1. **Applicant Identification**
   Rio Nuevo Multipurpose Facilities District
   1703 East Broadway Boulevard, Tucson, Arizona 85719

2. **Funding Requested**
   a. **Assessment Grant Type:** Community-wide Assessment Grant
   b. **Federal Funds Requested:**
      i. $500,000
      ii. Not applicable

3. **Location**
   City of Tucson, Pima County, Arizona

4. **Target Area and Priority Site/Property Information**
   **Target Area:** Rio Nuevo Multipurpose Facilities District (Pima County Census Tracts 1, 2, 7, 8, 10, 25.01, 33.03, 33.04, and 34)

   **Priority Sites:**
   - Sunshine Mile – former Broadway Volvo site located at 930 E. Broadway Boulevard, Tucson, Arizona 85726
   - A Mountain Landfill – triangular shaped property (Pima County Assessor’s Parcel No. 116-23-089C). Western boundary is Grande Avenue, northern boundary is Mission Lane, and eastern boundary is the Santa Cruz River.

5. **Contacts**
   a. **Project Director**
      Name: Brandi Haga-Blackman
      Phone number: (520) 623-7336
      Email address: brandihb@rionuevo-tucson.org
      Mailing address: 1703 East Broadway Boulevard, Tucson, Arizona 85719
   b. **Chief Executive/Highest Ranking Elected Official**
      Name: Fletcher McCusker, Chairman of the Board of Directors
      Phone number: (520) 400-9934
      Email address: [redacted]
      Mailing address: 1703 East Broadway Boulevard, Tucson, Arizona 85719

6. **Population**
   - City of Tucson population: 541,482
   - Rio Nuevo Multipurpose Facilities District population: 58,570

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7. **Other Factors**

<table>
<thead>
<tr>
<th>Other Factors</th>
<th>Page #</th>
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<tbody>
<tr>
<td>Community population is 10,000 or less.</td>
<td>N/A</td>
</tr>
<tr>
<td>The applicant is, or will assist, a federally recognized Indian tribe or United States territory.</td>
<td>N/A</td>
</tr>
<tr>
<td>The priority site(s) is impacted by mine-scarred land.</td>
<td>N/A</td>
</tr>
<tr>
<td>The priority site(s) is adjacent to a body of water (i.e., the border of the priority site(s) is contiguous or partially contiguous to the body of water, or would be contiguous or partially contiguous with a body of water but for a street, road, or other public thoroughfare separating them).</td>
<td>N1, N2, and N–3</td>
</tr>
<tr>
<td>The priority site(s) is in a federally designated flood plain.</td>
<td>N/A</td>
</tr>
<tr>
<td>The reuse of the priority site(s) will facilitate renewable energy from wind, solar, or geothermal energy.</td>
<td>N/A</td>
</tr>
<tr>
<td>The reuse of the priority site(s) will incorporate energy efficiency measures.</td>
<td>N/A</td>
</tr>
<tr>
<td>30% or more of the overall project budget will be spent on eligible reuse/area-wide planning activities, as described in Section I.A., for priority site(s) within the target area.</td>
<td>N/A</td>
</tr>
<tr>
<td>The target area(s) is located within a community in which a coal-fired power plant has recently closed (2011 or later) or is closing.</td>
<td>N/A</td>
</tr>
</tbody>
</table>

8. **Letter from the State or Tribal Environmental Authority**

A letter from Travis Barnum, Arizona Department of Environmental Quality Brownfields Coordinator, acknowledging Rio Nuevo is planning to conduct assessment activities and is planning to apply for Fiscal Year 2022 Federal Brownfields grant funds is attached.

9. **Releasing Copies of Applications**

Not Applicable – This application does not have confidential, privileged, or sensitive information.
November 15, 2021

Rio Nuevo Multipurpose Facilities District
Fletcher McCusker, Chair, Board of Directors
1703 East Broadway Blvd
Tucson, Arizona 85719

Re: Letter of Support for Rio Nuevo Brownfields Cleanup Grant

Dear Mr. McCusker,

The Arizona Department of Environmental Quality (ADEQ) Brownfields Program is pleased to provide a letter of support to Rio Nuevo for the Brownfields Cleanup Grant application to the U.S. Environmental Protection Agency (EPA) for a Community-Wide Assessment grant in Pima County.

ADEQ understands with this funding Rio Nuevo will be able investigate contaminated sites and underutilized and obsolete buildings and lots in Tucson, Arizona. The grant funds will be used to spur economic development, expand public/alternative transportation choices, create and expand recreation/open space/parks, reduce environmental exposure, and enhance benefits to the disadvantaged community.

ADEQ fully supports Rio Nuevo and their community with this important Brownfields project and we look forward to providing the community with additional services and funding opportunities as needed.

Sincerely,

Travis Barnum

Travis Barnum, Brownfields Coordinator
Waste Program Division
1. PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION

a. Target Area and Brownfields
i. Background and Description of Target Area

The City of Tucson is Arizona’s second largest city with a population of 548,073.¹ Tucson is located in southern Arizona’s Sonoran Desert and is surrounded by five mountain ranges and the 92,000-acre Saguaro National Park. It is one of the oldest permanently settled communities in the US. Dating back 4,000 years, the Tohono O’odham (Desert People) inhabited a large swath of land in what is now Arizona and Sonora Mexico and established Tucson’s first village. The Spanish founded the Mission San Xavier del Bac in 1700 and the Presidio San Agustín del Tucsón in 1775. Southern Arizona, including Tucson, became a US territory with the Gadsden Purchase in 1854.² These historical roots have produced a rich cultural heritage of Native American, Spanish, Mexican, and Anglo influences.

Downtown Tucson was the City’s commerce center for over 200 years and the City had a traditional downtown as recently as the 1940s. With the onset of suburbanization after World War II and failed urban renewal practices, downtown Tucson declined precipitously; the 1970s saw the loss of many businesses and retail stores and by the late 1980s all retailers had left. Downtown buildings were obsolete and vacancy rates peaked at 20%. In the 1990s and 2000s, downtown mostly functioned as a government center, with few commerce or entertainment options.² Review of land use shows that approximately 15% of the target area is vacant and undeveloped² and, based on national average, an additional 20% are considered to be abandoned, obsolete, or underused.³

Target area residents live close to Brownfields and are exposed through inhalation and ingestion pathways. More than 100 underground storage tank (UST) sites, 34 leaking UST sites, and over 200 hazardous waste generators are present in the target area. There are four closed landfills within the project boundary. Brownfields sites contain volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs), metals, methane, and asbestos in structures, soil, soil vapor, and groundwater. Environmental contaminants include particulate matter, air toxins, and ozone.

The Target Area of this grant, the Rio Nuevo Multipurpose Facilities District (Rio Nuevo), is a Tax Increment Financing (TIF) district created in 1999 in accordance with Arizona statute as a political taxing subdivision and stand-alone local government unit. The Rio Nuevo target area encompasses 4.5 square miles within portions of nine US Census Tracts (CTs) and is comprised of three distinct areas, each with its own cultural and demographic makeup:

- **Menlo Park** (CTs 1, 2, 25.01) is located west of downtown Tucson across Interstate 10 (I-10) and is considered Tucson’s birthplace. Much of this area is vacant and undeveloped due to the presence of Brownfields (two City-owned closed landfills and one Rio Nuevo-owned landfill covering 43 acres). These sites are eligible for this Brownfields grant because Rio Nuevo is not the responsible party. The Santa Cruz River forms the eastern boundary.

- **Downtown Tucson** (CTs 1, 2, 10) includes the core business district, Tucson Convention Area, and numerous restaurant and entertainment venues. In the past 10 years, this area has seen tremendous revitalization, mainly due to Rio Nuevo investment. Brownfields are still prevalent in downtown and include automotive service/repair stations; industrial facilities; structures containing asbestos and lead-based paint; dilapidated buildings/warehouses; and vacant lots.

- **Broadway Corridor** (CTs 7, 8, 19, 33.03, 33.04, 34) is the primary eastern entryway into downtown, starting at Euclid Avenue and extending to Craycroft Road. The first 2 miles are designated as the “Sunshine Mile” and are the focus of extensive historic preservation, redevelopment, and economic rebirth. Commercial, retail, and residential properties border the corridor (some of which are vacant and dilapidated) along with two aging suburban shopping malls. Brownfields include gasoline and automotive repair stations; structures containing asbestos and lead-based paint; dilapidated buildings and warehouses; and vacant lots.

⁴ City of Tucson; Map Tucson; http://maps2.tucsonaz.gov/Html5Viewer/?viewer=maptucson.
⁵ Brookings Institute; Vacant Land in Cities: An Urban Resource; December 2000.
ii. **Description of the Priority Brownfield Site(s)**

Target area Brownfields include contaminated or underused sites such as gasoline service stations, automotive repair facilities, industrial/manufacturing sites, and abandoned and obsolete structures. Rio Nuevo searched the Arizona Department of Environmental Quality (ADEQ) database\(^2\) to evaluate the extent of Brownfields sites within the target area (zip codes 85701 and 85711). Two priority sites were selected because they are blighted or vacant, have strong redevelopment potential, have an environmental impact, and are of great interest to the community.

- **A-Mountain Landfill – Menlo Park.** This vacant, unfenced site covers about 30 acres between the Santa Cruz River and Mission Road. Clay was mined to fabricate bricks and later sand and gravel were mined to construct I-10. An unlined landfill was created when municipal solid waste was disposed into the open excavations from 1953 to 1962.\(^2\) Refuse is found between 15 and 30 feet below ground surface and is present mostly in the northeast portion of the site.**\(^8\)** Potential contaminants include VOCs, asbestos, and methane. Additional site assessment is needed to define current site conditions and develop a cleanup plan.

- **Broadway Volvo - Sunshine Mile.** The former Broadway Volvo automotive dealership and repair facility is located at 930 E. Broadway Boulevard. Contaminants typically found at similar sites include VOCs, SVOCs, metals, and asbestos. This 1½-acre site is vacant and contains three abandoned structures covering 28,000 square feet. The site is situated in a prime location on the western end of Sunshine Mile at the entrance to downtown Tucson and is surrounded by active redevelopment projects. The site is owned by the City of Tucson, and Rio Nuevo is working cooperatively with the City and developers in a manner similar to other City-owned properties in the Sunshine Mile.

b. **Revitalization of the Target Area**

i. **Reuse Strategy and Alignment with Revitalization Plans**

Plan Tucson is the guiding document that defines Tucson’s land use, revitalization, and sustainability priorities.\(^9\) Grant activities will directly support 18 of the 24 goals outlined in Plan Tucson as summarized below:

- **Promote economic growth and diversification** – provide diversified growth opportunities; improve employment choices, raise income levels, expand tax base, and generate investment.

- **Provide better transportation choices** – facilitate property development and infrastructure improvements to improve walkability and provide viable alternative transportation options.

- **Community support** – preserve culturally-significant areas; improve public infrastructure; develop open space, parks, and recreational spaces; and remove environmental hazards

- **Value communities and neighborhoods** - enhance unique neighborhood characteristics and develop safe, healthy, walkable neighborhood; retain long-time residents and families.

- **Protect the natural environment** - develop and use renewable energy; reduce carbon footprint; increase resiliency; and foster means to adapt to climate change.

The Brownfields reuse strategy in the target area, especially for the A-Mountain and Sunshine Mile priority sites, will align with Plan Tucson priorities while focusing on uses that spur economic development, expand public/alternative transportation choices, create and expand recreation/open space/parks, reduce environmental exposure, and enhance benefits to the disadvantaged community. We will work with neighborhood associations, non-profit organizations, business leaders, and government agencies so that grant-funded activities are conducted in accordance with stakeholder priorities, thereby assuring the Plan Tucson strategies are implemented.

ii. **Outcomes and Benefits of Reuse Strategy**

**Economic Development.** Brownfields redevelopment, assisted by Rio Nuevo funding, has significantly improved the local economy. Contaminated, underused, and vacant sites in downtown Tucson and along the Broadway Corridor hold equal promise. The A-Mountain Landfill

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\(^2\) ADEQ: MegaSearch Database; www.ardeq.gov/megasearch.
\(^3\) City of Tucson; A-Mountain Landfill; www.tucsonaz.gov/city-projects/mountain-landfill.com.
\(^5\) City of Tucson; Plan Tucson, City of Tucson General and Sustainability Plan 2013; November 13, 2013.
is a priority site for this grant application and, like the Congress Landfill, hold great economic potential. Redevelopment of Menlo Park properties located either on or in proximity to landfills provide an excellent opportunity to achieve attractive, sustainable growth as illustrated by:

- The Congress Landfill was closed in 1960. Rio Nuevo invested $43 million to attract Caterpillar’s regional headquarters to the site including almost $5 million for landfill remediation and site preparation. The facility is expected to create more than 600 high-paying jobs and have an estimated economic impact of over $600 million.\(^7\)
- The Bautista will be a $70 million, mixed-use development (retail, residential, and restaurant uses) on a vacant lot along the Santa Cruz River and north of the former Congress Landfill.

**Open Space/Non-Profit Uses.** Rio Nuevo-funded projects have created or expanded greenspace and parks, cultural and historical preservation, new and expanded recreational opportunities, and other community benefits. Rio Nuevo will encourage similar open space uses to be incorporated into projects conducted using Brownfields grant funding. Recently-completed and planned projects include:

- Rio Nuevo is providing funding in the Sunshine Mile to complement pedestrian/bicycle improvements created by the Broadway Road Improvement Project.
- Redevelopment options for the A-Mountain Landfill include a multi-acre park, cultural and historical interpretation venues, and bicycle and pedestrian greenways.
- Rio Nuevo has contributed funding to redevelop historical structures and points of interest including the El Presidio Historic District, Old Pueblo Club Building, and Mission Garden.

**Disadvantaged Community Benefits.** In 2021, President Biden issued Executive Order 14008 with the goal that 40% of benefits from Federal investments, specifically including Brownfields, flow to disadvantaged communities (Justice40 Initiative). As defined in the Justice40 guidance, Menlo Park and Downtown are disadvantaged communities due to low income, high poverty, high underemployment, and disproportionate environmental burden. While the unemployment rate in these areas is slightly lower than metro Tucson, the median household income is almost 30% lower, indicating a lack of high-quality jobs. The poverty rate is 31% compared to 22% in Tucson and 15% in Arizona.\(^8\) Brownfields redevelopment will benefit residents through better jobs, improved access to multi-modal transportation, better public infrastructure, increased open/recreational space, reduced contaminant exposure, and cultural preservation.

c. **Strategy for Leveraging Resources**

i. **Resources Needed for Site Reuse**

Brownfields redevelopment not only requires site assessment and cleanup, but also options for tax abatement, design development flexibility, and expedited permitting to facilitate environmental actions and site reuse. The following describe funding sources, Rio Nuevo capabilities, and city planning and development priorities that will stimulate funding and leverage this grant.

The formation of the Rio Nuevo MFD established a TIF district, one purpose of which was to subsidize Brownfields redevelopment. Rio Nuevo retains one-half of the incremental growth of State sales tax generated within the District over the 1999 baseline. Since 2011, Rio Nuevo investments have catalyzed private investment to create over $128 million in incremental sales revenue.\(^9\) Recent data shows that $1 of Rio Nuevo support yields $10 in private investment.\(^10\) TIF funding has proven to be a valuable mechanism to leverage Rio Nuevo and private investment for environmental uses as more than 70 Phase I/II ESAs have been used to support site redevelopment.

Downtown Tucson and Menlo Park lie within Tucson’s Community Development Block Grant (CDBG) Target Area. In 2020, the City allocated 15% of its CDBG funds to benefit low-income neighborhoods by constructing community facilities, improving infrastructure, and demolishing substandard buildings to provide groundwork for Brownfields redevelopment.\(^11\)

Arizona statute grants the City of Tucson authority to use various tax abatements, permitting,

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\(^9\) Rio Nuevo, Summary of Incremental Sales Taxes (unpublished)
\(^10\) Arizona Commerce Authority; Caterpillar Expands Presence in Southern Arizona with Surface Mining and Technology Division; https://bit.ly/3qT7gSf
and planning tools to promote land use and revitalization plans. These programs have provided significant financial tools to leverage Brownfields redevelopment:

1. Arizona’s Government Property Lease Excise Tax (GPLET) program was established in 1996. GPLET allows municipalities to lease publicly-owned property to private entities to develop vacant or underused property for community revitalization. This attractive economic incentive exempts the lessee from property taxes for up to 8 years and instead the lessee pays an excise tax, which typically is less than the potential property tax liability. GPLET has helped establish or renovate twelve new tax-generating businesses within Rio Nuevo.\(^\text{15}\)

2. Tucson’s development code allows the City to establish Urban Overlay Districts (UODs) which are pedestrian and transit-oriented, urban infill, and mixed used areas. The Sunshine Mile District (SMD) UOD was established in 2021 to support economic vitality while retaining community values, encouraging historical preservation, and enhancing its unique architectural character. The SMD will promote Brownfields redevelopment and site reuse by offering development incentives such as allowing flexible design modifications and solutions.

Rio Nuevo can also apply for Arizona’s 128(a) Brownfields funding or EPA’s Cleanup and/or Multi-Purpose grants for sites for which assessments reveal remediation is required.

ii. **Use of Existing Infrastructure**

   Infrastructure within the target area have been significantly upgraded over the past 5 years and has the capacity to accommodate increased demand fueled by this grant, especially redevelopment of priority sites in Menlo Park and Sunshine Mile. These infrastructure improvements include:

   - The Sun Link Streetcar began operations in 2014 and is part of a multi-modal transportation system of bike lanes and paths, new sidewalks, and greenways. The modern streetcar system follows a 3.9-mile route with 24 stops and links five of Tucson’s unique and historical districts, including two within the target area (Menlo Park and Downtown). The dramatic transformation of downtown Tucson, which is due in large measure to Rio Nuevo investments, has stimulated planning to expand the Streetcar, thereby providing more multi-modal transportation options.

   - In 2006, Pima County voters approved a 20-year regional transportation plan to fund 35 roadway projects, including the Broadway Boulevard Improvement Project. This project will create an important transportation and transit corridor along a 2-mile stretch of roadway designated as the Sunshine Mile. This area is the eastern gateway to downtown Tucson and a focus area of this application. Broadway Boulevard will be expanded, and will include bicycle lanes, sidewalks, landscaping, public art, and a storm drain system.\(^\text{16}\) Brownfields funding will support redevelopment in the Sunshine Mile, thereby leveraging this publicly-funded project.

   - Rio Nuevo investments (landfill remediation and infrastructure improvements) helped attract Caterpillar’s regional headquarters to the closed Congress Landfill in the Menlo Park area.\(^\text{17}\)

   - Infrastructure improvements made to the site can be used to support construction of on neighboring Brownfields sites and vacant lots, including the A-Mountain Landfill priority site.

   - Grant funding will also help catalyze preservation of historic structures, especially within the Sunshine Mile. The area is a treasure trove of 1950s and 1960s mid-century commercial, retail, and residential structures and was placed on the National Register of Historic Places in 2020. Rio Nuevo has acquired 39 properties and funded painting, landscaping, and building repair.\(^\text{18}\)

2. **COMMUNITY NEED AND COMMUNITY ENGAGEMENT**

a. **Community Need**

   i. **The Community’s Need for Funding**

      Target area median household income is $42,440 ($58,945 Arizona, $62,843 US); poverty rate for families with children under 18 years is 28% (19% Arizona, 15% US), and 18% of households received food assistance in the past year (11% Arizona, US). The Menlo Park and Downtown

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\(^\text{16}\) Rio Nuevo; Sunshine Mile: [https://rionuevo.org/project/sunshine-mile-2/](https://rionuevo.org/project/sunshine-mile-2/).

\(^\text{17}\) Rio Nuevo; Caterpillar’s Tucson Mining Center: [https://rionuevo.org/project/caterpillars-tucson-mining-center/](https://rionuevo.org/project/caterpillars-tucson-mining-center/).

\(^\text{18}\) Rio Nuevo; Sunshine Mile.
subareas are composed of about 65% minority population, with an even lower household median income ($34,000) and greater poverty rate (36%) and food assistance usage (23%). As a result, the City of Tucson’s budget needs are underfunded and it struggles to fulfill its primary mission of providing planning, social and affordable housing, economic development, and public infrastructure services. As expected, funding to adequately assess and remediate sites is sparse, thereby limiting potential site reuse and redevelopment.

Rio Nuevo intends to leverage Tucson’s insufficient budget with this grant by facilitating investment and generating sales taxes for the City. In addition, Rio Nuevo supports economic development in the City of Tucson and Pima County by catalyzing redevelopment through the use of incremental tax income. Rio Nuevo’s contributions allows the local governments to better use its finite budget revenue and assist its citizens. This has provided benefits to the community as a whole, and specifically to disadvantaged citizens, through increased public/alternative transportation options, access to better jobs, and greater funding for social and welfare services.

ii. Threats to Sensitive Populations

(1) Health or Welfare of Sensitive Populations

Rio Nuevo is composed of 42% minorities, and 18% children and 23% women of child-bearing age sensitive population. Demographic indicators are substantially greater than Arizona and US averages: median household is $42,440 ($58,945 Arizona, $62,843 US), the poverty rate for families with children under 18 years old is 28% (19% Arizona, 15% US), and 18% of households have received food assistance in the past year (11% Arizona, US). The Menlo Park and Downtown subareas are composed of 65% minority population, with an even lower household median income ($34,000), greater poverty rate (36%), and higher food assistance usage (23%).

Health inequity contributes to increased risk of illness, disability, and death; inequities include health care access (lack of insurance, transportation, child care, sick leave); occupational exposure; and education and income gaps. Brownfields redevelopment and adaptive reuse of abandoned or underused buildings will directly address inequality through increased public/alternative transportation options, access to better jobs, and greater funding for social and welfare services.

□ COVID-19. The Center for Disease Control reported Hispanics, who comprise 18% of the US population, accounted for 33% of COVID-19 cases. This suggests Hispanics are disproportionately impacted by the pandemic. Also, persons of a minority race had a much higher incidence of COVID-related job loss, wage reductions, or difficulty paying bills than white population.

□ Educational achievement in the target area is low relative to the US, Arizona, and Tucson. About 15% of the population has a Bachelor’s degree, 20% earned a high school diploma, and 13% have less than a 12th grade education. Education significantly impacts a person’s health – lower educational achievement tends to lead to shorter life expectancy, higher rate of major diseases, and diminished physical abilities. Education can impact a person’s ability to find employment, which can affect a person’s income, where they live, and access to health care.

□ Obesity contributes to diabetes, cardiovascular diseases, and other severe health issues. Over 25% of Pima County residents are obese. Hispanics have a greater diabetes rate than most other ethnicities. Heart disease is the primary cause of death in the Pima County population. The lower median income of the area residents is also linked to a higher rate of diabetes and obesity. CDC reported 41% of adults who earn less than the Federal Poverty Level (FPL) were obese, compared with 31% who earned over 350% of the FPL.

□ Virginia Commonwealth University; Education: It Matters More to Health than Ever Before: https://bit.ly/3uivq0G.
(2) Greater Than Normal Incidence of Disease and Adverse Health Conditions

EPA’s EJSCREEN application was used to calculate Environmental Justice (EJ) Indices for the Menlo Park and Downtown areas. The EJ Indices showed target-area residents had a significantly higher risk factor than the US population in six EJ Indices, five of which are directly related to the area’s transportation issues: Ozone (89%), Diesel PM (91%), Air Toxics Cancer Risk (87%), Respiratory Hazard (88%), and Traffic Proximity and Volume (93%). Threats to the community include:

- Traffic pollution (ozone, carcinogenic air pollutants, particulate matter) cause a wide range of health impacts including cancer, childhood asthma, impaired lung function, cardiovascular diseases, and cardiovascular morbidity. Cancer incidence is 15322 versus the US average of 14623, with a lung cancer incidence rate of 4822, 30. Tucson was ranked the tenth most challenging places to live with asthma in 2021 based on prevalence, emergency room visits, and asthma-related fatalities.31
- Air quality is a significant health issue within Rio Nuevo, especially in the disadvantaged areas of the district. Contaminants released to the atmosphere from existing Brownfields (such as VOCs, SVOCs, asbestos) exacerbate poor air quality and increase health risks.
- The target area lacks adequate bike lanes, crosswalks, sidewalks, and lighting. The main cause of pedestrian fatalities in Arizona is crossing the street, accounting for 61% of deaths.32
- Greenhouse gas (GHG) emissions from transportation account for 29% of US GHG emissions – the largest and fastest growing source of emissions.33 Tucson is the third-fastest warming city in the US and 2020 was the hottest summer in 125 years.34 Climate change threatens Tucson’s groundwater supply, exacerbates flooding, and promotes wildfire conditions. Lower-income residents are less able to cope with extreme weather and climate-related events and experience greater health threats such as heat stroke and exposure to higher levels of ozone.

Grant funding will mitigate and/or eliminate the incidence of disease and adverse health conditions by catalyzing Brownfields redevelopment to produce positive, healthy end uses such as public and alternative transportation; greenspace and urban forests; and accessible employment and amenities. Funding can also eliminate existing Brownfields contaminants contributing to cancer, lung impairment, and cardiovascular disease.

(3) Promoting Environmental Justice

The Menlo Park and Downtown subareas are classified as disadvantaged communities based on Justice 40 guidance due to low income, high poverty, high underemployment, and disproportionate environmental burden. EJSCREEN showed residents had a significantly higher risk factor than the US population in six EJ Indices: Ozone (89%), Diesel PM (91%), Air Toxics Cancer Risk (87%), Respiratory Hazard (88%), and Traffic Proximity and Volume (93%). Residents will benefit from Brownfields redevelopment through better jobs, improved access to multi-modal transportation, better public infrastructure, increased open/recreational space, reduced contaminant exposure, and cultural preservation. Brownfields grant funding will promote environmental justice by addressing:

- **Gentrification and Displacement.** Disadvantaged areas are vulnerable to gentrification and displacement which can be unintentionally worsened by Brownfields redevelopment. Since the 2008 recession, downtown and surrounding neighborhoods have seen increased residential and commercial development. The influx of new, wealthier residents reduces rental and affordable housing, raises property taxes, and causes disintegration of cultural heritage. Menlo Park, Downtown Tucson, and Sunshine Mile have a high risk of displacement.35
Community Involvement. The mostly Hispanic Menlo Park and Downtown neighborhoods are distrustful of redevelopment because of historical bias. As an example, Barrio Viejo, one of the oldest residential areas, was declared a “slum” that inhibited downtown growth and urban renewal. As a result, 1,200 Sonoran-style adobe structures were demolished in a 80-acre area and 1,200 people, mainly low-income Hispanic, were displaced.

EJ Assurance Plan. Disadvantaged residents in the target area have experienced unequal treatment, and the dilemma of balancing redevelopment and environmental justice still exists. Rio Nuevo will prepare a plan to identify past and potential processes and actions that have contributed to inequitable treatment; identify best management practices to mitigate gentrification and displacement; and means and methods to promote EJ. Stakeholder input will be sought and incorporated, the evaluation will be made publicly-available, and developers will be encouraged to incorporate report recommendations. The plan is an eligible Brownfields planning activity (Site Reuse Vision) that will effectively communicate Rio Nuevo’s reuse concept of assuring environmental justice issues are considered during site redevelopment.

b. Community Engagement
   i. Project Involvement
   ii. Project Roles

<table>
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<tr>
<th>Organization Name</th>
<th>Point of Contact</th>
<th>Specific involvement or assistance provided</th>
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<tbody>
<tr>
<td>Menlo Park Neighborhood</td>
<td>Mac Hudson</td>
<td>Provide community input to redevelopment of A Mountain, Congress, and Nearmont landfills</td>
</tr>
<tr>
<td>Sunshine Mile Merchants Association</td>
<td>Andy Littleton <a href="mailto:andy@midtownartisans.com">andy@midtownartisans.com</a></td>
<td>Assist with redevelopment and community input related to the Sunshine Mile.</td>
</tr>
</tbody>
</table>

iii. Incorporating Community Input

Rio Nuevo will develop a Community Involvement Plan (CIP) to promote community input, meaningful participation, and decision-making. The CIP will be used to inform the public, solicit feedback, and incorporate input by posting and updating information on Rio Nuevo’s website and through press releases. Community input will be heard during open monthly meetings (either in-person or via teleconference) or by email; responses will be provided in monthly meeting notes and website postings. Rio Nuevo successfully used these methods during the COVID-19 pandemic. Information will be provided in English and Spanish.

Neighborhoods are integral to Tucson’s sense of place and neighborhood associations are most often the best avenue to elicit project feedback and encourage community participation. Rio Nuevo routinely engages the District’s 18 neighborhood groups to ensure residents are heard and their opinions are included in decision-making. Two examples illustrate community collaboration:

- Rio Nuevo worked collaboratively with residents, community members, and stakeholders to shape a vision for economic vitality, historical preservation, and retention of community values for the Sunshine Mile Overlay Zone. Rio Nuevo lead a Placemaking Workshop and four community meetings allowing for input into draft and final versions of the Overlay Plan.
- Rio Nuevo is working with stakeholders (El Presidio neighborhood association, businesses, Project for Public Spaces, and Tucson and Pima County) to reactivate the historical El Presidio Museum to preserve and interpret Tucson’s natural environment and history.

3. TASK DESCRIPTIONS, COST ESTIMATES, AND MEASURING PROGRESS
   a. Description of Tasks/Activities and Outputs

<table>
<thead>
<tr>
<th>Task 1: Program Management</th>
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<tr>
<td><strong>Project Implementation:</strong> Direct costs for programmatic and financial grant management (reporting and oversight); Travel to EPA-sponsored and other Brownfields-related national and regional workshops.</td>
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<th>Anticipated Project Schedule (Milestones):</th>
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<tr>
<td>Final Reports: Dec. 30, 2025</td>
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<td>ACRES reporting: within 10 days following reportable activity</td>
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Task/Activity Lead: Rio Nuevo Grant Administrator

Outputs: Prepare EPA-approved Work Plan; Contract with environmental consultant; Submit Quarterly Progress, annual, and final reports; Enter project information into ACRES; Attend two training workshops.

Task 2: Community Involvement

Project Implementation: Prepare plan to actively seek and promote stakeholder input. Prepare outreach and promotional materials. Update website monthly and conduct stakeholder meetings quarterly. Meet with owners, brokers, and others to invite program participation.

Anticipated Project Schedule (Milestones):
- Prepare Brownfields award announcement and update website: October 31, 2022 and monthly thereafter
- Prepare Community Involvement Plan and Program brochure: March 2023
- Conduct Quarterly Stakeholders meetings: Jan./April/July/Oct. 2023/2024/2025
- Meet with owners, brokers, other stakeholders: As requested

Task/Activity Lead: Rio Nuevo Grant Administrator

Outputs: Community Involvement Plan; 16 stakeholder meetings; website; Program brochure.

Task 3: Site Inventory

Project Implementation: Identify Brownfields in project area; Develop ranking criteria; Rank sites

Anticipated Project Schedule (Milestones):
- Inventory complete: June 2023
- Ranking System Developed and Sites Ranked by Priority: December 2023

Task/Activity Lead: Environmental Consultant

Outputs: Brownfields inventory in GIS platform; Written ranking system; Prioritized Brownfields list.

Task 4: Site Assessment

Project Implementation: Conduct site assessments of EPA-approved sites; complete reporting requirements.

Anticipated Project Schedule (Milestones):
- Complete EPA-Approved QAPP: January 30, 2022
- Complete EPA-Approved SAPs and Eligibility Determinations: 5 days prior to site assessment
- Complete site assessments as follows: 20% - Oct. 31, 2023; 65% - Oct. 31, 2024; 100% - Sep. 30, 2025.
- Complete AAI Checklist: within 10 days following completion of Phase I ESA

Task/Activity Lead: Environmental Consultant

Outputs: Prepare EPA-approved QAPP and SAPs (11); Prepare Eligibility Determinations (22); Complete 17 Phase I ESAs, 5 Phase II ESAs, 6 Asbestos Surveys; Complete 11 AAI checklists;

Task 5: Cleanup Planning and Environmental Justice Assurance Plan

Project Implementation: Identify EJ issues and develop best practices to mitigate gentrification and displacement; Prepare five ABCAs to identify appropriate remedial solution and costs for cleanup at five sites.

Anticipated Project Schedule (Milestones):

Task/Activity Lead: Planning Consultant and Environmental Consultant

Outputs: Five ABCAs; Environmental Justice Assurance Plan

b. Cost Estimates

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<th>Budget Category</th>
<th>Task 1 – Program Management</th>
<th>Task 2 - Community Involvement</th>
<th>Task 3 – Site Inventory</th>
<th>Task 4 – Site Assessment</th>
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</table>

December 1, 2021

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Project Narrative
c. Measuring Environmental Results

Rio Nuevo will prepare a Work Plan with project goals and schedule. Project outputs, outcomes, and schedule will be tracked and reported with each Quarterly Progress Report along with expected goals for the next quarter. Project expenditures and activities will be compared to the schedule to ensure the grant outputs will be completed within 3 years. Site-specific information will be entered into the ACRES database within 10 days following project activity. If goals or schedule are not met, Rio Nuevo will notify EPA and propose corrective actions. Rio Nuevo understands EPA will be required to report benefits from Brownfields funding as outlined in the Justice40 guidance and will support EPA’s data efforts to meet this requirement.

4. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE

a. Programmatic Capability

i. Organizational Capacity, ii. Organizational Structure, and iii. Description of Key Staff

Rio Nuevo operates in accordance with Arizona statutes and regulations, and is led by a six-member Board of Directors appointed and overseen by the Arizona Governor and Legislature. The Board consists of private sector professionals experienced in real estate, economic development, and finance. The Board manages and invests incremental sales taxes in collaboration with community priorities and in partnership with private sector developers, commercial lenders, real estate investment firms, and others. Since 2011, Rio Nuevo investments have catalyzed private investment to create more than $128 million in incremental sales revenue. It has the organizational capacity to fulfill the grant programmatic, administrative, and financial requirements as shown by:

- **Program Reporting and Financial Management.** Under State statute, Rio Nuevo is required to submit annual financial reports to the State Legislature and, every 3 years, the State Auditor General conducts an independent performance and financial audit of the Rio Nuevo operations.

- **Community Involvement /Transparency.** Financial reports and project updates are posted on Rio Nuevo’s website and discussed in Board meetings open for public review and comment.

- **Procurement.** Rio Nuevo’s Procurement Code meets the requirements for selection of contractors using fair and open competition procedures found at 2 CFR §§ 200 and 1500.
Environmental Assessment. Rio Nuevo has completed Phase I ESAs meeting All Appropriate Inquir and remediated larger sites.

Fletcher McCusker has been the Rio Nuevo Board Chair since 2012 and will be the Brownfields Lead Executive responsible for Cooperative Agreement compliance. Fletcher is the founder and CEO of a publicly-traded home health care business. He has invested in transforming downtown by relocating his company’s headquarters to a downtown location and redeveloped an entire block of abandoned buildings for mixed uses. Mark Collins has served as outside counsel for Rio Nuevo for 10 years and has more than 40 years experience in real estate and business transaction. He will serve as the grant Technical Director. Brandi Haga-Blackman, our proposed Brownfields Project Director, has worked for Rio Nuevo for 5 years and serves as the District’s administrative director. Brandi will responsible for technical, budgetary, and scheduling tasks and will complete administration and financial functions (ASAP draw-downs, Federal Financial Reports, MBE/WBE Utilization Reports).

iv. Acquiring Additional Resources

Rio Nuevo will use its Procurement Code to select a consultant(s) for the environmental, community outreach, and planning tasks outlined in this application and assist with quarterly and annual reporting, ACRES input, and technical consulting. Rio Nuevo will select and contract with consultant(s) in accordance with EPA’s Best Practice Guide. Rio Nuevo will make Six Good Faith Efforts to provide DBEs with opportunities available through this grant. Rio Nuevo will seek technical assistance and advice from ADEQ’s Brownfields Program and EPA Region 9 Brownfields staff. Tucson, South Tucson, and Pima County, Arizona have collectively received twelve EPA Brownfields grants in the last decade; Rio Nuevo will seek technical and administrative support from these entities to establish and successfully conduct the Brownfields grant program.

b. Past Performance and Accomplishments

ii. Has Not Received Brownfields Grant/Received Other Federal/Non-Federal Agreements

(1) Purpose and Accomplishments

Rio Nuevo operates as a Municipal Facilities District in accordance with Arizona State statute and governing regulations with oversight from the Arizona State Legislature. The creation of the district authorized Rio Nuevo to directly receive and administer sales taxes generated within the district to support Brownfields cleanup and redevelopment. Since 2011, the District has administered over $128 million in sales tax revenues and it’s investments have been leveraged ten-fold by private investment. The Arizona Auditor General concluded the accomplishments of the District were “truly exceptional”\textsuperscript{26}. Significant projects completed or underway include:

- Upgraded and expanded Tucson Convention Center including new parking garages, renovated Music Hall, and new recreational spaces (ice rink, water features, and landscape upgrades)
- Constructed the DoubleTree by Hilton, a 170-room hotel in the east TCC parking lot
- Provided land, site preparation, and building for the regional headquarters of Caterpillar, creating 600 regional jobs and $600 million in economic impact
- Restored 39 properties within the “Sunshine Mile” portion of Broadway Avenue to create destination food and shopping corridors flanking downtown Tucson

(2) Compliance with Grant Requirements

An independent financial audit is conducted annually and the Arizona Auditor General conducts a Performance and Financial Analysis every 3 years. Prior to 2009, Rio Nuevo’s performance was found to be unsatisfactory when it was overseen by the City of Tucson. Therefore, the State Legislature changed the District Board to be comprised of private-sector economic development, business, and real estate professionals overseen by the State Legislature. Since 2009, annual audits and performance analyses have stated the District has performed in an exemplary manner and has met statutory, intergovernmental, and financial provisions. Rio Nuevo has promptly implemented recommendations for improvement and minor procedural changes.

1. **Applicant Eligibility**

In 1990 the Arizona State Legislature enacted statutes governing County Stadium Districts that were codified as Arizona Revised Statutes, Title 48, Chapter 26, Section 4201 through 4255 (ARS §§ 48-4201 to 48-4255). ARS 48-4202.B allows two or more municipalities to form a Stadium District if these municipalities have identified the location of a multipurpose facility site and have voted with the purpose of forming a district for multipurpose facilities.

The Rio Nuevo Multipurpose Facilities District (Rio Nuevo or District) was formed in July 1999 through an Intergovernmental Agreement (IGA) by and among the Cities of Tucson and South Tucson and the Town of Sahuarita. The entities organized the District pursuant to an Intergovernmental Agreement (IGA) through Resolution No. 18347 adopted by the Mayor and Council of the City of Tucson on July 19, 1999; Resolution No. 9917 adopted by the Mayor and Council of South Tucson on July 19, 1999; and Resolution No. 1999-001 adopted by the Rio Nuevo Board of Directors. The City of Tucson Mayor and Council also passed Resolution No. 18348 on July 19, 1999, approving Rio Nuevo’s request for Tucson to place Proposition 400 on the November 2, 1999, ballot for voter approval to form the Rio Nuevo District.

Proposition 400 was passed by the voters in the cities of Tucson and South Tucson, thereby fulfilling the applicable Arizona statutes for creation of the Multipurpose Facilities District (MFD), which provides the boundaries for a Tax Increment Financing (TIF) district. As a result, Rio Nuevo was created as a tax-levying public improvement district and a political taxing subdivision of the State of Arizona with all the powers, privileges, and immunities granted generally to municipal corporations (ARS 48-4202(I)). As a special district, Rio Nuevo is classified as a General Purpose Unit of Local Government as defined in 2 CFR 200.1 and, therefore, meets the Brownfields Community-Wide Assessment Grant application eligibility requirements.

On February 9, 2000, Rio Nuevo approved an IGA with the City of Tucson that outlined the various responsibilities and obligations of the District and the City as it relates to the initiation of projects within the District site boundaries. City of Tucson Mayor and Council adopted and approved Resolution No. 18523 on March 20, 2000, authorizing the execution of the IGA between Rio Nuevo and the City of Tucson.

The following documents are attached to this Threshold Criteria:

1. Arizona Revised Statues, Title 48, Chapter 26, Section 4202 (Attachment A)
2. Intergovernmental Agreement between the Rio Nuevo Multipurpose Facilities District and the City of Tucson, dated February 1, 2000 (Attachment B)

2. **Community Involvement**

Rio Nuevo will develop a Community Involvement Plan (CIP) to promote community input, meaningful participation, and decision-making. The CIP will be used to inform the public, solicit feedback, and incorporate input by posting and updating information on Rio Nuevo’s website and through press releases. Community input will be heard during open monthly meetings (either in-

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1 The Town of Sahuarita subsequently elected not to participate in the District.
2 The City of South Tucson did not have controlling authority; therefore, due to the nature of the IGA, City of South Tucson approval was not required.
person or via teleconference) or by email; responses will be provided in monthly meeting notes and website postings. Rio Nuevo successfully used these methods during the COVID-19 pandemic. Information will be provided in English and Spanish.

Neighborhoods are integral to Tucson’s sense of place and neighborhood associations are most often the best avenue to elicit project feedback and encourage community participation. Rio Nuevo routinely engages the District’s 18 neighborhood groups to ensure residents are heard and their opinions are incorporated into decision-making. Two examples illustrating our community collaboration are:

- Rio Nuevo worked collaboratively with residents, community members, and stakeholders to shape a vision for economic vitality, historical preservation, and retention of community values for the Sunshine Mile Overlay Zone. Rio Nuevo lead a Placemaking Workshop and four community meetings allowing for input into draft and final versions of the Overlay Plan.
- Rio Nuevo is working with stakeholders (El Presidio neighborhood association, businesses, Project for Public Spaces, and Tucson and Pima County) to reactivate the historical El Presidio Museum to preserve and interpret Tucson’s natural environment and history.

3. **Named Contractors and Subrecipients**

   Not Applicable – Rio Nuevo has not named a contractor or subrecipient in this application.

4. **Expenditure of Existing Grant Funds**

   Rio Nuevo affirms it does not have an open EPA Brownfields Assessment Grant or Multipurpose Grant.