and adaptive use. The amendment would also add an implementation period in order to provide additional time to complete the project. The project is scheduled to be completed by 2012.
ORDINANCE NUMBER 2008-__


WHEREAS, The Board of Supervisors adopted Chapter 3.06 of the Pima County Code titled “Bonding Disclosure, Accountability and Implementation”; and,

WHEREAS, in compliance with Chapter 3.06, the Board of Supervisors adopted Ordinance Number 1997-35, the “Bond Implementation Plan, May 20, 1997 Special Election”; and,

WHEREAS, the Board of Supervisors, on September 22, 1998 enacted Ordinance No. 1998-58; on August 20, 2001 enacted Ordinance No. 2001-111; on March 9, 2004 enacted Ordinance No. 2004-15; on October 11, 2005 enacted Ordinance No. 2005-91; on April 4, 2006 enacted Ordinance No. 2006-19; on October 17, 2006 enacted Ordinance No. 2006-82; on April 10, 2007 enacted Ordinance No. 2007-32; on November 6, 2007 enacted Ordinance No. 2007-94; and on April 1, 2008 enacted Ordinance No. 2008-24 amending Ordinance No. 1997-35 in compliance with provisions of Chapter 3.06; and,


NOW THEREFORE, IT IS HEREBY ORDAINED by the Board of Supervisors of Pima County, Arizona:

Ordinance Number 1997-35 (as amended by Ordinance Number 1998-58, Ordinance Number 2001-111, Ordinance Number 2004-15, Ordinance Number 2005-91, Ordinance Number 2006-19, Ordinance Number 2006-82, Ordinance Number 2007-32, Ordinance Number 2007-94, and Ordinance Number 2008-24), is hereby amended as follows:
B. Question No. 2 – Public Safety, Law Enforcement and Superior Court

10) Project SC-8 – Superior Court New Courtrooms
Location: Superior Court Building
110 West Congress
Bond Funding: $11,500,000
Scope: Renovate floors B, 1, 2, and 3 of the existing Superior Court building. The exiting building has a net usable square footage of approximately 188,700 square feet. A space analysis performed by the IEF Group, Inc. revealed that for optimal utilization of this building, renovation of floors 1, 2, 3, 7, 8, 9 and B level is necessary. The analysis also identified the need for staff occupying 43,800 square feet to be moved out of the building in order to accommodate new courtroom growth. In addition, to improve safety and operation of the Superior Court, the Assembly Room will be expanded, elevators renovated, fire alarm systems replaced, PBX telephone switch replaced, and roof replaced.

Benefit: Renovation of the building will allow for additional courtrooms necessary to accommodate present and new divisions and commissioners, as well as necessary support functions. (Currently there are 35 judicial officers and 29 courtrooms.)

Other Funding: $0

Implementation Period: 1, 2, 3, 4, 5, 6, 7
Future Operating & Maintenance Costs: Minimal since most space is presently occupied and these costs are being incurred now.

C. Question No. 3 - Parks

37) Project P-37 – Santa Cruz River Community Park
Location: East Bank of the Santa Cruz River, North of Ajo Way
Grande Avenue North of Congress
Bond Funding: $850,000
Scope: Work consists of development of a soccer field complex located at Menlo Park Elementary School sports field complex in the southwest Tucson area and will include relocation of existing basketball courts, appropriate signage, turf, irrigation system improvements as necessary, portable soccer goals, lighting and additional shared use parking facilities. Support amenities of a park facility, including little league/senior league baseball field with multi-use configuration soccer, rest rooms, picnic areas, and parking.

Benefit: Accommodate the needs of the leagues and community for athletic fields and general park recreational opportunities.

Other Funding: $0

Implementation Period: 1, 2, 3, 4, 5, 6, 7
Future Operating & Maintenance Costs: Costs to be paid by City of Tucson through an intergovernmental agreement with Pima County.
F. Question No. 6 – Flood Control Improvements

4) Project FC-4 – Mission View Wash
Location: Mission View Wash Detention/Retention Basin
Bond Funding: $1,000,000
Scope: Few drainage facilities exist in downstream areas, which include portions of the City of Tucson and the City of South Tucson. Therefore, most flows are conveyed in the streets. As the streets have insufficient capacity to contain all but the smallest flows, adjacent commercial and residential areas experience repeated flooding. This project will include design and construction of a regional detention/retention basin east of Park Avenue and south of 36th Street. Preliminary design of this new basin includes providing up to 43.65 acre-feet of floodwater storage, inlet structures to collect and concentrate sheet flow, and outlet works as needed storm sewer system to convey the floodwaters south under Interstate 10 to the Tucson Diversion Channel to prevent adverse impacts downstream of the basin.
Benefit: The Tucson Stormwater Management Study identifies 44 existing homes, in the Greyhound Wash drainage area that will be protected from flooding. The expanded project will also protect the City of South Tucson, reduce flooding along the UPRR from 34th Street to 22nd Street and reduce flooding in the Tucson downtown area at 18th and 22nd Streets, and roadway flooding and would also be reduced, resulting in safer driving conditions. The detention basin could be has been designed to areas to be developed for multi-purpose uses by the proposed Sinclair Property Planned Development, thereby providing park, recreation and open space benefits to the surrounding community.
Other Funding: $3,717,026 $8,625,000 (Flood Control District Tax Levy Revenue)
Implementation Period: 2, 3, 4, 5, 6
Future Operating & Maintenance Costs: Minimal
AS AMENDED by the Board of Supervisors of Pima County, Arizona, this ____ day
of __________, 2008.

_________________________
Chairman, Board of Supervisors

Attest:      Reviewed by:

_________________________
Clerk, Board of Supervisors   County Administrator

Approved as to Form:

_________________________
Civil Deputy County Attorney

WHEREAS, the Board of Supervisors adopted Chapter 3.06 of the Pima County Code titled “Bonding Disclosure, Accountability and Implementation; and,

WHEREAS, in compliance with Chapter 3.06, the Board of Supervisors adopted Ordinance Number 2004-18, the “Bond Implementation Plan, May 18, 2004 Special Election;” and

WHEREAS, the Board of Supervisors, on October 11, 2005 enacted Ordinance Number 2005-92 and on April 4, 2006 enacted Ordinance Number 2006-21 and on October 17, 2006 enacted Ordinance Number 2006-84 and on April 10, 2007 enacted Ordinance Number 2007-33 and on November 6, 2007 enacted Ordinance Number 2007-95 and on April 1, 2008 enacted Ordinance Number 2008-25 amending Ordinance Number 2004-18 in compliance with provisions of Chapter 3.06; and

WHEREAS, the Board of Supervisors desires to amend Ordinance Number 2004-18 (as amended by Ordinance Number 2005-92, Ordinance Number 2006-21, Ordinance Number 2006-84, Ordinance Number 2007-33, Ordinance Number 2007-95, and Ordinance Number 2008-25) in compliance with provisions of Chapter 3.06:

NOW THEREFORE, IT IS HEREBY ORDAINED by the Board of Supervisors of Pima County, Arizona:

Ordinance Number 2004-18 (as amended by Ordinance Number 2005-92, Ordinance Number 2006-21, Ordinance Number 2006-84, Ordinance Number 2007-33, Ordinance Number 2007-95, and Ordinance Number 2008-25), is hereby amended as follows:
Bond Implementation Plan  
May 18, 2004 Special Election

A. Question No. 1 - Sonoran Desert Open Space and Habitat Protection; Preventing Urban Encroachment of Davis-Monthan Air Force Base

d. Habitat Protection Priorities - On June 17, 2003, the Pima County Board of Supervisors adopted the Habitat Protection Priorities recommended by the Sonoran Desert Conservation Plan Steering Committee to guide implementation of the County’s Multi-Species Habitat Conservation Plan. The development of Habitat Protection Priorities for eastern Pima County was a continuation of over five years of work by Pima County and the expert science community, building upon plans and policies previously adopted by the Board of Supervisors, including the Sonoran Desert Conservation Plan adopted in preliminary form in 2000, and the Conservation Lands System adopted in the Environmental Element of the Comprehensive Land Use Plan in 2001. The objective of developing the Habitat Protection Priorities was to apply a set of biologically based goals and criteria to the Conservation Lands System to: 1) identify the most important lands to protect first; 2) provide recommendations on the sequencing of land preservation efforts; and 3) design a project so that it can be easily incorporated into an adaptive management program to be implemented over the life of the Federal Section 10 Permit using the best scientific information available.

The Habitat Projection Priorities were updated in 2008 based on additional biological and hydrological information that was not available in 2002.

As stated earlier in this ordinance, the number of projects identified exceeds the number of projects that will be purchased with the total bond funding for Habitat Protection Priorities.

Total bond funds allocated for Habitat Protection Priorities: $112,000,000

B. Question No. 2 - Public Health and Community Facilities

b. Other Public Facilities

2.4 Animal Care Center

Location: 2000 West Silverbell Road, Tucson, Arizona

Scope: Make improvements to the existing Pima County Animal Care Center. This work includes addition to and remodeling of the 35-year-old facility. This project will provide needed additional kennel space in an environment more conducive for pet adoptions, will provide kennel space for special animal populations, facility support functions and staff office space and rehabilitate building systems.

Benefits: Since the original facility was constructed in 1968, standards for animal care have changed significantly and with that public expectations regarding animal control. The center has not kept pace with advances in the areas of technology, communications, and workplace safety. The public expects better conditions for the animals in the shelter and improved conditions conducive to adoptions. Increasing adoptions will reduce the number of animals being euthanized every year. Additionally, facility improvements are necessary to reduce disease transmission, provide better odor, noise and temperature control and limit public access to quarantine and provide additional
workspace for staff.

**Cost:** $3,000,000  $4,510,375

**Bond Funding:** $3,000,000

**Other Funding:** None identified at this time  $910,375 Space Acquisition Fund, $600,000 General Funds

**Project Duration:** Planning at 7 to 9 months, Design at 14 to 16 months, and Construction at 15 to 18 months.

**Implementation Period:** 2, 3, 4

**Project Management:** Pima County Facilities Management

**Future Operating and Maintenance Costs:** No significant change in operation and maintenance costs expected since this project largely involves rehabilitation of an existing facility.

### 2.6 Green Valley Performing Arts Center Phase 2

**Location:** 1250 West Continental Road, Green Valley, Arizona

**Scope:** Construct a multimedia performing arts facility for musical theater, dance, drama and other fine arts uses. The facility will be approximately 11,000 square feet in area and will include a 150-seat multipurpose performance studio, visual arts gallery, lobby, and concessions, dressing rooms, and other support spaces. The facility is to be designed with superior acoustics and appropriate spaces that meet the needs of an aging population.

Phase One, built with Pima County 1997 General Obligation Bonds and Pima Community College General Obligation Bonds has recently been completed. It includes a Pima College Community Learning Center and one rehearsal and performance studio for community use.

**Benefits:** This new facility will be the only performing arts building in southern Pima County to have a theater quality auditorium to enhance the quality of life for the residents of southern Pima County, including residents of Sahuarita

**Cost:** $4,000,000  $4,250,000

**Bond Funding:** $4,000,000

**Other Funding:** None.  $250,000 General Funds

**Project Duration:** Planning at 20 to 22 months, Design at 13 to 15 months, and Construction at 21 to 24 months.

**Implementation Period:** 2, 3, 4, 5, 6

**Project Management:** Pima County Facilities Management

**Future Operating and Maintenance Costs:** To be determined during the course of design since
the scope of the project is contingent on the level of private funding secured. Pima County and Pima College will execute an intergovernmental agreement establishing responsibilities for operation and maintenance of the joint Performing Arts Center and Adult Education Center. Funding for operations and maintenance of the Performing Arts Center could come in part from revenues generated by use of the facility.

D. Question No. 4 - Parks and Recreational Facilities

a. Cultural/Historic Resources Bond Program

4.16 Ajo Curley School Art Institute

**Location:** The Curley School is located in Ajo within the Ajo Townsite Historic District, listed on the National Register of Historic Places.

**Scope:** Preserve the defining historic characteristics of the historic Curley School and other historic properties in the Ajo Townsite Historic District through a preservation easements to retain and rehabilitate defining historic interior and exterior characteristics, while planning for the rehabilitation and adaptive use of the school complex buildings, including use by Pima County Natural Resources, Parks and Recreation for recreational programs and other uses.

**Benefits:** The International Sonoran Desert Alliance, a tri-cultural non-profit organization has worked with the community of Ajo in developing a concept for an innovative housing and economic development project that involves the adaptive use of the historic Curley School and other historic buildings. The proposed project is to develop the school complex into 40 to 50 affordable live/work rental units for low-income individuals and families, restore indoor and outdoor theatres, provide classrooms for community education, offices, and other community space in these buildings. The Ajo Townsite is listed on the National Register of Historic Places at the “national” level of significance as a rare example of a model company town, built during the City Beautiful movement of the early 20th century. The Curley School, built in the Spanish Colonial Revival style, anchors the western axis of the town’s center and historic district. Curley School is likely to be eligible for federal rehabilitation tax credits, provided the historic architectural character and defining elements are maintained. Purchase of preservation easements will ensure the school’s historic character of the buildings is preserved, reuse a nationally significant buildings, provide much needed funding for its adaptive use, and provide the town of Ajo with affordable housing and an innovative opportunities for sustainable economic development that is sensitive to the town’s historic character.

**Cost:** $500,000, with Planning/Design being $112,000, Construction being $376,000, and Other being $12,000.

**Bond Funding:** $500,000

**Other Funding:** None identified at this time for the preservation easement project. Other funding has been secured and will be sought for other aspects of the Ajo Curley School project.

**Project Duration:** Planning at 9 to 15 months, Design at 13 to 18 months, and Construction at 16 to 30 months.

**Implementation Period:** 1, 2, 3, 4

**Project Management:** Pima County Cultural Resources and Historic Preservation Office; Natural Resources, Parks and Recreation; Facilities Management
Future Operating and Maintenance Costs: None
AS AMENDED by the Board of Supervisors of Pima County, Arizona, this ____ day of ________, 2008.

Chair, Pima County Board of Supervisors

Attest: Reviewed by:

Clerk, Pima County Board of Supervisors Pima County Administrator

Approved as to Form:

Civil Deputy County Attorney