

Pima County Arizona

Map provided by: Pima Association of Governments

PIMA COUNTY CHARACTERISTICS

Pima County, the second largest of the four original counties, was created in 1864 and included nearly all of the southern Arizona area acquired from Mexico by the Gadsden Purchase. Settlement of the region by Europeans goes back to the 1690s with the arrival of Spanish settlers who encountered Native Americans already living in the area.

During the first half of the 18th century, silver and gold were discovered and prospectors from Mexico swarmed into the region. The latter part of the 18th century saw expansion of mining and ranching in Pima County and an increase in population, despite ongoing threats from raiding Apaches.

The Royal Presidio of San Augustin del Tucson was completed by 1781, and it remained the northernmost outpost of Mexico until the arrival of American soldiers in 1856. From a population of 395 in 1820, Tucson has grown to be the second largest city in Arizona. It has always served as the Pima County seat and was the Arizona territorial capital from 1867 to 1877. Tucson is home to the University of Arizona and many historical and cultural attractions.

Just south of Tucson is the Mission San Xavier del Bac, founded in 1697 by Father Kino. The mission is still in use today. Within Pima County are two cactus forests, Saguaro National Park in the eastern portion and Organ Pipe Cactus National Monument in the western portion.

Although greatly reduced from its original size, Pima County still covers 9,188.83 square miles. It ranges in elevation from 1,200 feet to the 9,185-foot peak of Mount Lemmon. Together, the San Xavier, Pascua Yaqui and Tohono O’odham reservations cover 42.1 percent of Pima County’s 5.88 million acres. Lands held in trust for the state’s schools comprise another 14.7 percent of the County’s land ownership, and 28.0 percent is held by Federal agencies as wildlife refuges, national forests, national parks and monuments. Military reserves and bases occupy 1.2 percent, and local government holdings, used for parks and recreation, account for 0.4 percent. Privately owned lands comprise 13.6 percent of the County’s total acreage. The county has a foreign trade zone encompassing 468 acres on six sites in the metropolitan Tucson area. South Tucson and portions of the City of Tucson are located in an Empowerment Zone. Employment tax credits, property tax reductions and other incentives to reduce operating costs are available for businesses locating within these zones.

CLIMATE CHARACTERISTICS

	Month with Highest Average	Month with Lowest Average	Annual Average
Daily Max Temperature ¹	June (100.2°)	January (64.5°)	82.5°
Daily Min Temperature ¹	July (73.4°)	January (38.9°)	54.8°
Average Precipitation ¹	August (2.30")	May/June (0.24")	Total Rainfall 12.17"
Possible Sunshine ²	June (93%)	July (78%)	85%
Relative Humidity ²	December (48.5%)	June (23.0%)	39.0%
Average Wind Speed ¹	April (8.9 mph)	December (7.8 mph)	8.3 mph

¹ Source: National Climate Data Center 1971-2000 Monthly Normals and 57-year wind speed through 2002.

² Source: Western Regional Climate Center.

TRANSPORTATION FACILITIES

Access to Pima County is provided by interstate and state highways, airlines, and railroads. City and County maintained roadways provide the intracounty transportation network for motor vehicles, along with bus services by the City of Tucson in the metropolitan Tucson area and Regional Transportation Authority funded transit services in many rural areas of the County.

Interstate 10 passes through eastern Pima County, connecting Tucson and the surrounding area with Phoenix and cities farther west such as Los Angeles. Interstate 10 connects with Interstate 8 in central Pinal County, providing Pima County with good highway access to Yuma and San Diego. To the east, Interstate 10 connects the area with New Mexico and other points in the southern and southeastern United States. Interstate 19 comes from Nogales and the border with Mexico and ends where it connects with Interstate 10 in Tucson.

There are many state routes passing through the County. State Route 77 in eastern Pima County leads north from Tucson and connects this part of the County with Globe, Miami, and the White Mountains of east-central Arizona. State Route 86 connects the more populated eastern part of the County with Tohono O'odham Nation lands in the center of the County and with Ajo in the western portion of the County. State Route 86 ends in the community of Why, where it meets State Route 85. State Route 85 goes south from this point to the Mexican border at Lukeville and connects with Mexico Highway 8, leading to the town of Rocky Point on the Gulf of California. State Route 85 goes north from Why to Ajo and on to Interstate 8 near the Maricopa County community of Gila Bend. Less traveled state routes also lead to other towns in southern Pima County. City and County roadways provide the remainder of the road network in the County. Pima County provides the road network for all of the unincorporated areas of the County, and the cities generally provide the road network within their boundaries.

Eastern Pima County is served by Amtrak for passenger service and the Union Pacific Railroad for freight service. The main rail line runs through Tucson and connects the area with Los Angeles to the west and points to the east such as Houston and New Orleans. There also is a spur line which connects the main rail line with Nogales and the Mexican border to the south.

Pima County has several small airports, an international airport and an Air Force base. The international airport, located on the south side of Tucson, serves as the major air terminal for southeastern Arizona. Eight airlines provide air service to Arizona cities and other states for 3.74 million annual passenger departures/arrivals. Six smaller facilities in the County provide a variety of general aviation services. Davis-Monthan Air Force Base accommodates military aircraft and is not open to public use without permission from the Department of Defense.

Source: Pima County Budget Division.

TAX CHARACTERISTICS

CORPORATE INCOME TAX

The corporate income tax in Arizona is 6.968 percent of taxable income, with a \$50 minimum tax. Beginning in 2014, the tax rate will decrease each year until it equals 4.9 percent by 2017.

SALES TAX

Arizona has a general sales tax rate of 6.6 percent. South Tucson has a general sales tax of 2.5 percent and Marana, Oro Valley, Sahuarita, and Tucson have 2 percent general sales tax rates. The Regional Transportation Authority has a 0.5 percent sales tax for transportation and mass transit improvements in the metropolitan area of eastern Pima County.

PAYROLL TAX

Payroll taxes for employers and employees in Arizona are paid when federal filings are made. Employees select a state income tax withholding rate between 0.8 and 5.1 percent of their taxable wages, net of pre-tax deductions such as health insurance premiums. Employers must pay an unemployment insurance premium that ranges from .02 percent to 6.38 percent on the first \$7,000 of wages for each employee during the calendar year based on the employer's rating, plus a 0.50 percent special assessment for 2012. Employers also may be subject to a 0.10 percent job training tax.

PROPERTY TAX

For details regarding property taxes, please see the various tax schedules in the *Supplemental Information* section.

POPULATION CHARACTERISTICS

Population increased 84 percent between 1980 and 2010. Shown below are historical census population statistics for the County, unincorporated areas of the County, and the state of Arizona.

POPULATION

	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>
Pima County - Total	531,443	666,880	843,746	980,263
Unincorporated Pima County	191,189	245,219	305,059	353,264
Arizona	2,716,546	3,665,228	5,130,632	6,392,017

Source: U.S. Bureau of the Census. (Census on April 1 of each year.)

POPULATION GROWTH RATES

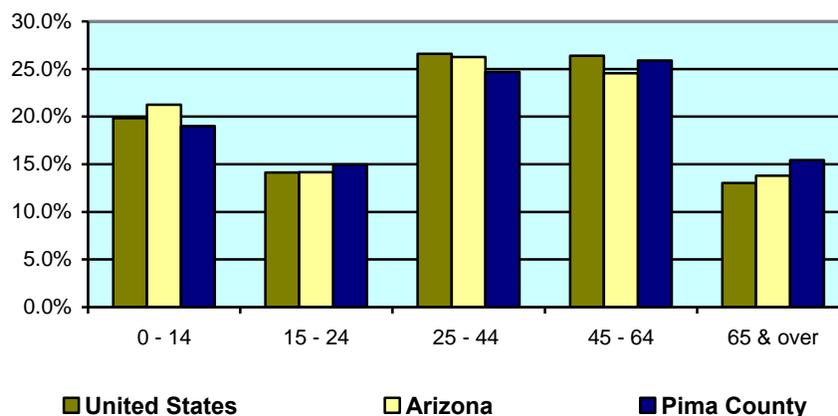
Average Annual Compounded Rate of Change

	<u>1980 - 1990</u>	<u>1990 - 2000</u>	<u>2000 - 2010</u>
Pima County - Total	2.3%	2.4%	1.5%
Unincorporated Pima County	2.5%	2.2%	1.5%
Arizona	3.0%	3.4%	2.2%

Source: Pima County Budget Division.

AGE DISTRIBUTION

2010 Census

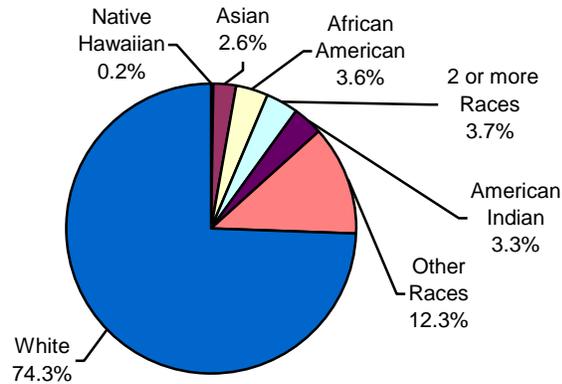


Source: Bureau of the Census, 2010 Census.

POPULATION DIVERSITY

Racial Mix

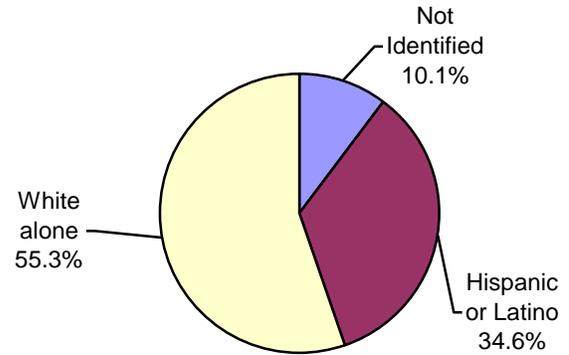
(PERCENT OF TOTAL POPULATION, 2010)



Source: Bureau of the Census, 2010 Census.

White & Hispanic/Latino

(PERCENT OF TOTAL WHITE POPULATION, 2010)



Source: Bureau of the Census, 2010 Census.

EMPLOYMENT CHARACTERISTICS

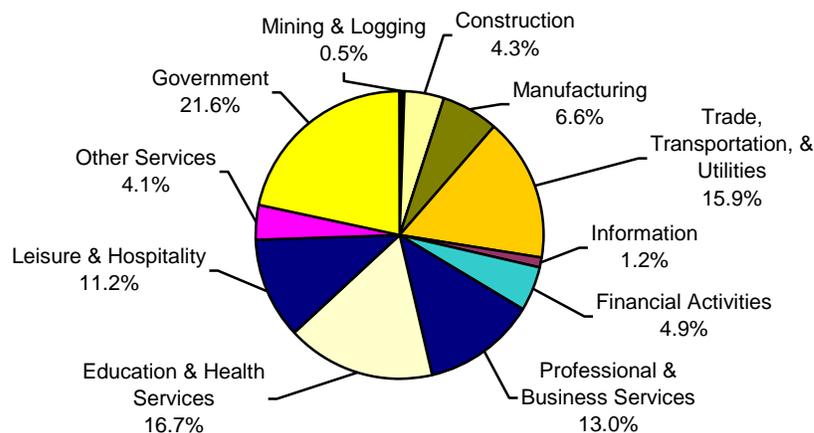
UNEMPLOYMENT RATES

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Pima County	3.9%	3.6%	5.6%	9.0%	9.4%	8.4%
Arizona	4.1%	3.7%	6.0%	9.9%	10.5%	9.5%
United States	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

EMPLOYMENT BY INDUSTRY

Percent of Non-Farm Employment, 2011



Source: U.S. Department of Labor, Bureau of Labor Statistics.

MAJOR EMPLOYERS (Employers with 2,000 or more employees)

<u>Company</u>	<u>Employment Sector</u>	<u>Employees</u>	
		<u>2010</u>	<u>2011</u>
University of Arizona	Government (College Education)	10,481	10,681
Raytheon Missile Systems	Manufacturing	10,500	10,500
State of Arizona	Government	8,866	9,061
Davis-Monthan Air Force Base	Government (Military)	8,462	8,566
Pima County *	Government	7,753	7,362
Wal-Mart Stores Inc.	Trade (Retail)	7,308	7,300
Tucson Unified School District	Government (K -12 Education)	6,709	6,674
U.S. Customs and Border Protection	Government	3,669	6,000
The University of Arizona Health Network	Services (Health)	5,229	5,594
Freeport-McMoRan Copper & Gold Inc.	Mining	4,803	5,068
City of Tucson *	Government	5,419	4,944
Carondelet Health Network	Services (Health)	4,690	4,635
Tohono O'odham Nation	Government	4,350	4,350
Fry's Food Stores	Trade (Grocery)	3,100	3,100
TMC HealthCare	Services (Health)	2,966	2,904
Pima Community College	Government (College Education)	2,336	2,386
Asarco LLC	Mining	2,262	2,348
Afni Inc.	Services (Business)	2,100	2,198
Southern Arizona VA Health Care System	Government (Health)	2,208	2,151
Sunnyside Unified School District	Government (K -12 Education)	2,145	2,125
Citi	Services (Financial)	2,000	2,000

* Budgeted full-time equivalents reported by Pima County and City of Tucson for fiscal years 2010/11 and 2011/12.

Source: *The Star 200 Directory*, published by *The Arizona Daily Star* (April 3, 2011) and Pima County Budget Division.

MAJOR MANUFACTURERS (Manufacturers with 200 or more employees)

<u>Company</u>	<u>Type of Business</u>	<u>Employees</u>	
		<u>2010</u>	<u>2011</u>
Raytheon Missile Systems	Military and Defense	10,500	10,500
IBM	Manufacturing and Research	1,350	1,350
Ventana Medical Systems	Manufacturing and Research	1,008	1,070
Bombardier Aerospace	Aerospace and Aircraft	631	709
Honeywell Aerospace	Aerospace and Aircraft	630	650
B/E Aerospace	Aerospace and Aircraft	390	500
Texas Instruments	Manufacturing and Research	350	370
Sargent Aerospace & Defense	Aerospace and Aircraft	256	275
FLSmith Krebs	Manufacturing and Research	230	267
Universal Avionics Systems Corp.	Aerospace and Aircraft	245	242
CAID Industries Inc.	Manufacturing and Research	230	230
Solar Industries Inc.	Manufacturing and Research	175	225

Source: *The Star 200 Directory*, published by *The Arizona Daily Star* (April 3, 2011).

EMPLOYMENT BY INDUSTRY based on North American Industry Classification System (NAICS)

<u>Industry</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Trade, Transportation & Utilities	62,700	64,300	62,700	58,200	56,600	56,500
Educational & Health Services	52,600	54,700	57,100	58,500	58,300	59,200
Professional & Business Services	49,700	52,600	51,400	47,100	45,700	46,000
Leisure & Hospitality	40,600	40,200	40,400	38,700	38,100	39,600
Manufacturing	28,100	27,500	27,200	25,100	24,000	23,400
Construction	27,900	26,500	22,800	16,600	15,000	15,400
Financial Activities	17,600	18,200	17,200	17,500	17,600	17,400
Information	6,800	5,900	5,300	4,700	4,300	4,100
Mining & Logging	1,600	1,800	1,900	1,700	1,800	1,900
Other Services	15,800	15,800	15,700	14,700	14,300	14,400
Government	<u>76,300</u>	<u>77,900</u>	<u>79,800</u>	<u>79,100</u>	<u>78,200</u>	<u>76,700</u>
Total Non-Farm Employment	379,600	385,300	381,500	361,800	354,100	354,600

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Sum by industry may not add to total because industry employment is rounded to nearest 100 employees.

EMPLOYMENT BY OCCUPATION, 2011

<u>Occupations</u>	<u>Percent of Total</u>
Office and Administrative Support	17.8%
Food Preparation and Serving Related	9.7%
Sales and Related	9.6%
Education, Training, and Library	6.6%
Healthcare Practitioners and Technical Management	6.5%
Transportation and Material Moving	5.2%
Business and Financial Operations	4.4%
Construction and Extraction	4.2%
Installation, Maintenance, and Repair	4.1%
Healthcare Support	4.0%
Building and Grounds Cleaning and Maintenance	3.8%
Production	3.6%
Protective Service	3.4%
Computer and Mathematical	3.1%
Personal Care and Service	3.1%
Architecture and Engineering	2.7%
Community and Social Service	2.7%
Arts, Design, Entertainment, Sports, and Media	2.0%
Life, Physical, and Social Science	1.3%
Legal	1.3%
Farming, Fishing, and Forestry	0.8%
	0.1%

Source: U.S. Department of Labor, Bureau of Labor Statistics, May 2011.

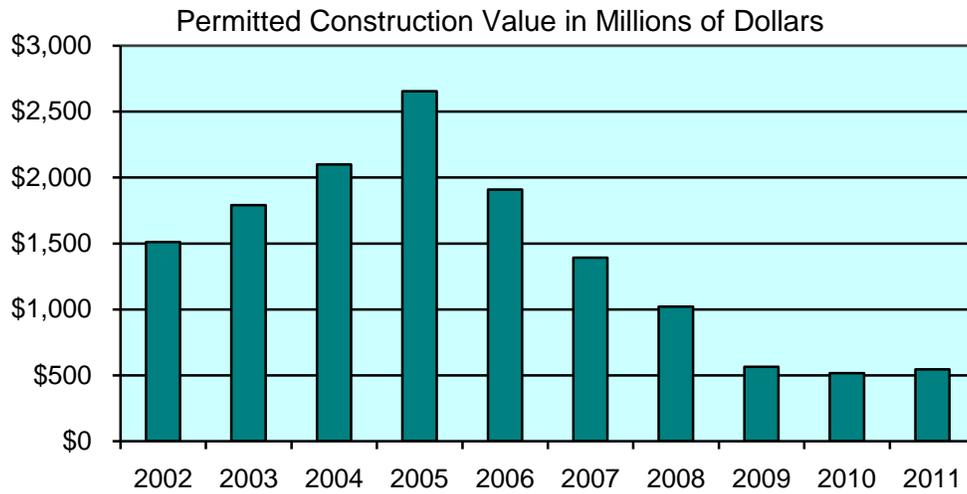
NEW COMPANIES IN PIMA COUNTY (New company announcements from July 2011 to June 2012)

<u>Company Name</u>	<u>Product or Service</u>	<u>Projected # of Jobs</u>
RMS	Business Services – Accounts Receivable	240
CustomerContactsChannels (C3)	Business Services – Call Center	600
APAC Customer Services	Business Services – Pharmacy Call Center	125
Sante Partners	Health Services – Rehabilitation Centers	150
OptumRx	Business Services – Pharmacy Benefits Service	400
Living Social	Business Services – Call Center	180

Sources: Univ. of Arizona Economic & Business Research Center & Tucson Regional Economic Opportunities, Inc.

CONSTRUCTION ACTIVITY

PIMA COUNTY VALUE OF TOTAL BUILDING PERMITS

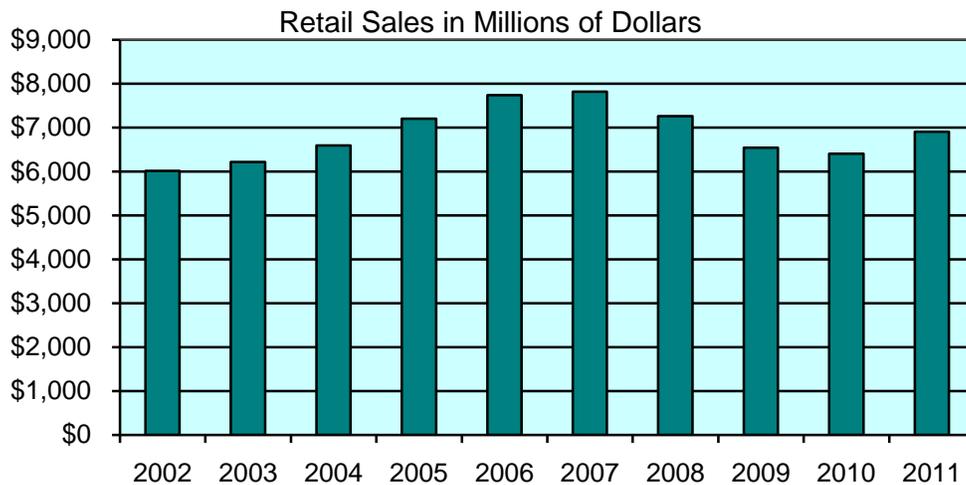


* Value for building permits during 2011 reflects 12-month activity from 2010Q4 through 2011Q3.

Source: Arizona Real Estate Center, W.P. Carey School of Business, Arizona State University.

RETAIL SALES

PIMA COUNTY RETAIL SALES (not including food sales)



Source: Arizona Department of Revenue & Pima County Budget Division.