

Labor Force

The population within the five mile focus area has a higher percentage of high school graduates than either Pima County or Arizona. This is an important demographic for the import distribution center, which relies on many workers with high school level educations.



Twenty percent of households within the focus area earn less than \$35,000 annually. This demographic fits with an import distribution center, which is interested in employing workers seeking jobs paying close to \$15 an hour.

Average household travel time to work within the focus area is 23 minutes, which is on par with both the County and State averages.

Percent of population with high school degrees / equivalency:

Tucson International Airport Area	32%
Pima County	24%
State of Arizona	25%

Average length of work commute:

Tucson International Airport Area	23 min.
Pima County	24 min.
State of Arizona	25 min.

Tucson International Airport Focus Area freight businesses move countless goods including petroleum and plastic products, beverages, machinery and equipment, automobile and motor vehicle items, aeronautical/nautical systems and instruments, and more.

Alcoa Fastening Systems
 Auto Safety House
 Chamberlain Manufacturing
 Golden Eagle Distributors Inc
 Modular Mining Systems Inc
 Pepsi Bottling Group
 R&R Products Inc
 Sundt Co Inc
 Universal Avionics Sysys Corp
 Western Refining Wholesale

Source: HIS Global Insight. 2010

Plans and Policies

Pima County Economic Development

Pima County has a record of growing and sustaining jobs in the County from supporting existing employers to recruiting new ones and partnering with private businesses and other jurisdictions. The Pima County Board of Supervisors approved an economic development plan for the county that will include the development of the Aerospace Defense Business Park. More information of the economic development plan can be found at www.pima.gov/CED.

Emerging Project: Port Of Tucson Transloading Facility

The Port of Tucson is a multifaceted transportation and logistics center serving Tucson and the Southwest. Pima County and the Port of Tucson are collaborating to develop an intermodal transportation and logistics rail improvement in association with Union Pacific Railroad. Potential economic development and community benefits include:

- Construction jobs
- Logistics support for major manufacturers in the aerospace, defense, agriculture, and mining industries
- Reduced reliance on trucks and less congestion on I-10
- Minimized deadhead containers
- Path for Air-Rail-Truck transloading

www.portoftucson.net

Recommendation

Develop a Sun Corridor Freight Development Zone for the proposed high capacity corridor that will provide attractive incentives for business seeking to locate within the region, which may include property tax reductions, state income tax credits, etc.

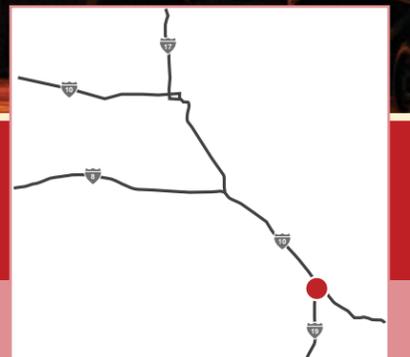
The TREO Foreign Trade Zone (FTZ) service area should be actively promoted by Policymakers. Qualifying companies should be encouraged to apply for FTZ status. Companies that achieve FTZ status can benefit from lower inventory costs, reduced or eliminated U.S. Customs Duties, and property tax incentives.

For more information on the Freight Study please visit www.bqaz.org

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Import Distribution Facility

TUCSON INTERNATIONAL AIRPORT FOCUS AREA



FREIGHT TRANSPORTATION FRAMEWORK STUDY
 A study by the JOINT PLANNING ADVISORY COUNCIL
 A planning partnership for the Arizona Sun Corridor

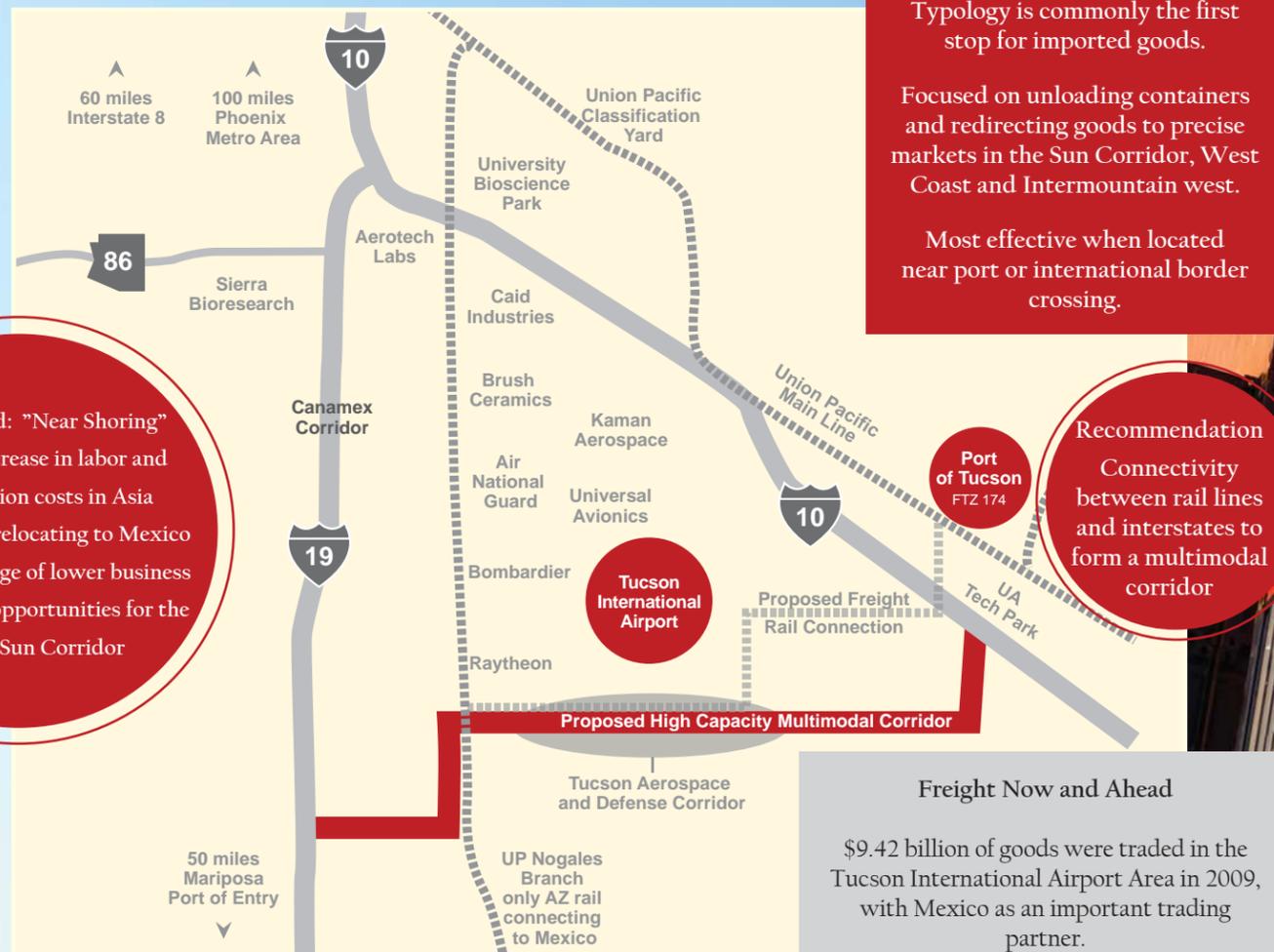


Tucson International Airport Focus Area

IMPORT DISTRIBUTION FACILITY OPPORTUNITY

The Tucson International Airport focus area is ideal to serve the roll as a Import Distribution Facility in the Sun Corridor supply chain process, which focuses on accepting imports and redirecting to precise markets. The focus area encompasses major air, rail and freeway facilities, is within two days by truck of major Texas and Mexican markets, and is within 53 miles of the Nogales international border crossing with Mexico.

Pima County and local partners are in the process of developing a Aerospace Defense Research Business Park south of Tucson International Airport that will provide key infrastructure improvements for existing businesses but will also create opportunities for new growth by creating a high tech multimodal transportation corridor.



The Import Distribution Freight Typology is commonly the first stop for imported goods.

Focused on unloading containers and redirecting goods to precise markets in the Sun Corridor, West Coast and Intermountain west.

Most effective when located near port or international border crossing.

Recent Trend: "Near Shoring"
Due to an increase in labor and transportation costs in Asia companies are relocating to Mexico to take advantage of lower business costs creating opportunities for the Arizona Sun Corridor

Recommendation
Connectivity between rail lines and interstates to form a multimodal corridor

Recommendation
Develop high capacity multimodal transportation corridor south of TIA connecting Interstate 19 to Interstate 10

Recommendation
Create good rail connectivity

Recommendation
Targeted transportation investments to accommodate and complement expansion efforts at Port of Tucson

Recommendation
Improve I-19 corridor signage and increase trucking services

Freight Now and Ahead

\$9.42 billion of goods were traded in the Tucson International Airport Area in 2009, with Mexico as an important trading partner.

By 2015 the level of activity is anticipated to grow by 41%, for a total of \$13.25 billion.

Source: IHS Global Insight, 2010

Transportation

Not only is this focus area well-placed geographically to capitalize on the flow of goods from Mexico and the gulf coast ports, but it has in place the necessary elements for import distribution—rail, air, and interstate access all are conveniently co-located.

Tucson International Airport Characteristics:

- 3 runways
- 11,000' primary runway
- Land available for development
- Improved land available
- Empowerment Zone
- Foreign Trade Zone



Distance to Market	Road	Rail
Laredo	947 mi.	1,021 mi.
Houston	1,058 mi.	1,072 mi.
Dallas	949 mi.	945 mi.
Nogales Port of Entry (with Mexico)	53 mi.	55 mi.
Rail Features		
Distance to Intermodal Terminal		5 mi.
Miles of Access		18 mi.
Distance to Freeways		
to I-10		3 mi.
to I-19		3 mi.
Miles of Existing Major Roadway		17mi.

Developable Land

Land use planning is critical when developing freight clusters. It is key to the success of a freight corridor to protect available land at key transportation junctions for additional industrial development.

Nearly 50 percent of the focus area is considered developable, and businesses also can be accommodated by existing vacant industrial and commercial properties. The region is also actively planning an aerospace and defense "high-tech" corridor south of the airport.

