

MEMORANDUM

To: Resolution EIS Project Files
From: Doug Jeavons
Re: Summary of meeting with Superior Town Manager Todd Pryor
Date: May 17, 2018

Town of Superior

- Town is seeking and likely will get a USDA loan to upgrade the treatment plant and maybe the collection system. Capacity is not the issue, in fact part of the improvements will be to bifurcate the system to deal better with lower flows than designed for (while retaining capacity to deal with higher flows if they come).
- Also receiving \$300K per year from Pinal Regional Transportation Agency to upgrade streets.
- Town is also accessing USDA funding to develop a multi-gen center and begin working a land bank, described more later.
- Housing capacity is an issue in attracting the potential Resolution workforce to live in Superior, but not the only issue. Lack of services, retail and entertainment for younger residents are as big of a problem. Chicken and egg type issue. Town is trying to reach the “tipping point.”
 - Right now, Superior mostly can attract the mining “transient” population. Single skilled tradesmen on 3 to 4 year shifts. They want RV parks and rental (e.g. apartment) housing.
 - There is a pending application for a 20 unit apartment building to be built.
 - Superior is getting an increasing number of contacts from developers. 3 to 4 contacts per week, one application per week, on average.
 - But, most people who are moving into Town now are retirees. It is a rapidly aging community.
 - Estimated 1,480 housing units, 1,100 are occupied. Most of the unoccupied units are refurbishable. 75 are dilapidated, but only about 10 are beyond salvage.
 - Land constrained, considering annexation options.

- RCC owns about 90 acres in Town, BHP owns about 150 acres on top of that.
- Does not expect much of a fiscal benefit if mine develops.
 - Might get upwards of \$200K from the mill.
 - Sales tax would be paid at the smelter, not at the mine, and the City's sales tax rate is only one percent.
 - Most mining purchases are sales tax exempt.
- The Mine is paying for improvements at the "caboose park", and putting in a line to pump treated effluent into the creek above the town to re-establish its flow.
- Would see increased service costs from mine and its employees (even if they don't live in Superior).
 - Maybe 50% increase in police and fire costs (approximately \$375,000 increase per year). RCC had paid the Town approximately \$500K per year for past two years, paying \$250K this year. (There may be a contract in place for RCC to continue paying for these types of services – Michael's and my notes are inconsistent on this).
 - Other costs could be to roads, but don't know how many trucks will use Superior streets.
 - Wastewater service costs would be minimal, and are funded on an enterprise basis.
- Any infrastructure expansion to serve new development would be challenging. Town doesn't have impact fees because it can't afford a study to establish them.
- One of the primary challenges for the Town is the dilapidated buildings and lack of developable space. The Town is actively responding by creating a land bank and repurposing and selling some building in order to buy and repurpose others.
 - Mining suppliers are starting to come to town. Bradkin and Atlas Mining. Town may start to run short on available commercial space (in suitable condition).
 - Several new businesses appear likely to open in the near future, including a 23-room hotel, several guest houses and a new restaurant.
 - Superior has been designated a Federal Opportunity Zone. This allows developers to take capital gains from outside the Town, reinvest them in Superior, and avoid paying capital gains tax under the new tax plan.