

## Mayor & Council Communication

Subject: IGA with the University of Arizona for Construction and

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Maintenance of Nobel Way for the Bioscience Park (Ward

5)

<u>Issue</u> – Approval is requested of an IGA that will allow the University of Arizona to construct a roadway and related improvements referred to as "Nobel Way" to provide access to the University of Arizona Bioscience Park using federal stimulus monies. In order to obtain these funds, the University is required to own title to the underlying property for the Estimated Useful Life of the Project, which is 20 years. Thus, the IGA provides that the City will convey title to the underlying property to the University, reserving an easement for public right of way and utilities. Once constructed by the University and accepted by the City as conforming to standards, Nobel Way will be operated and maintained by the City of Tucson. At the end of its Estimated Useful Life, title to Nobel Way will be returned to the City.

<u>Recommendation</u> – The Mayor and Council is respectfully requested to adopt the attached IGA with the University of Arizona for the construction and maintenance of roadway and related improvements (Nobel Way) to provide access to the University of Arizona Bioscience Park using federal stimulus monies.

**Background** — The University of Arizona broke ground on the Bioscience Park (Bio Park) in late 2009, a project that had been in development for 8 years. Located at Kino Parkway and 36th Street, the 53.5-acre Bio Park will include up to 2.4 million square feet in laboratory and office space, a science and technical high school affiliated with Tucson Unified School District, hotel and conference center and University housing.

Approximately 25 percent of the Bio Park will remain open space and features courtyards and a north-south greenbelt to encourage interaction and a sense of community among employees, residents and visitors.

The Bio Park's phase one development is funded by a \$4.7 million grant from the U.S. Department of Commerce, Economic Development Administration as part of the American Recovery and Reinvestment Act, known as ARRA.

The stimulus grant is one of the largest awarded by the EDA for a research park and among the largest ARRA grants awarded to the UA. The federal funds support the development of essential infrastructure including roads, water systems, utilities and perimeter landscaping.

The Bio Park campus is part of a larger 350-acre planned community called The Bridges, which will include residential housing units as well as retail establishments. This is one of the City's largest infill projects and the first major urban-core development to mix homes, stores and employment centers in a single site. Planners envision a vibrant urban center featuring grocery stores, restaurants, cafés and retail shops — amenities currently not available in the area.

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<u>Current Considerations</u> – The attached IGA with the University of Arizona is for the construction and maintenance of roadway and related improvements (Nobel Way) to provide access to the University of Arizona Bioscience Park, located west of Kino Parkway and south of 36<sup>th</sup> Street (see Attachment A for location map).

The UA will construct Nobel Way based upon the City's standard roadway specifications for arterial roadways but modified to fit within the Nobel Way half right-of way using ARRA stimulus monies as described above. City of Tucson will operate, maintain and repair Nobel Way for the Estimated Useful Life on behalf of and at no cost to the University, once constructed. Because the ARRA funding requires the recipient to maintain ownership of the ARRA-funded facilities through their Estimated Useful Life, the UA will maintain ownership of Nobel Way for 20 years, after which the UA will transfer subject facilities to the City of Tucson.

<u>Legal Considerations</u> – The attached IGA has been approved as to form by the City Attorney's Office, which has prepared a resolution authorizing and approving the IGA for the Mayor and Council's consideration.

<u>Financial Considerations</u> – The University of Arizona will design and construct Nobel Way at the Bio Park according to City of Tucson standards, at no cost to the City, and then will deed those facilities to the City of Tucson in 20 years when the University has satisfied its ownership obligations under the federal stimulus funding it received for the project.

Respectfully submitted,

Mike Letcher City Manager

ML:HFM

mc/ UA-BiosciencePark Nobel Way IGA-110910mcc

Attachment A: Bioscience Park Nobel Way – location map

Resolution with attached IGA

