

June 16, 2025

Pima County Board of Supervisors
33 N. Stone Ave.
11th Floor
Tucson, AZ
85701

RE: Tucson REALTORS® Support Project Blue

Chair Scott and Members of the Pima County Board of Supervisors,

As the Chief Executive Officer of the Tucson Association of REALTORS® (TAR), the largest trade association in Southern Arizona, representing the interests of over 6,500 real estate professionals, I have witnessed firsthand how important well-paying jobs are to making the dream of sustainable homeownership a reality. *Project Blue* represents an unprecedented community investment opportunity that will benefit our entire region and addresses the unique aspects of its placement in the Sonoran Desert.

Project Blue exemplifies the kind of forward-thinking development that aligns with Pima County's economic, environmental, and infrastructure priorities. Its thoughtful planning, commitment to sustainability, and long-term economic value make it a model public-private partnership for smart growth in Southern Arizona. Key benefits include:

- **Transformational Economic Impact:** With a \$3.6 billion capital investment, \$250 million in tax revenues over 10 years (including \$60 million for Pima County), 3,000 construction jobs, and 180 permanent high-paying jobs, the project delivers meaningful economic returns.
- **Responsible Environmental Stewardship:** Project Blue aligns with the One Water 2100 plan, pledging 100% renewable water use, full replenishment of consumptive losses, drought-tolerant landscaping, and strategic siting away from residential areas.
- **Infrastructure that Enables Sustainable Growth:** The development funds major energy grid upgrades and an 18-mile expansion of Tucson Water's reclaimed water system, enabling sustainable growth and conversion of existing potable water customers to reclaimed water.
- **Strategic Investment in the Future:** By supporting digital infrastructure needs across key industries, from aerospace to education, Project Blue diversifies and strengthens the regional economy for long-term resilience.

Opportunity to Fund Affordable Housing - In recognition of the significant long-term tax revenues Project Blue is projected to generate; approximately \$152 million over ten years for Pima County and other taxing jurisdictions, we respectfully recommend the County direct a portion of these new revenues to support its recently approved long-range affordable housing

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initiative. Specifically, we propose the following funding provisions be incorporated into the fiscal strategy tied to *Project Blue*:

1. **Earmark a Defined Percentage:** Allocate \$20m annually in county tax revenues derived from *Project Blue* to the Affordable Housing initiative established under the Board's recent directive.
2. **Sunset Linked to Housing Goals:** Continue this revenue earmark until the Board's adopted affordable housing targets are met, at which point, the funding mechanism would sunset, ensuring fiscal responsibility and goal-orientation.
3. **Transparency & Accountability:** Include periodic reporting requirements within the County budget or related compliance documents to track revenue generation and funds allocated to affordable housing.

By utilizing *Project Blue's* growth in county revenues, rather than raising existing property taxes, Pima County can responsibly align economic development with its priority of expanding affordable housing. We believe this approach will both strengthen regional resilience and demonstrate strong public stewardship.

I respectfully urge you to support *Project Blue* and help bring this transformative opportunity to Pima County.

Thank you for your time and consideration of TAR's support for this pivotal project.

Sincerely,



Romeo Arrieta

Chief Executive Officer

Tucson Association of REALTORS®

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