

# I-11 and Intermountain West Corridor Study

## Economic Development Focus Group

January 22, 2013

1:30 – 3:30 p.m. PST, 2:30 – 4:30 p.m. MST

The Arizona and Nevada departments of transportation are working together on the two-year Interstate 11 (I-11) and Intermountain West Corridor Study (Corridor) that includes detailed corridor planning of a possible high priority Interstate link between Phoenix and Las Vegas (the I-11 portion), and high-level visioning for potentially extending the Corridor north to Canada and south to Mexico. Congress recognized the importance of the portion of the Corridor between Phoenix and Las Vegas and designated it as future I-11 in the recent transportation authorization bill, Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21).

As part of the study, interested public agencies, non-profit organizations and private interests groups are invited to participate in a Stakeholder Partners group that will be asked to provide data and other input, and to share their opinions and ideas on decision points throughout the process. As part of this effort, Stakeholder Partners could participate in a series of topical focus groups. On January 22, 2013, the Economic Development Focus Group was held. Meetings were conducted simultaneously in three locations: Las Vegas, Nevada; Reno Nevada; and Surprise, Arizona. Additionally, individuals could call-in and log-on to participate in a live webinar. A total of 67 participants signed in. The following report summarizes the results of this focus group.

The comments presented in this report represent input from Stakeholder Partners that participated and will be reviewed and considered by the study team.



Photo 1: Surprise, Arizona, participants chat after the conclusion of the focus group

The purpose of these focus groups was to provide an opportunity to validate and add to the information that has already been gathered by the study team in order to complete the first half of the study and development of the Corridor Justification Report. Participants were provided access to copies of the PowerPoint presentation prior to the focus group meeting.

The meeting was initiated by a detailed PowerPoint presentation viewed at all locations and online. Project co-manager Sondra Rosenberg from the Nevada Department of Transportation (NDOT) provided a brief review of the project, vision concepts and work plan and schedule. Dr. Robert Lang provided an overview of Megapolitan research, including information on emerging Southwest Triangle as it relates to the I-11 Corridor. Project co-manager Michael Kies from the Arizona Department of Transportation (ADOT) highlighted trends in global trade that impact the Corridor, including the latest data emerging from the Maricopa Association of Government's Freight Framework study. Peggy Fiandaca, project team member, highlighted some of the feedback already received relative to economic development opportunities and introduced the focus group discussion questions.

At the completion of the PowerPoint presentation, breakout session discussions were facilitated. Facilitators asked participants at each location to provide feedback on the following:

- What are some of the market trends you are observing that surprise and interest you?
- What are the top opportunities and constraints for fostering trade within the Corridor?
- When thinking about your state, regional or local economic development and tourism efforts, how would I-11 help you meet your goals?
- What markets might we be able to enhance or foster as a result of an I-11 Corridor?
- Is there anything else that we should consider in this Corridor planning effort, and are there key groups/individuals missing from this dialogue?

The following identifies some of key points derived from the focus group discussion; full reports summarizing the discussion in each location are included in this report.

- Nearshoring to Mexico is intriguing and starting to grow. A true north-south route through our states is critical. Without the connectivity we don't have the ability to locate businesses that transport to Mexico and risk losing them to California, New Mexico or Texas.
- Making linkages from Mexico to Canada will put the region into a much better competitive position.
- The role of entrepreneurship in Arizona and Nevada could influence a future I-11 Corridor.
- The potential of manufacturing and assembly moving from China to Mexico, spurring economic activities within and adjacent to the Corridor is exciting, and the study should validate this assertion.
- Inland ports, a consolidated infrastructure corridor, Interstate accessibility for smaller communities, improved access between Phoenix and Las Vegas metropolitan areas (and beyond) and multimodal design were some of the most frequently cited opportunities; terrain and political will were often-cited constraints.
- Tourism in the large cities along the corridor would benefit greatly from improved access. Representatives from some rural areas were split—some believe a future I-11 would provide tourists access to their attractions, while others feared they would be bypassed.
- An Intermountain West corridor would have significant benefits for rural communities—linking them to the economic anchors that are major cities; increasing the labor pool; providing the labor pool access to jobs; and minimizing the need for costly and dispersed temporary housing (thus promoting sustainable development at pods along the Corridor).
- Unique financing alternatives (including public/private partnerships, land assets, multiple jurisdiction bonding, etc.) for the Corridor, using other successful case studies as inspiration, was emphasized.
- I-11 completes the "golden triangle" (Las Vegas – Phoenix/Tucson – Southern California) and provides opportunities for each megapolitan to service the others within the triangle,



strengthening the global attractiveness and competitiveness of all the communities within the triangle.



## Las Vegas, Nevada Meeting Summary Report

RTC Southern Nevada  
Room 108  
600 S. Grand Central Pkwy.  
Las Vegas, NV

### Meeting Feedback

Following a brief PowerPoint presentation, Dan Andersen facilitated participants in a dialogue regarding economic development opportunities related to the I-11 Corridor. The following feedback was provided by participants as part of that discussion.

#### **What are some of the market trends you are observing that surprise and interest you?**

- There are opportunities for growth in solar industries in Arizona and Nevada, but we need additional transmission lines.
- Mining is booming and requires infrastructure to support it. In lieu of building housing near mines that eventually will close and creating future ghost towns, adequate infrastructure, especially transit, could be used to transport labor from existing communities to the mines.
- Nearshoring, on-shoring and micro-manufacturing are big trends that will affect the state's economic development plans and could change infrastructure needs. Greater regulations in California, our proximity to California, lower shipping costs (out of Las Vegas), and others create opportunities for manufacturing. We have an opportunity to support the California market.
- Manufacturing for export in China is starting to decline.
- Smaller, more nimble manufacturing closer to markets is beginning to emerge.
- Aging population means changes in travel preferences. Older age groups have disposable time and income, but prefer to travel on safer roads and not at night. Improvements in travel options could enhance tourism.
- Europe continues to look at the U.S. as a sound place to invest.

#### **What are the top opportunities and constraints for fostering trade within the Corridor?**

- We need to keep focused on the entire Corridor from Mexico to Canada, not just the segment from Phoenix to Las Vegas. When taken in its entirety, the Corridor can be a game changer for the region.
- The "golden triangle" (Las Vegas – Phoenix/Tucson – Southern California) provides opportunities, both to service the other megapolitans within the triangle, and by strengthening the global attractiveness and competitiveness of the triangle. We need to enhance those synergies to build commerce locally and regionally.
- Are there other north-south corridors in the Southwest? Yes, I-5 is, but it is over-capacity. I-11 could serve as a reliever to I-5.
- All modes of travel should be considered.
- Public safety requires infrastructure in rural areas—troopers have to use satellite phones in much of the state.
- Connect Nevada to nearshoring in Mexico.



- We need to partner with community colleges to train the workforce for emerging markets, especially as the Mexican labor pool is drawn back to Mexico with the expanding nearshoring opportunities. The Governor's plan includes close coordination with community colleges.
- It is hard to get labor to rural areas. We need to reposition labor. Need to provide better mass transit connections to get them from where they live to where the work is.
- A recent inland ports study in Nevada showed that they are not feasible here. [The state will send a copy of the report to the study team.]
- An inland port might be feasible in conjunction with the Ivanpah Valley Airport, when developed.
- Other constraints include permitting, land ownership, financing/funding and awareness.
- FedEx is developing a hub in Las Vegas. Similar opportunity could be available for other carriers.

**When thinking about your state, regional or local economic development and tourism efforts, how would I-11 help you meet your goals?**

- The Nevada State Plan for Economic Development includes the following objectives and key industries (<http://www.diversifynevada.com/>):
  - Establish a cohesive economic development operating system
  - Advance targeted sectors and opportunities in the regions
  - Expand global engagement
  - Catalyze innovation in core and emerging industries
    - Aerospace & Defense
    - Agriculture
    - IT
    - Energy
    - Healthcare
    - Logistics & Operations
    - Manufacturing
    - Mining
    - Tourism & Gaming
  - Increase opportunity through education and workforce development
- Rural communities rely on infrastructure, including communications. An I-11 Corridor would bring economic development, access to markets and connectivity within the state.
- A five-county coalition was formed to work together on solar projects—they need infrastructure to support their efforts. [Nye County was selected to receive a brownfields assessment coalition grant from the EAP. The county's coalition partners are Esmeralda, Lincoln, and White Pine Counties in Nevada, and Inyo County in California. Located in southern Nevada and on the California-Nevada border, the five counties (combined population 75,817) have been dependent on the mining industry for most of their histories. Mine-scarred lands in the counties offer key opportunities for redevelopment for sources of renewable energy because they offer large amounts of space near necessary infrastructure, such as transmission lines. ([http://cfpub.epa.gov/bf\\_factsheets/gfs/index.cfm?xpg\\_id=7614&display\\_type=HTML](http://cfpub.epa.gov/bf_factsheets/gfs/index.cfm?xpg_id=7614&display_type=HTML))]
- This supports the objectives of the Governor of Nevada for improving ties and economic links with Mexico.



**What markets might we be able to enhance or foster as a result of an I-11 Corridor?**

- Tourism. I've driven from Las Vegas to Los Angeles and Salt Lake City countless times, but rarely to Phoenix. I'm not sure if the Interstate connection, or lack thereof, contributes to my driving destinations.
- Micro-manufacturing
- Solar
- Food
- Consumables
- Housing (in sustainable clusters)
- Transportation logistics; freight distribution centers (rail, air, truck)
- Technology (data centers)
- Reprocessing (such as old lithium batteries—using mining capabilities)
- Waste
- Pre-cast concrete—needed initially to construct the Corridor, could then continue to support other industries.



## Reno, Nevada Meeting Summary Report

CH2M HILL  
50 W. Liberty St.  
Suite 205  
Reno, NV

### Meeting Feedback

Following a brief PowerPoint presentation, Derek Morse facilitated participants in a dialogue regarding economic development opportunities related to the I-11 Corridor. The following feedback was provided by participants as part of that discussion.

#### What are some of the market trends you are observing that surprise and interest you?

- From manufacturing perspective, many companies looking to onshore/nearshore due to labor rates, lack of control of labor force and intellectual property protections.
- Port of Vancouver now being used more due to southern California port costs and traffic congestion; can often move freight faster to the Midwest through the Port of Vancouver then ship via truck or rail to Chicago rather than go through California ports.
- There are 50 million people within a 500 mile radius of Reno, Nevada.
- Northern Nevada would be better off if we had better/more direct access from the Portland/Seattle markets with connections to I-80.
- 3-D printing could move manufacturing and assembly closer to home and change the current paradigm from “just in time delivery” to true “just in time manufacturing”. Transportation for distribution will still be just as, if not more, important.
- Over the long run, demographic shifts will continue despite economic downturn – what might change these demographics? Would I-11?
- There is continuing interest with manufacturers considering a move to northern Nevada.
- Food manufacturers tend to like the northern Nevada region due to low humidity (fewer insects, molds, etc.).
- Technology component companies moving to northern Nevada due to proximity to technology hubs and quality of life/lower cost of living.
- Entrepreneurs see northern Nevada as a good start-up location due to financial advantages and legislative enticements.
- Foreign trade zone framework and I-11 conduit to Mexican manufacturing centers could boost the regions viability.
- Will the West Coast be bypassed with expansion of East Coast ports and the Panama Canal expansion?

#### What are the top opportunities and constraints for fostering trade within the Corridor?

- Inland ports constraints: railroads can pass through Reno/Sparks, but there are no major freight handling facilities.
- An absence of north-south rail lines.
- E-commerce speed of delivery requirements could be served by I-11 Corridor.
- Mexican manufacturing infrastructure is focused in the eastern part of the country and this is where the most developed transportation infrastructure exists. Would this change with the construction of I-11 and an extension of the corridor into western Mexico?





- Need to open more land to development for major manufacturing and distribution hubs.
- Fiber and other utility corridors could be enhanced.
- Many utilities are looking at similar corridors.
- Possible energy corridor has been identified in eastern Nevada along U.S. 93.
- Lack of land for commercial development.
- How does water factor in?

**When thinking about your state, regional, or local economic development and tourism efforts, how would I-11 help you meet your goals?**

- Can the Corridor potentially help bring down power costs through facilitating transmission line access to renewable energy generation centers?
- I-11 would enhance attractiveness of the state to manufacturing and logistics, clean energy and high tech industries.
- What about allowing better access from national security standpoint (e.g. disasters, defense)?
- It would provide needed services that would create economic opportunities for rural areas.
- Opens better channels and a more reliable corridor for manufacturing and logistics companies.
- It would provide a more direct supply chain options.
- It could enhance travel time reliability.
- It could improve tourism access.

**What markets might we be able to enhance or foster as a result of an I-11 Corridor?**

- Manufacturing and logistics.
- What are the higher education impacts?
- Mining; enhanced product movement; better supply movements; corridor spurs along the route for enhanced access.
- In terms of gaming, will the Corridor help us or hurt us?

**Is there anything else that we should consider in this Corridor planning effort, and are there key groups/individuals missing from this dialogue?**

- Need more political decision makers involved, particularly in northern Nevada
- Reno-Sparks Convention & Visitors Authority
- RTC Washoe
- Influential groups/individuals
- Northern Nevada logistics/manufacturing/industry experts
- (Nevada) Governor's Office of Economic Development
- UNR/Truckee Meadows Community College
- Nevada Resort Association
- Medical centers
- Reno-Tahoe Airport Authority
- Manufacturers
- Nancy Fennel (with the China trade group?)
- Agricultural interests
- Food manufacturers
- Desert Research Institute
- Nevada Trucking Association
- How do we at least get private sector informed enough to gain support?





- Consider presentation to Economic Development Authority of Western Nevada board of directors



## Surprise, Arizona Meeting Summary Report

Communiversity  
Room 1004  
15950 N. Civic Center Plaza  
Surprise, AZ

### Meeting Feedback

Following a brief PowerPoint presentation, Judie Scalise facilitated participants in a dialogue regarding economic development opportunities related to the I-11 Corridor. The following feedback was provided by participants as part of that discussion.

#### **What are some of the market trends you are observing that surprise and interest you?**

- Nearshoring to Mexico is intriguing and concerning. It is starting to grow. Without the connectivity we don't have the ability to locate businesses that transport to Sonora. These businesses will probably go to the California and Texas sides of the Mexico border. We need to figure out a way to get nearshoring done and do it. Arizona is a consumptive state. The lack of a true north-south and east-west route out of the state is critical. Encouraged that this process is moving forward because it will bring Arizona into a more competitive position. Making linkages from Mexico to Canada will put the region into a much better competitive position.

#### **What are the top opportunities for fostering trade within the Corridor?**

- Phoenix to Salt Lake City; more people will come from the northwest in the winter time. This linkage will facilitate more movement of goods, services, and people.
- Reduced travel time creates opportunity.
- Better opportunities to locate more head offices. The triangle concept presented is good. The East Coast is where corporate headquarters locate because it has good multimodal transportation connectivity.
- Multimodal of all types; a high speed corridor. I could see passenger rail down the center of the highway.
- Moving people and goods including rail, freight, etc. When you look at the Northeast, Amtrak is heavily used but losing a lot of money. It will be important to convince everyone that there is a non-economic argument for the Interstate connection.
- Historically, it was imagined that Wickenburg would be merged into the Phoenix metropolitan area. But most of the current development is going north instead. From an opportunity perspective, a concern Wickenburg is seeing is a dangerous reversion back into bad habits (i.e., focus on housing, retirement communities and tourism). It is important to focus on economic development opportunities based on future trends, not past trends. Most of us are not going to aspire to living in a retirement community. We are still designing infrastructure for a generation that will not be here in the future.
- High speed rail is important; incorporate utilities into the same corridor with easements so we don't have to repeat the routes. Currently Maricopa County is developing the Vulture Mountain Recreational Area in partnership with the BLM; Maricopa County will be developing camp sites, trailheads, etc. Until we know where the final alignment for I-11 will be we don't have a way to assess its impact on the county.



- It's a transit-oriented development opportunity; I-11 should provide a new development pattern for Arizona and Nevada. I-11 could spark economic opportunity. However, the new development pattern should be concentrate populations instead of creating a linear pattern of traditional development along the Interstate.

**What are the top constraints for fostering trade within the Corridor?**

- Terrain.
- Population demographics. The people who have already retired and live in the region are very nervous about taking on debt for projects that are future oriented. Arizona has a lot of "those people." They don't see these projects as important future investments. However, on the positive side, they won't be around forever.
- Politics – being able to sell I-11 to the public and politicians. If sold properly, people would see it as an investment for the entire region. Leaders need to take action.
- International border crossing is a constraint (e.g. lack of border crossings and the wait).
- Decentralized population centers.
- Funding sources. There is a need for public/private partnerships and other creative financing options such as tolls and adjacent development paying for infrastructure.

**Do you have any thoughts regarding funding or financing I-11?**

- El Dorado Holdings was approached by MAG to see if I-11 could go through their properties. They have conceptually agreed to donate the right of way and that would provide connections for most of the area from I-10 to Wickenburg. The state can use that commitment for matching funds. The rest of the funding probably will be federal funding; current projections estimate an additional \$1B of funding is needed.
- This is a large future investment that needs public understanding and support.
- Focus on the fact that it is an investment for the future.

**When thinking about your state, regional or local economic development and tourism efforts, how would I-11 help you meet your goals?**

- Increased dollars into the state because of tourism, business relocations, new start up business and manufacturing.
- Nearshoring into Mexico because of the connection.
- Ability to ship products all over the U.S., Canada and even back into Mexico.
- By examining other locations (best practices), an understanding of the potential impacts of I-11 might be gained.
- How much can be financed through tolling? It is important to see what other financing options are available. The donation of right of way is huge; capitalize on the public/private partnership.
- Explore the financing of downtown Denver's Union Station. They wanted to expand the train depot to be the central station and they used a creative way to finance that expansion and depot development. In the rail yards, surface rights will be sold in the area where the rail is going underground. Owning and controlling parts of land was an asset. Consider using the state's land holdings as a repayment asset.
- Mary Peters (of Mary Peters Consulting) says for every billion dollar that goes into infrastructure investment, 30,000 permanent jobs (not just construction) are created. It would be good to validate this number by examining case studies that documented how beneficial a project like this might be.



- From a regional viewpoint, a bi-directional connection could be the platform to diversify the economy. I-11 could be the impetus for new economic development and stimulate new manufacturing in Arizona.
- Youngtown's foundations for economic development include education and infrastructure. I-11 would help to develop a sustainable economy. Arizona does not need to focus on increased tourism. Arizona needs to take advantage of the people who come to visit and encourage them to move their businesses here. Economic development and tourism go hand-and-hand. Once a tourist is here to see the beauty in this state, they need to understand the economic opportunities that abound so they locate business ventures. All of that would be greatly helped by completing I-11.
- When bonding, is there an example of a tri-state bond effort for a project such as this (i.e. Los Angeles, Nevada and Arizona passing a bond for this project)?
- Wickenburg is surrounded by a lot of state land. That limits us as a community. Wickenburg has grown as far in some areas as it can. Additional infrastructure to any of those areas would allow the town to develop more or it could be the impetus for state lands to develop. If state lands develop, it would provide a huge opportunity for the Wickenburg area.
- Wickenburg has an existing industrial park but it lacks infrastructure. That is why multimodal is so critical. We lack telecommunications infrastructure. It would be great if I-11 could be the impetus that brings telecom to the area.
- Surprise is interested in developing industrial land uses in the southeast portion of the city, but it lacks connections. If it was better connected the city would be able to bring manufacturing to the area. Regional connectivity would be huge for our community and allow these areas to develop. Better connections on the west side and better east-west connections are important. Being able to move materials in/out is critical.
- This Corridor could be the corridor for harvesting and distribution of solar energy.
- Could tax increment financing apply here? It would allow you to reap the benefit of the increased value of the land.
- Solar doesn't create very many permanent jobs. But if it is combined with manufacturing and research and development, some quality jobs are created.

**How can you envision this Corridor as a "green corridor"? Are there some big picture ideas to help sell it to the public? Is there a social agenda that might be sellable to the public?**

- Sometimes you just need a road. But this highway can help incubate and be a catalyst for other innovation and jobs.

**We do have a road from Phoenix to Las Vegas; a couple million dollars more of investment we will have a four-lane, divided road. What benefit does an Interstate bring?**

- Speed between the two major cities.
- Safety would be improved. An accessed-controlled road would be important for economic development.
- There are psychological problems with the current drive. There are two types of traffic using the road; tourists/leisure drivers get aggravated sitting behind a slow moving truck. An Interstate would separate these types of traffic.

**What markets might we be able to enhance or foster as a result of an I-11 Corridor?**

- The ability to move more goods to Salt Lake City and Reno faster.
- It would make a difference in bi-state communication forming a more natural inter-state commerce connection.



- If more people drive instead of fly, what would be the impact on the airlines? Airlines would love to get into the longer-haul markets because that is where you make money. But they see a market and have to serve it.
- Ability to serve other markets such as Canada. In Arizona, Canada is not the number one trade partner, but nationally, Canada is the number one trading partner. If better access to Canada is provided, Arizona would have greater investment from Canada and people/businesses would be more inclined to travel between these destinations.
- Wickenburg, Arizona is the southern terminus while Jasper, Alberta is the northern terminus of U.S. 93.
- I-11 opens up the whole intermountain west. An Interstate paralleling I-5 would provide the region better access to shippers, creating an opportunity for improved reliability of transporting goods to Arizona. I-11 would open up opportunities Arizona does not have today.
- The Los Angeles connection opens the region to Asia which would be a huge opportunity. If Arizona products can get shipped quicker, businesses can export their products to a larger international market.
- The triangle concept needs to be strengthened; Arizona's success lies in completing that triangle. The Phoenix to Los Angeles connection is not too bad. Los Angeles to Las Vegas is OK. It is the Phoenix to Las Vegas connection that is critical.
- Partnerships between businesses in the triangle would be solidified with an I-11 connection.

**Is there anything else that we should consider in this Corridor planning effort, and are there key groups/individuals missing from this dialogue?**

- Universities; Robert Lang's work is important and he is pulling together a collaboration between USC, UNLV and ASU to work on the triangle concept.
- California for all its lifestyle is continuing to lose businesses because of the high costs of doing business and policy implications. I-11 could be another inducement for where these businesses are going to relocate (i.e. a positive incentive to choose the I-11 Corridor).
- The current locations of choice are Utah and Texas. Arizona and Nevada can get executives to play golf but why can't we get them to set up manufacturing?
- A marketing plan is not going to do it for us. Until we start focusing on infrastructure and getting our politics in order, the region will not be successful. We need to build the foundations for economic development and then market ourselves.

**Who should be at the table?**

- Major employers
- Aerospace industry
- Supply chain logistics
- Work with the individual local governments/economic development professionals.
- Arizona Trade and Transportation Alliance – Mike Kies will be working closely with the freight subcommittee.
- Association of General Contractors
- Arizona Manufacturers Association
- Other applicable trade associations
- Military; Arizona and Nevada have a lot of Air Force bases that are not connected by an Interstate. National security connectivity should also be considered.



## Webinar Meeting Summary Report

Meeting conducted via Live Meeting and teleconference

### Meeting Feedback

Following a brief PowerPoint presentation, Audra Koester Thomas solicited feedback online and via teleconference regarding opportunities related to the I-11 Corridor. The following feedback was provided by participants as part of that discussion.

#### Initial Thoughts and Clarifying Questions

Kingman has a number of opportunities being the crossroads with I-40 and the future I-11 Corridor. We're very interested in interchanges that will take place and I just need some feedback on how to go about inputting our interest for economic development in those areas so we can take advantage the opportunities to provide terminals and hospitality-type industries and manufacturing in this area. *Please take the opportunity today to provide relevant feedback; we will continue to seek more specific feedback as we continue in the study.*

Would it be possible to get a copy of the PowerPoint slides? *As part of your confirmation packet, a link and password were provided where you can obtain today's PowerPoint presentation as well as materials from other focus groups.*

How do you foresee engaging your larger database of project contacts? *Stakeholders identified as part of our process were invited to participate in activities including these focus groups and will continue to be invited to participate in future meetings and activities.*

#### What are some of the market trends you are observing that surprise and interest you?

- Entrepreneurialism: Arizona Ranks #1 in U.S. per 100,000 people; construction labor force issues (shortages when economy returns); economic development competition is global.
- It was interesting to hear about the economic shift from Asian manufacturing to Mexican. If this is a significant trend - and is realized - it should provide good impetus for a corridor like I-11. I represent a company from Australia considering establishing manufacturing facilities in Flagstaff, which I believe will be served by the new Corridor.
- Expansion of aviation job shops supporting defense.
- Would like more information about smart signs and how it could impact economic development in areas where the Corridor will run.
- The city of Kingman is seeing an increased interest by trucking companies and manufacturers in locating to the Kingman area because of the transportation network (specifically with the potential of the I-11 Corridor in conjunction with I-40 and BNSF railway lines). We are interested in the high-speed rail possibilities through Kingman.
- I was surprised to see that Mexico's cost for producing a product is less than China's.
- The I-11 Corridor is an opportunity to diversify a market that currently exists between Kingman and Los Angeles. Las Vegas has always been a tourist/service business extension, but with the bridge at the Hoover Dam and improvements along 93, there are new trans-loading opportunities from BNSF to be trucked to Vegas.
- Increase in clean energy manufacturing.



- The transfer of business interests and manufacturing moving from China to Mexico is profound. Arizona is well positioned for digital and robotic manufacturing if we choose to capitalize on it. But the political climate will have to change such that we see partnerships to the south as a positive outcome, not something to be avoided.
- Public/private partnerships; conversations about tolling; multimodal; transportation as a form of economic development.
- Inland ports where goods are transported inland from coastal areas where they can be offloaded, repackaged and/or assembled in less expensive areas; regional tourism being a bigger economic driver than in past; federal participation (funding support) for large regional planning projects; Agenda 21 and the opposition to regional planning.
- Nearshoring and re-shoring opportunities from Asia. Curious to see what diversion impacts the Panama Canal expansion may or may not have on trade flows through West Coast ports.
- Of interest would be as the Las Vegas/Phoenix area continues to grow, business interests being located in the periphery of this area that serve the megalopolis'.
- Several of us are surprised that there's the possibility of manufacturing and assembling moving from China to Mexico and then possibly being transferred for additional work into Arizona for distribution. The more information you can give us to defend that claim, the better prepared we'll be to communicate that to others and how it's a value of this north-south Corridor; spend as much time as you can to verify the reality of that claim and the potential financial impact.

#### **What are the top opportunities and constraints for fostering trade within the Corridor?**

- Connectivity constraints exist. A regional opportunity would be to leverage political capital.
- Bolstering our export capacity among SME's is important, since a small percentage is engaged in international trade.
- We have some strong core competencies in A&D, renewable, etc. Enhancing our supplier base would be a strong opportunity as well.
- An opportunity would be to capture more products and goods along the Corridor and into northern Nevada. And to do it more cost effectively and faster.
- Providing feeder connectors into the Corridor for areas not located on the Corridor would be an opportunity.
- Working with counties and development authorities for the proper placement of the Corridor and off ramps to best service the distribution of products and goods to more areas along the Corridor, in addition to the movement of energy and communication.
- I don't see how this Corridor will help promote tourism to the Flagstaff area nor help economic development in northern Arizona. I understand the value of this plan for Phoenix, Kingman and Las Vegas, but don't get how diverting travel between Phoenix and Flagstaff is going to boost northern Arizona's economy.
- The opportunities are endless based upon the funding for the infrastructure. The constraints are physical with terrain and the need for upgraded infrastructure based upon market trends or political priorities.
- A top opportunity will be to continue in a coordinated way throughout the region to ensure there are not competing/conflicting goals. A challenge will be the lack of a high-level, inter-state economic development plan to help guide the vision.
- The first has to be political will and incentives. Second would be perception about safety and viability to the south, but this may be more perception than reality. Third would be resources to construct the Corridor. Fourth, do we have the entrepreneurs ready to seize on the opportunity? Fifth, the semi-high tech workforce for new manufacturing.





- Opportunities: access to goods and raw/natural resources made more accessible. Constraints: price of gas, heat island effect caused by roads and its environmental impact on natural/historic trails.
- Opportunities: the tremendously improved access to two metropolitan areas; manufacturing and hospitality opportunities. Constraints: fear amongst area citizenry regarding immigration and drug trafficking as a result of developing the Corridor.
- Opportunities: creating a western regional corridor; creating a transcontinental corridor. Constraints: lack of transportation connectivity; lack of multimodal options.
- The imbalance in trade movement, specifically our position as a consumption market verses a producer. Building our manufacturing base, and diversifying it, is critical strategy going forward.
- With regard to the infrastructure and how to pay for it: there is tremendous opportunity, especially as the federal government grapples with how to pay it for infrastructure in the future. I think this Corridor provides a perfect test ground for how we do that not only within the region but nationally, and I think it's a great opportunity to step up and help set the tone and contribute to that debate.
- Related to Flagstaff, from our perspective, we're very interested in finding out what the ultimate alignment of the I-11 would be. We've heard discussions that it may stop just in the Phoenix area and won't continue down south of that. Depending on the ultimate line or the ultimate Corridor (or extensions of the Corridor), it may have a big impact on us. *We are early in the study process; an alignment has not yet been identified.*
- One of my concerns is that as we look at the southwest corridor, Cayman really is tied into Los Angeles through I-40 for our primary market. Phoenix or Tucson is our secondary market with Las Vegas being our tertiary market. We discussed a little bit about Mexico being an opportunity with more manufacturing coming through, but the end product, we haven't discussed how it's going to go north into the Pacific Northwest and Canada. In terms of how we develop opportunities, we're going to have to look at that leg of the route as well.

**When thinking about your state, regional or local economic development and tourism efforts, how would I-11 help you meet your goals?**

- Arizona Construction Association feels that an effort like this aligns with our mission as an organization will lead to a positive construction industry climate.
- Laughlin, Nevada's main industry is that of tourism and gaming. Arizona and California are the dominant tourist markets. I-11 will help Arizonans come to Laughlin more safely and conveniently. State Route 68 between Kingman and Laughlin/Bullhead City has already been expanded to four lanes.
- I-11 expands the goals to make transportation easier. For Kingman (with manufacturing) it really doesn't change the goal to service southern California markets, but it should allow better access to northern California and the Pacific Northwest.
- The Phoenix region must diversify its economy for the future. Being a hub for the movement of goods is a start but only that. A vibrant north-south corridor could be a spark for new businesses, research-based activities, expanded healthcare facilities, etc.
- Transportation of goods and services; movement of energy to places that need it; excited about the opportunity to build the highway of the future; transportation is key for Nevada - we need more routes from north to south.
- This would link us up to more consumers, visitors and provider's if it will not be right next to us in Fernley, Nevada. Proximity is success even if its epicenter is further out. Making transportation more feasible furthers flow of people, services and products. We all gain from the ripple effect. I would like to see this study cut across to Canada.



- Without a specific focus on local tourism/economic development, a completed I-11 Corridor will decimate small local communities (i.e.: Route 66 and the communities that were adversely affected). The Corridor will be a boon for large metro/suburban areas, but local tourism/economic development will suffer without early planning to address connectivity.
- Any transportation initiatives that make it easier, safer and faster to move people, goods and services into southern Nevada will benefit various cities, primarily Las Vegas. Tourism is the city's lifeblood and there are certainly opportunities to diversify Las Vegas' drive-in tourism market by increasing the number of Arizonans that visit.
- The connectivity effect (Mexico/U.S./Canada) for my region will be determined by final Corridor placement in Nevada. If the route is western Nevada, the impact will likely be negligible/negative. If located in the eastern part of the state, the impact would be significant with regard to international connectivity, north through Idaho to Canada.
- It is difficult to be specific, but the expectation is that it will provide us more effective and efficient access to markets within the Rocky Mountain West and the West Coast Trade Shed which extends to Canada and down through Mexico. This connection would add another important north-south alignment for the movement of goods, services and people.
- Because of where Williams is located, there is a concern for us (as there would be with Flagstaff) that cars coming from the Las Vegas area wouldn't bother coming further east; they just pop on I-11 and go down to Phoenix. As a small destination, we rely on a lot of that traffic on I-40 to stop in our little town. Do we have an idea of how many fewer vehicles would be travelling on I-40 because they'd be picking up I-11 to go south to Phoenix or even vice-versa (cars coming up from Phoenix but not bothering to come up through Flagstaff and west that way)? *We are in the process of compiling some of that information, but because we do not yet have an alignment for I-11, it will be difficult to forecast that data. We'll have that information later in our study.*
- There is potentially a negative effect that the Corridor could have on smaller communities, particularly along I-40 and Route 66. Some hard planning and research needs to go on to identify the potential negative effects as it relates to those small communities, as well as identifying ways to mitigate those effects.

#### **What markets might we be able to enhance or foster as a result of an I-11 Corridor?**

- All industries have a great opportunity to be enhanced with the development of an I-11 Corridor that is multimodal, including power and telecommunications.
- It would enhance the tourism market, especially for the draw to move travelers from the southern areas of Arizona and Las Vegas to the north in Nevada and points beyond. With that route you could capture some growth in smaller communities, for fuel and hotels, which would help to create jobs in smaller communities.
- Food and food processing; transportation and transportation services.
- Light manufacturing and/or assembly. Healthcare. Shipping and distribution.
- Obviously Kingman businesses will assess the future of Mexican trade as well as market areas north of Las Vegas.
- The agricultural market, not only from southern Arizona, but from Mexico. Aerospace: the region is home to a major aerospace research and development industry; improving access to ports and foreign markets combined with the area's low labor costs will help to improve the aerospace assembly possibilities.
- Foreign trade: Canada, Asia Pacific and South America. Trucking, tourism and almost any industry that requires shipping, movement of goods.
- Ideally, the tourism and durable goods markets (transporting goods to and from various locales).



**Is there anything else that we should consider in this Corridor planning effort, and are there key groups/individuals missing from this dialogue?**

- Regional Development Authorities (at least in terms of Nevada) should be engaged in this discussion, particularly as it relates to energy, broadband, communication, freight—all of that is vital to what we need as far as transporting goods and services across the state.
- We need a long-term commitment for regional, state and local leaders who will advocate for the necessity of this Corridor.
- Participation by the Regional Development Authorities for the state, NAIOP, chambers of commerce, etc.
- County and city officials within and adjacent to the Corridor.
- Consideration for a multimodal (especially including a high-speed train route) approach in studying this Corridor.
- If I understand this correctly, you are focused on the north-south axis; this obviously is important and appropriate. But, following on the comments by Robert Lang earlier, is not the connection for Phoenix west to Los Angeles and Long Beach even more important? Or to San Diego? In a time of limited resources, are we deploying them to the best advantage?
- The Economic Collaborative of Northern Arizona. Sustainable Economic Development Initiative of Flagstaff.
- Education institutions for shared research/training opportunities in the future.
- Heat island effect; make it a sustainable road from planning to construction using the latest technologies. Show more information on the shift from China to Mexico discussed in the presentation with potential traffic counts. Include USGBC and Indian tribes in the process.
- Seriously take into account the issues mentioned by those smaller communities whose economic vitality may be threatened/hurt by I-11. Also make sure Native American groups and public lands organizations are included in the public meeting process. Include disadvantaged business enterprises (minority/women-owned businesses) in bidding opportunities.
- It would be interesting to tap into the Arizona Mexico Commission (AMC), the Pacific Northwest Economic Region (PNWER), the Canada Arizona Business Council (CABC), the Arizona Chamber of Commerce and Industry, as well as the Arizona Manufacturing Council. Also the Arizona Export Assistance Council (and whatever similar group exists in Nevada).



## Post-Meeting Feedback

Feedback provided after the meeting via the follow-up questionnaire to Stakeholder Partners or by other means. Feedback is provided as it was submitted and neither edited nor grammatically corrected.

### What are some of the market trends you are observing that surprise and interest you?

- Las Vegas quickly establishing itself as a high tech center
- The housing market in Pinal and Gila Counties are starting to take off.
- Increase movement of goods in and out of Baja, MX through Arizona. Potential for rail growth possibly justifying a north/south connection between Ferromex, UP and BN.
- Air travel is on an up swing. Due to weather related factors in the North East, we anticipate visitors to substantially increase.
- The return of manufacturing to the US/Mexico from Asian countries. Pinal County's position in the state and in the corridor provide for some real exciting opportunities for us.
- The anticipated population growth and resulting support required
- With improvements around the dam alone, there's a huge time savings getting to central AZ. There'll likely be greater shifts in population/goods movement as a result. However, AZ doesn't/won't control urban growth sprawl - with I-11, we could certainly see huge bedroom communities in White Hills, Golden Valley, Kingman, Wickenburg.
- Parks, outdoor recreation, open space, tourism resources provide an important economic benefit to the state and localities. Protecting these resources is important to the area and the economy.
- The lack of real diversification of the Nevada economy.
- The decline of gaming revenue offset by the increase in other forms of leisure and entertainment. Improvement in the housing market with ongoing structural issues.
- That housing mistakes seem to be repeating themselves in the southern Nevada market. A lot of cash investments driving prices upward preventing earnest residents from getting the homes they can afford or want.

### What are the top opportunities and constraints for fostering trade within the Corridor?

- PUTTING CLOSE ENOUGH SO THAT OUR TOWNS AND CITIES DO NOT DRY UP, WE NEED THIS CLOSE ENOUGH TO REAP SOME BENEFITS
- 1) raw materials 2) manufactured products 3) healthcare 4) entertainment
- Pulling congestion off the California coast line.
- Get the organizations involved with creating trade involved. In Nevada, it's the Nevada Development Authority. They should be included in this group.
- Transportation and logistics, manufacturing etc,...
- The interstate system fosters infrastructure business support/growth that gives opportunity to provide fuel, parking, food etc. to those using the route
- Logistics and freight will certainly flourish. There's also an increased opportunity to bring residents of AZ/NV into each other's markets for tourism/recreation if there's a connection that's both faster and safer. There might be a better opportunity for agricultural exports from AZ to NV to serve Las Vegas area.
- Completing the Yucca Mountain Project. The \$90 Billion public works project that is Nevada's for the taking.



- It would be good to have multi-modal capabilities that would allow rail so that trade would not be limited to highway.

**What are the top constraints for fostering trade within the Corridor?**

- TRAVELERS
- Funding
- Lack of improved development sites and business parks
- 1) lack of infrastructure 2) congestion 3) Nevada has stronger relationships with California than Arizona
- Cost, uncertainty within transportation trends.
- Construction. Environmental concerns.
- Lack of coordination between all interested parties.
- financing, politics and how to get around Las Vegas and at the same time provide support to the Ivanpah airport with highways & rail
- Rail is not realistic N-S between Phoenix-LV - too many costly constraints make over-the-road/air cargo freight the only options. Speed and safety are the most important considerations, so until a full ltd access hwy connection is made, trade won't increase.
- Relative to the answer above. Entrenched political opposition that is purely political, not scientific or technical.
- I really don't see any. Although Laughlin would be about 34 miles south of Kingman's portion of an I-11, the connecting and existing highway is up to interstate standards. Therefore, the Bullhead City and Laughlin areas should also benefit.

**When thinking about your state, regional or local economic development and tourism efforts how would I-11 help you meet your goals?**

- Connection, improved market access
- Positioning Las Vegas in a stronger position in the west as a business location
- 1) access to new markets 2) new opportunities for growth 3) new infrastructure
- More efficient connection with Los Angeles, Las Vegas and Texas Mega Cities.
- I-11 would decrease the travel time from Phoenix to Las Vegas (and Tonopah to Las Vegas or Reno), making the city an easier to reach travel, recreation, and entertainment destination.
- I-11 will provide us with a direct corridor to northern markets in the US and Canada.
- It would foster economic growth in areas that now have a limited opportunity.
- There will certainly be an improved linkage with a full interstate highway. Time = \$; the better the connection, the better the chances of tapping new markets, thus aiding state/regional/local economic development and tourism.
- Might bring more travellers through the area resulting in more tourism. A visitors center/rest stop would be a nice addition to provide travellers with tourist/recreational sites and local business information that may currently be off-the-beaten-path.
- Commerce in this hemisphere is expanding. Improvement to north south lines of communication are essential to all facets of the economy.
- Elimination of the current ground transportation bottleneck will undoubtedly improve tourism and logistics and operations commerce. It may also make southern Nevada a viable inland port.
- Would facilitate transportation of goods bringing everyone closer together.



**What markets might we be able to enhance or foster as a result of an I-11 Corridor?**

- Distribution; tourism;
- 1) entertainment 2) education 3) healthcare 4) tourism
- Los Angeles to San Antonio
- Every small town along the corridor would benefit economically. additionally, there are several outdoor recreation opportunities which would benefit both local communities and Tribal Nations.
- Canadian and northern US markets are a focus for the county.
- multi-modal methods of transportation and infra-structure expansion to support the added traffic that would help expand tourism, recreation, hubs supporting trucking, buses, & rail
- Logistics and tourism definitely; the opportunity for renewable energy is already there with or without I-11- it just needs to be tapped by the private sector. Improved connection could change "agriculture in the desert"; there could be a shift "the milkshed;" more food shipped from the farms (that are left) in the Phoenix area.
- Exporting locally made goods out of Arizona.
- Movement of goods and services from Central and South America
- The smaller towns will be less isolated and perhaps better able to grow in that they have cheaper land for development and business.

**Is there anything else that we should consider in this corridor planning effort?**

- Remain flexible with open minds and keep politics out of decisions.
- A serious discussion must be had at the individual project level on the implications of a freeway to local communities. Bypassing small towns (Boulder City, Wickenburg, Wickenburg especially) will definitely change them forever, whether as I-11 or other project. Do the residents of these towns understand this? Have they seen the movie "Cars?"....
- Again, rail.

**Are there key groups/individuals missing from this dialogue?**

- The Nevada Development Authority (located in Las Vegas). I am certain that there is a comparable agency in Arizona (and probably Idaho and Montana - the earlier the bug is in their ear, the more politicians will be there to help get the money allocated).
- Military, cities & counties, rail & utilities
- I believe all my points were covered. As previously noted, we need more actual ED people.
- BLM. Chamber of Commerce and Visitors Bureau for smaller towns along the route that are more keyed into what local business need/want.
- I would not know.



## Appendices

List of Meeting Attendees by Agency

Presentation Transcript

PowerPoint Presentation





## List of Meeting Attendees by Agency

Meeting	First Name	Last Name	Agency
Surprise	Asadul	Karim	ADOT
Surprise	Michael	Kies	ADOT
Las Vegas	Tom	Akers	Akers and Associates
Webinar	Keith	Watkins	Arizona Commerce Authority
Webinar	David	Jones	Arizona Construction Association
Webinar	Brett	Jones	Arizona Construction Association
Webinar	Michelle	Green	Arizona State Land Department
Webinar	Wellington	Reiter	ASU Foundation
Las Vegas	Eileen	Christensen	BEC Environmental
Webinar	Marisa	Walker	CANAMEX
Las Vegas	Dan	Andersen	CH2M HILL
Reno	Mark	Gallegos	CH2M HILL
Reno	Tom	Matter	CH2M HILL
Reno	Derek	Morse	CH2M HILL
Las Vegas	Bardia	Nezhati	CH2M HILL
Webinar	Jennifer	Roberts	CH2M HILL
Webinar	Dan	Davis	City of Avondale
Webinar	Stephanie	Karlin	City of Avondale
Webinar	Kevin	Louis	City of Casa Grande
Webinar	Richard	Wilke	City of Casa Grande
Webinar	Mojra	Hauenstein	City of Fernley
Webinar	Sean	Ahern	City of Flagstaff
Webinar	John	Saltonstall	City of Flagstaff
Webinar	Gary	Jeppson	City of Kingman
Webinar	Aaron	Baker	City of Mesquite
Webinar	George	Gault	City of Mesquite
Webinar	Terri	Sheridan	City of North Las Vegas
Surprise	Karen	Savage	City of Surprise
Webinar	Thomas	Fisher	City of Tucson
Webinar	Chris	Melville	City of West Wendover
Webinar	Kevin	Wilkins	City of Yuma
Webinar	Jackie	Brady	Clark County
Webinar	Michael	Satterwhite	Deserves, LLC
Webinar	Lee	Bonner	Douglas County
Reno	Nancy	McCormick	Economic Development Authority of Western Nevada
Surprise	Jim	Kenny	El Dorado Holdings
Surprise	Judie	Scalise	ESI Corporation



Meeting	First Name	Last Name	Agency
Las Vegas	Denise	Gordon	HDR
Webinar	Neil	Pogorelsky	HDR
Las Vegas	Stuart	Martin	Holman's of Nevada, Inc.
Webinar	Robert	Riley	Kingman Airport Authority, Inc.
Las Vegas	Larry	Tamashiro	Las Vegas Valley Water District / Southern Nevada Water Authority
Webinar	Larry	Yount	LKY Dev. Company, Inc.
Surprise	Leigh	Johnson	Maricopa County
Webinar	Dee	Jensen	MR Diversified, INC
Webinar	Sue	Meador	NCSI
Webinar	Damon	Hodge	NDOT
Reno	Sondra	Rosenberg	NDOT
Las Vegas	Yvonne	Schuman	NDOT
Las Vegas	Bill	Thompson	NDOT
Las Vegas	John	O'Rourke	Nevada Highway Patrol
Las Vegas	Perry	Ursem	Nevada State
Las Vegas	Cash	Jaszczak	Nye County
Webinar	Timothy	Kanavel	Pinal County
Webinar	Gary	Marks	Prescott Valley Economic Development Foundation
Surprise	Peggy	Fiandaca	PSA
Webinar	Audra	Koester Thomas	PSA
Webinar	Amber	Stidham	Regional Transportation Commission of Southern Nevada
Webinar	Felipe	Zubia	ReSeed Advisors
Las Vegas	Darren	Enns	SNBCTC - Building Trades
Webinar	Mike	Ameranda	THE AMERICOPA
Surprise	Joshua	Wright	Town of Wickenburg
Surprise	Gayle	Cooper	Town of Youngtown
Webinar	Shane	Hastings	USDA
Webinar	Denise	Steiger	Wickenburg Regional Economic Development Partnership
Webinar	Gioia	Goodrum	Williams-Grand Canyon Chamber of Commerce
Webinar	Michael	Britt	Wynn Resorts

## Presentation Transcript

The following is a transcript of the focus group presentation. It was completed in real-time, and is has not been edited, proofread or corrected. It may contain computer-generated mistranslations or electronic transmission errors, and may have inaccurate references, spellings or word usage. It is provided for purposes of reference only.

Operator: Good afternoon. My name is Gina and I will be your conference operator today. At this time, I would like to welcome everyone to the Focus Group Meeting for I-11 Study conference call. All lines have been placed on mute to prevent any background noise.

After the speaker's remarks, there will be a question-and-answer session. If you would like to ask a question during this time, simply press star then the number 1 on your telephone keypad. If you would like to withdraw your question, press the pound key. Thank you.

Ms. Sondra Rosenberg, you may begin your conference.

Sondra Rosenberg: Thank you very much and thanks everyone for joining us today. Again, my name is Sondra Rosenberg with the Nevada Department of Transportation, and I am the NDOT project manager for this project. Mike Kies will be giving part of the presentation later on and he's the Arizona project manager for this effort. So again, thank you for everyone's time and I'm just going to go over the agenda real quick. There it is.

I'm going to cover the study overview and then I'm going to hand it over to Dr. Robert Lang. We'll talk about the emerging Southwest Triangle and I-11. Then Mike Kies from Arizona is going to talk about trends and global trade impacting this corridor. And then Peggy will talk about the input on economic development visions for the corridor and the next steps. And at that point, we're going to break out into discussion groups by location or online on the phone.

So just quickly, a little background, I know some of you may have seen this once or several times so I'm going to try and go through it quickly, but for those of you who haven't been able to join our meetings or discussions so far, the federal transportation authorizations can identify high priority corridors and the CANAMEX Corridor was designated in 1995 and that includes connections of -- from Mexico to



Canada as the name might suggest and it includes -- the only portion of that corridor that's not currently an interstate is U.S. 93 between Phoenix and Las Vegas.

That corridor was advanced through various different studies, through the DOTs and (inaudible) planning organizations along the way, and then it was most recently designated in the most recent authorization, DOT MAP-21, Moving Ahead for Progress in the 21st Century. The section of U.S. 93 between Phoenix and Las Vegas was designated as the future I-11.

And, since then, Arizona and Nevada DOTs have signed an interagency agreement and were doing this study to further advance that and see what's needed to move this corridor even further.

This study entails two levels of investigation. We're doing a detailed corridor planning effort between Las Vegas and Phoenix, that section previously mentioned and then high-level visioning from Las Vegas to Canada and from Phoenix to Mexico.

We're looking at multilevel consideration including interstate highway, freight rail, passenger rail and public transportation, but in addition to the typical transportation roads, we're also looking at how are telecommunications and other things that might move along that general corridor.

Corridor opportunities that have been identified in some of those previous studies include enhancing local, regional, and national and global connectivity, economic competitiveness, network redundancy, flexibility and evolving modal choices, and promoting sustainable development.

And on the specific topic of enhancing economic competitiveness and activities, that's really what we're here to talk about today. And what that might mean is capturing part of the stream of prosperity that is -- who might not be able to create new prosperity but there's good moving around us or by us that we might be able to capture something there and maybe even add some value to it on that -- on that move, create jobs and enhance quality of life.

Next slide.



So, the study participants are broken up into different groups. You can see here in this organizational structure the very top are the project sponsors - that's NDOT and ADOT - and we're the ones that are, you know, sponsoring this project. We're the ones paying for it.

But, in addition, we thought it was very important to really capitalize on our great partnerships with some of the other agencies that are really critical in this effort including the Federal Highway Administration, the Federal Railroad Administration, and the MPO in the Phoenix and Las Vegas area, and then, you know, helping us along this effort, really giving us, helping us develop the vision and helping provide us with information on the stakeholder partners which include, you know, a broad array of participants, anyone that has stake or an interest in this corridor including many public agencies, private entities, the public.

And then, we've also identified a series of focus groups to talk about some of the specific issues we'd like to delve into a little bit deeper and help us gather the information needed to the analysis.

And you can see there are focus groups outlined there and this one in particular, the economic development focus group. If you have an interest in any of the other ones, let us know. We're going to have similar conference calls for each of these.

Now to the next slide which shows our project schedule, it shows you where we are now. We're kind of in Phase II. We have a corridor vision summary that we did in the first month or so. We've been collecting a lot of information, having these calls all to develop our corridor justification report. So all these information we're gathering today and over the next few months will go into that.

And with that, I'm going to turn it over to Dr. Robert Lang.

Robert Lang: Thanks. This is Robert Lang in Surprise. First slide, please.

This is a map that appeared in the "USA Today." It was a map taken from a book that I published with Chris Nelson. It was at the University of Utah. We both worked on this project together. We were at Virginia Tech together and developed a model for a large scale metropolitan development in the U.S. through 2040.



And the megapolitan areas, as identified there, is individuals like Puget Sound or Las Vegas where Sun Corridor had to achieve 4 million residents by 2040 to 2050 within that decade. And if you got there, as the Twin Cities do say, you are included and we also included regions that we did the analysis on commuter shed and found that there was enough affinity within the region for key counties like the Pinal County, Arizona that sit between Maricopa and Pima for split commuting to produce what could be a combined statistical area under the current census designation by 2040 or 2050.

The census does not project geography. It projects population but it won't tell you the economic units and that's what these are. There are economic units because the census is history of this takes back to the mid-20th century if those statistical areas are based on shared commuting because commuting is everything. It's your journey to work determines the house value and the retail sales in the adjoining county.

And so what you see there are -- in the biggest clusters, bigger than just the megapolitan but into these -- the 23 megapolitan areas, joint is the 10 larger proximate clusters. They're not sharing commuting but they're sharing a lot of business exchange, air travel. There are other metrics that we have on this.

And you'll see the -- you know, the megalopolis in the northeast, we do not see Boston sharing a common region with New York but New York and Philadelphia joint through the New Jersey suburbs around Princeton, the whole Chesapeake region. Baltimore and Washington are in the combined statistical area already. Richmond would fall in next and perhaps the whole (inaudible) region.

So what you see there is our best guess at that lower geography, the small geography, and then of course the megalopolis is the largest such region in the U.S., you know, at 60 million residents.

Number two is the southwest. So, Phoenix, Las Vegas, Southern California joined into the second largest proximate human settlement in the United States where you can show, you know -- just look at the amount of air traffic, for instance, that goes



between the cities. About a third of the flights out of the Sun Corridor and out of Las Vegas, that's the Southern California.

Next slide, please.

This is a close-up on the triangle. And what I want to point out is that, one, we, unlike the rest of the United States, do not have full interstate integration. In other words, the (booking) to us, some place like the Texas Triangle, you know -- you know, in the south, you know, all the Southeast Texas - Dallas, Central Texas - all are linked together by full interstate.

There is a point at which this triangle has such weak infrastructure that it's a single lane between two large cities, the two largest cities in the U.S. that are proximate to one -- not served by an interstate is Las Vegas and Phoenix.

We don't need to go into the, you know, sort of reasons historically why. The bottom line is this - it doesn't help because there's a part of commerce that's missing and that's part of the discussion today. In other words, what are the opportunities borne of the completion of this capacity and what's been the history of the completion of this capacity and the rest of the United States?

And so, some of the analysis that you see, for example, that shows what the, you know, amount of use of these -- you know, these roads are today is meaningless because with that, we would have never built the entire interstate system.

You know, the entire interstate system at early to mid-20th suggest -- century suggested a hub-and-spoke system around New York and Chicago, and it took, you know, Franklin Roosevelt to force the issue and to argue that you needed to build capacity to places where there was no current capacity because people would live there someday.

Well, people have voted with their feet and they moved to our regions and we're still waiting for the completion of this capacity. The argument would be that, you know, what's missing is especially that Las Vegas-Phoenix connect.





Las Vegas and Phoenix connect to Southern California more like two spokes in a wheel than they do a three triangle. And you don't see that in Texas and you don't see that in the other large clusters.

In other words, there's a lopsidedness to our region in that what it is is that both these big regions are subordinate to Southern California by way of connectivity. The freeways even demand that subordination because all roads in the Southwest seem to lead to Los Angeles and all roads don't lead between the interior cities of the Southwest in a convenient fashion.

And so, we have not seen what would've been the kinds of connectivities made between these two regions had there been a 1950's and '60s effort to have built that infrastructure because it's just simply missing altogether.

But we know from other regions that have been proximate at distance that a lot more exchanges and commerce occur including most basic things like for example, you'll see in that map that (Yavapai) that falls towards the Sun Corridor which is the Tucson-Phoenix complex. The Mohave County in Northwest Arizona is really within the commuter shed to Las Vegas.

And in fact, Las Vegas is emerging at this. Everything north of (inaudible) and everything north and west of, you know, like let's say Kingman and Wikieup places like that in that county, in Mohave County or just past Mohave County lines, is part of a kind of greater Mohave around Las Vegas with that as the central place. Phoenix has a central place in the Central Arizona and through parts of, you know, the Colorado Plateau and then Southern California, it's everything coastal.

And these natural affinities have gathered around what has been relatively incomplete infrastructure compared to similar size regions in the rest of the U.S. The completion of this capacity would open up opportunities that we can't fully predict because none of this was projected in the other regions like, for example, no one would have predicted that the I-85 Corridor between Charlotte and Atlanta would be so heavily loaded up with automobile manufacturing, with auto parts plants and so on, you know, no one could've seen in the 1950's and '60s when they were building what looked to be, you know, excessive capacity between two regional cities like Charlotte and Atlanta that someday both of them would be hubs,



the airports and connect to Europe and have trade and logistics with the scale that they do.

So, in essence, you know, there's a bit of a base here which is build it and they will come, and I think in this instance, (inaudible) based on a historic example. Thank you.

Oh, one last slide. I show this as a -- that's incomplete. That bridge is now complete but the project itself remains incomplete and (inaudible). Thank you.

Mike Kies:

Thank you Robert. This is Mike Kies with ADOT in Surprise, Arizona and I just wanted to talk a little bit about some of the trends in global trades that we are talking about not only in Arizona but in Nevada.

Several of the slides that I'm going to present came from a freight framework study that our partner here at MAG, the Maricopa Associates of the Government, just completed. And so, I apologize if some of the slides look a little Arizona-centric but it does -- the points are valid for both Arizona and Nevada.

The first slide here is looking at the current state of our imports and exports from both Arizona and Nevada, and I think one of the big points to focus on is the import side of Phoenix and Las Vegas are both consumption markets. We import a lot of the things that we consume, and therefore, we depend on that supply chain very heavily.

You see Arizona is pretty much split between Mexico and Asia. Nevada is really focused on the movements from Asia through the ports of L.A. and Long Beach in California. But some of the trends that we're seeing could change that picture and could be very advantageous to both Arizona and Nevada.

Next slide, please.

The other -- the other thing to keep in mind is, 20 years ago, Phoenix and Las Vegas were both considered small metropolitan areas on the map that weren't really seen as economic powerhouses.



When we look at where the Sun Corridor is now, that's the Arizona component of the triangle that Mr. Lang mentioned. At 5 million people, the Sun Corridor is now on almost equal footing with some of the major markets like Houston, Philadelphia and the -- and the Texas area, and when you add the 2 million people from Las Vegas to that, they -- the Phoenix-Las Vegas market is really becoming an anchor market or a place where goods will need to now be manufactured and brought to instead of just being pure consumption markets in the future.

With that said, the trends that we're seeing are really starting to look like there was -- is a shift coming in the future from Asia to Mexico. When we start to look at the transportation cost to move products from Asia across the ocean, combined with the labor cost of manufacturing those items in Asia, the cost competitive of Mexico in Latin America is now tipping the balance to be more -- it's more cost-competitive or it will be in the near future to manufacture those items in Mexico and then move those items into the U.S. from Mexico in Latin America.

If you look on this graph, we start to see some of the components that in that brown area that are considered close to the tipping point of -- they're seeing more economical to manufacture these items in Mexico in Latin America and we see things like manufactured items, computers and electronics, appliances and electrical equipment, manufacturing.

These are all items that are on both of our states' radar for emerging economies to be brought to these states, and especially if there's a strong connection to Mexico to make components and trade across the border, sending components across where they get manufactured and then the products come back to the U.S. So, this is really something that we need to keep our eye on in the next 10 to 20 years.

Next slide. This just kind of hits that point home where if -- you can see the graph on the bottom left there that if you were to make a -- manufacture something in the U.S., any widget in the U.S. and you paid labor cost and transportation cost in the U.S., that would be considered a hundred percent of the cost to manufacture that item.

And so now, you can look at China where the cost to manufacture the same item and pay the transportation cost to bring it across the ocean are 74 percent of what



it would cost in the U.S. but Mexico is now 68 percent. So, we're already seeing that the Mexican market is a cost-competitive market compared to China to bring things.

So, the graph in the lower right is when businesses that currently do -- are working in the Asian market, they were surveyed about whether they're considering "nearshoring" which is the term to bring manufacturing over to North America from Asia, almost half of the -- of the industries that were surveyed are contemplating in the next three years or so, bringing some of their manufacturing over to -- over to North America which is, again, something that is really a strong correlation with the study that we're doing.

The next slide really just kind of shows how we could be set up here. Again, this is a map that that was produced by the Maricopa Association of Governments here in Phoenix but it really highlights that we currently today have the east-west trade moving from California to the Midwest in Texas that traverses Arizona from California.

But if we then couple that with more manufacturing and more trade coming up from the Mexican market, Phoenix and Las Vegas really become this crosshair of trade where the two movements are crossing each other and whenever you have that is the opportunity to provide value, add it to that freight to -- if components are coming from Mexico and components are coming from Asia, somebody has to put them together and manufacture them into a final product.

So with that, we just wanted to set up why we think that this corridor is so important from an economic development standpoint. And with that, I'll pass it off to Peggy.

Peggy Fiandaca: Good afternoon. This is Peggy Fiandaca and what we're going to do is now is have small group discussions on each of the locations. And what we're hoping to talk about is get an understanding of the international, national, as well as corridor state and local issues and opportunities as you see them. So we're hoping that the dialogue that each of the locations are going to have will help inform the corridor decisions in this phase of the study but help create the holistic future for the corridor.



OK. So -- and what we'd like to do is talk about economic development in your community and how does the corridor relate to what you're doing in the communities or regions or statewide? What's happening in terms of commerce? And these are some of the things that we've heard some folks to date in this process. How can we improve the access to imports that some of the speakers have already talked about from Canada and Mexico and how can we become a major trade corridor in North America? What do we need to put in place?

People have said they want -- that this corridor is important for promoting tourism, creating jobs, and as we talked about, connecting to the various city particularly Las Vegas and Phoenix.

Next slide.

So, we have a series of questions that each of the locations are going to talk about. We're going to have a facilitator in each of the locations to -- as well as on the telephone to work through these questions. But we want to talk about focusing on the local region and state - what are the market trends you're observing that are supplied to you or that interest you?

We want to know what are the top opportunities and constraints for fostering trade within the corridor. And thinking about your particular state, region, or local economic development and tourism efforts, how would the I-11 help you meet your goals? What markets might we be able to enhance or foster as a result of I-11 corridor? And is there anything else that we should consider in this corridor planning effort or are there other key groups or individuals or folks that you think might be missing from this type of dialogue?

So, those are the questions that each of the groups are going to talk about. I want to highlight before we leave the conference webinar some of the next steps.

Next slide. Next couple of slides.

So the next steps in the process, we're going to finish up the series of focus groups and many of you are probably already registered for some of the upcoming focus



groups that are listed on the screen much like land using community development, alternative delivery and finance.

From that, we -- hopefully early spring we'll be compiling the first technical report which summarizes all the existing and future corridor conditions and also the preliminary business case foundation, moving into the corridor justification reports sometime in the summertime, and then having some broad stakeholder partners meeting sometime in May.

So, that's where we're headed in the study. And so, what we're going to do now is end the conference call and webinar. And so at this time, the folks in Surprise, Reno and Las Vegas can hang up the telephone but the folks on the phone, please stay on the line and Audra Koester Thomas will take it from there and work with you on the telephone.

So, thank you all very much.





I-11  
INTERMOUNTAIN WEST  
CORRIDOR STUDY

I-11 & Intermountain West Corridor Study  
Focus Group Meeting  
Economic Development

**NEVADA DOT** **ADOT**

In partnership with

**MARICOPA ASSOCIATION of GOVERNMENTS** **U.S. Department of Transportation Federal Highway Administration Federal Railroad Administration** **RTC**  
RTCSNV.COM

Presented by:  
**CH2MHILL**  
**AECOM**

January 22, 2013



I-11  
INTERMOUNTAIN WEST  
CORRIDOR STUDY


## Agenda

- Study Overview
- The Emerging Southwest Triangle and I-11
- Trends in Global Trade Impacting the Corridor
- Input on Economic Development Vision for the Corridor
- Next Steps





2






## Background

- Federal transportation authorizations identified high priority corridors
- CANAMEX Corridor designated (1995)
- Corridor advanced through:
  - MAG Hassayampa and Hidden Valley Framework Studies (2006 – 2009)
  - Building a Quality Arizona (bqAZ, 2010)
  - NDOT/RTCSNV Boulder City Bypass (2005 and ongoing)
- CANAMEX Corridor along US 93 between Phoenix and Las Vegas designated as future “I-11” in MAP-21 (2012)
- Arizona and Nevada DOTs signed an interagency agreement and begin a joint planning study (2012+)





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## What Does this Study Entail?

- Two levels of investigation:
  - Detailed corridor planning between Las Vegas and Phoenix
  - High-level visioning from Las Vegas to Canada, and from Phoenix to Mexico
- Multimodal consideration:
  - Interstate/highway, freight rail, passenger rail, and public transportation
  - Power, telecommunication, etc.



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## Corridor Opportunities

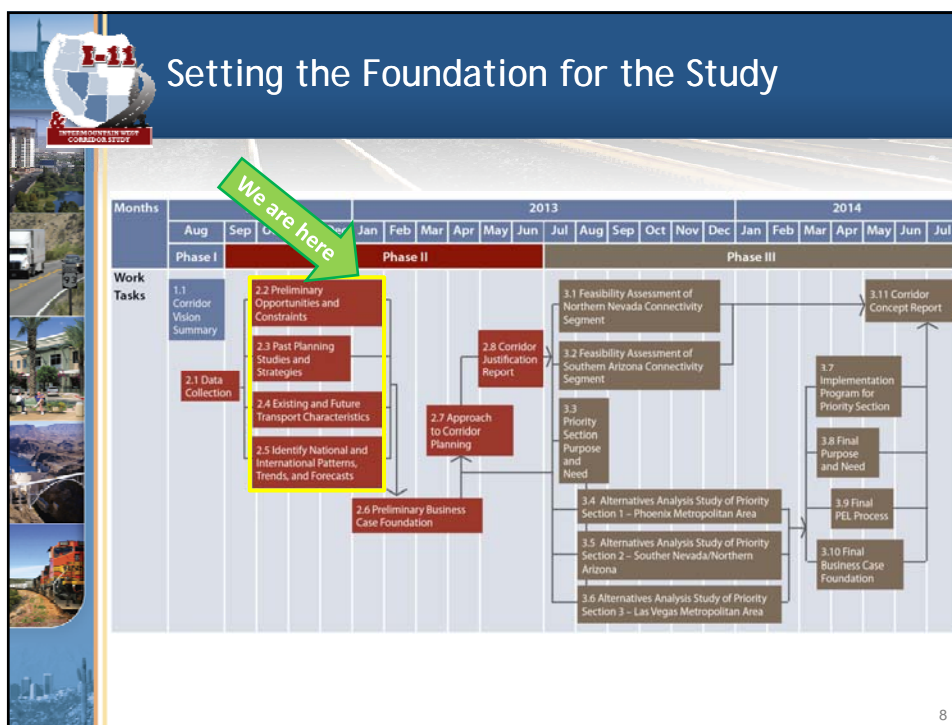
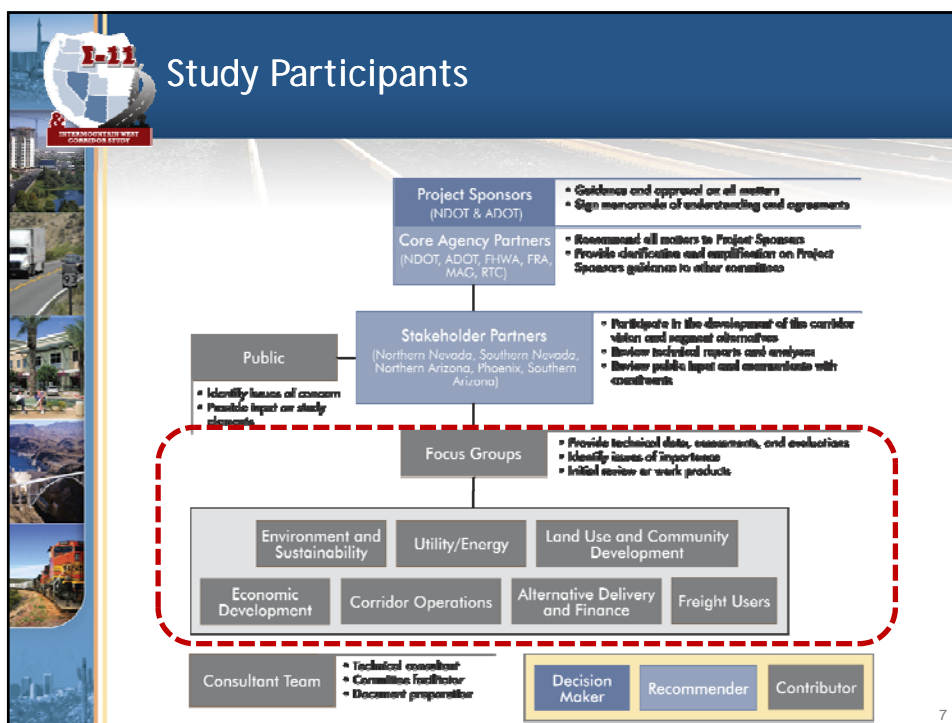
- Enhance local, regional, national and global connectivity
- Enhance economic competitiveness and activity
- Provide network redundancy and flexibility
- Provide flexibility for evolving modal choices
- Promote sustainable development

5

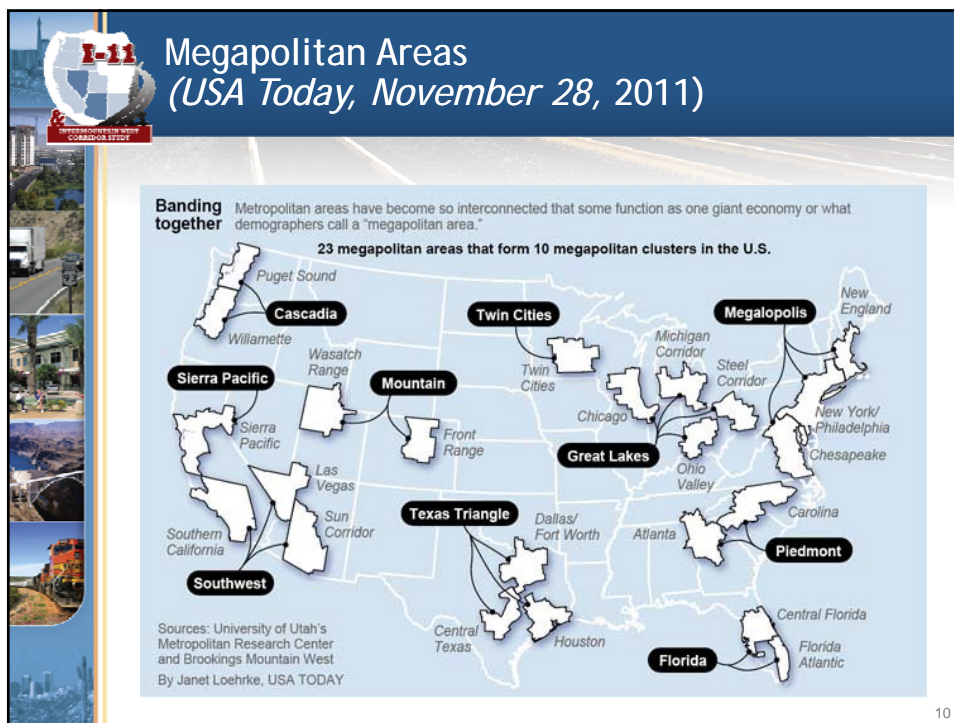
## Corridor Opportunities

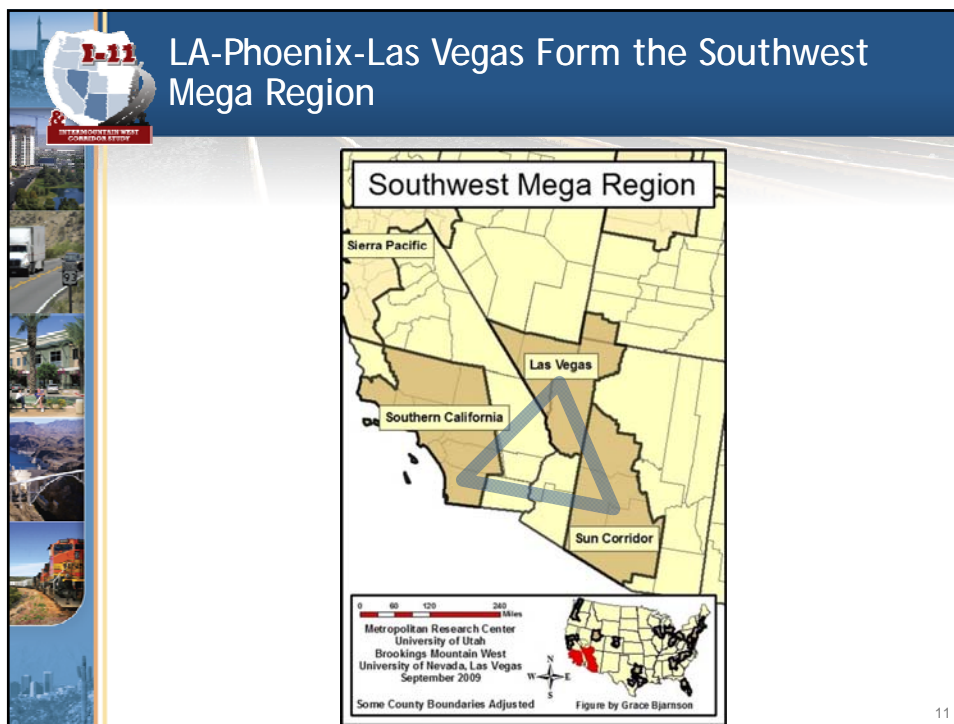
- Enhance local, regional, national and global connectivity
- **Enhance economic competitiveness and activity**
  - Capture part of the stream of prosperity
  - Create jobs
  - Enhance quality of life
- Provide network redundancy and flexibility
- Provide flexibility for evolving modal choices
- Promote sustainable development

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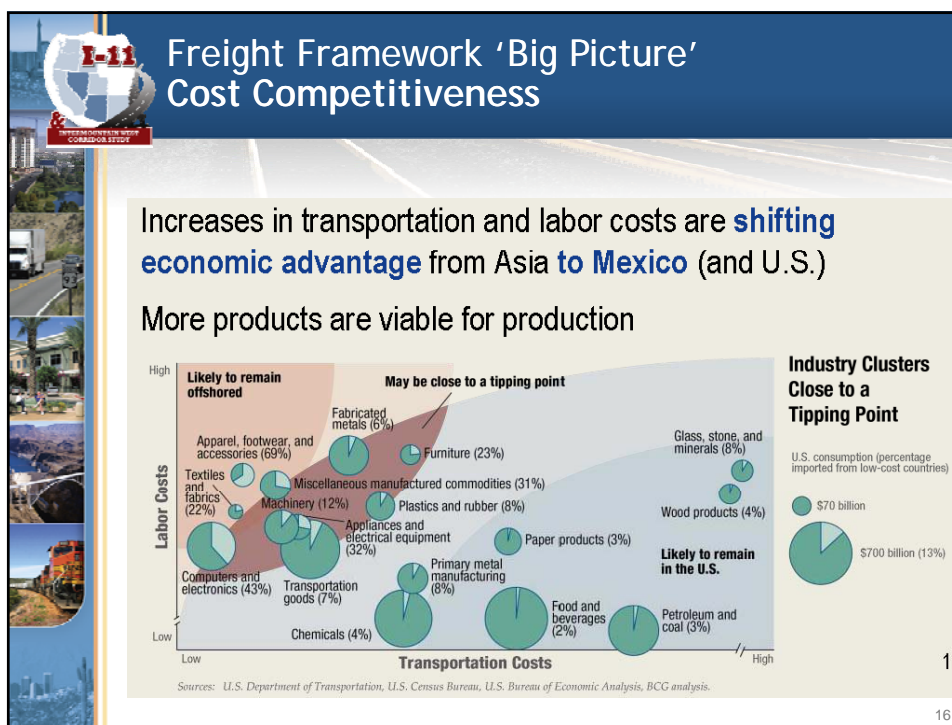
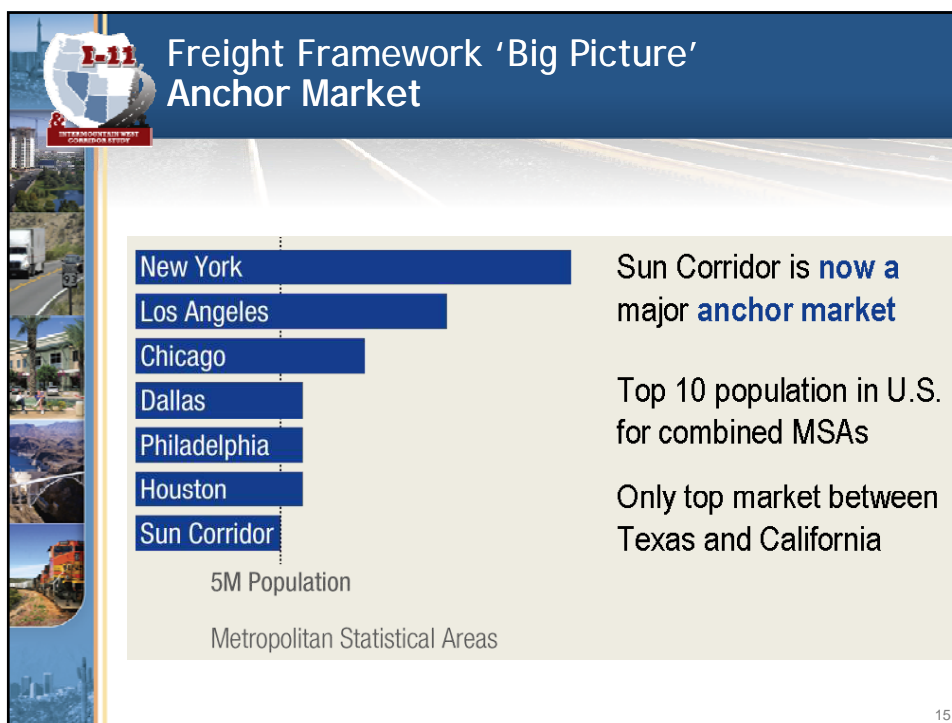


### Global Supply Chain within the Corridor Largest Trading Partners, 2011

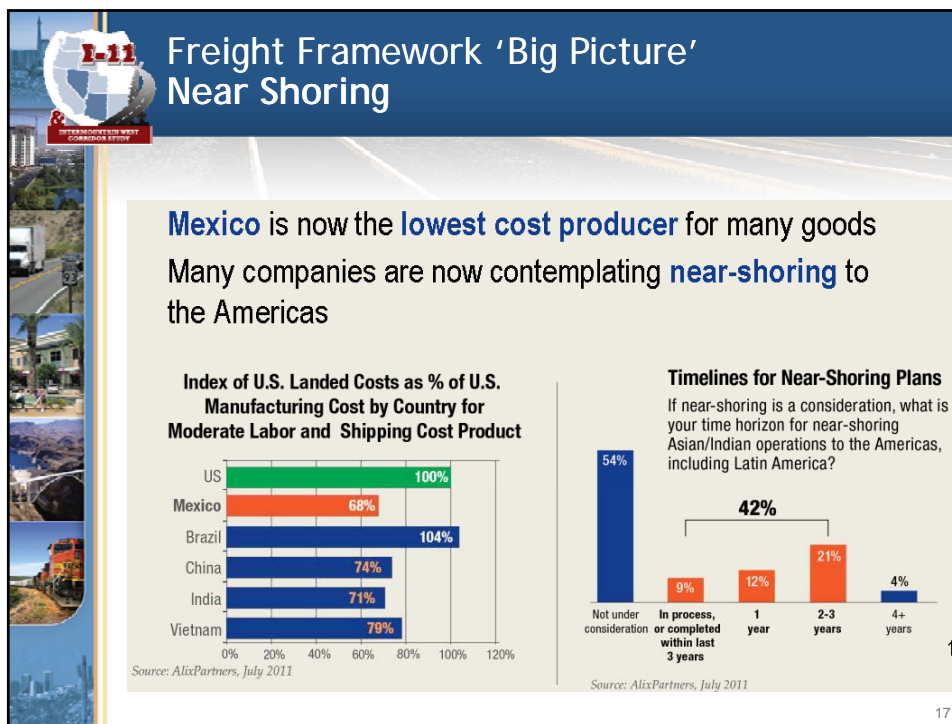
	Arizona	% Share of State Total	Nevada	% Share of State Total
<b>Imports</b>				
	Mexico	35.1%	Asia	51.7%
	Asia	30.2%	Canada	11.0%
	Canada	7.8%	Mexico	5.1%
<b>Exports</b>				
	Mexico	33.6%	Europe	46.6%
	Canada	12.0%	Canada	16.0%
	Asia	10.3%	Asia	8.7%
	Europe	4.5%	Mexico	3.4%


Source: U.S. Census Bureau, Foreign Trade Statistics

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### Why Am I Here and How is My Input Used?

- Help us understand international, national, corridor, state, and local issues and opportunities
- Your input will:
  - Inform the Corridor decisions in this phase of the study
  - Help create a holistic and flexible Corridor
  - Will link to future decisions as study evolves to future NEPA studies



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## Stakeholder Partner's Input Received to-date - Economic Development Opportunities

- Provide economic development for communities in Corridor
- Promote commerce and tourism through north-south rail (both passenger and freight)
- Improve access to imports from Canada and Mexico
- Becomes a major trade corridor in North America
- Promote tourism
- Creates jobs
- Connects cities




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## Discussion Questions

- What are some of the market trends you are observing that surprise and interest you?
- What are the top opportunities and constraints for fostering trade within the corridor?
- When thinking about your state, regional or local economic development and tourism efforts, how would I-11 help you meet your goals?
- What markets might we be able to enhance or foster as a result of an I-11 corridor?
- Is there anything else that we should consider in this corridor planning effort, and are there key groups/individuals missing from this dialogue?



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## Next Steps

- Focus Group Meetings
  - January 8: Utility/Energy
  - **January 22: Economic Development**
  - January 29: Freight Users
  - February 5: Environment and Sustainability
  - February 12: Land Use and Community Development
  - February 19: Corridor Operations
  - February 26: Alternative Delivery and Finance
- Reports
  - Technical Memorandum 1: Existing and Future Corridor Conditions (early Spring)
  - Preliminary Business Case Foundation (Late Spring)
  - Corridor Justification Report (Summer)
- General Stakeholder Partners Meeting (May)



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