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# Board of Supervisors Memorandum

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August 1, 2017

## Community Input on a Possible Pima County General Sales Tax

### Background

During the Board's June 20, 2017 meeting, the Board directed staff to develop a plan by August 1, for soliciting input from the community with regard to whether the Board should adopt a Pima County sales tax to fund road repair and reduce the property tax. This memorandum recommends a community input plan that will be placed on the Board's August 1 agenda for final direction. This plan expands upon the advisory committee concept I proposed in my June 20 memorandum, with the goal of completing such a public input process by March 2018, in order to inform the FY2018/19 budget process.

### Pima County Sales Tax Advisory Committee

One method of the soliciting community input would be through an advisory committee. An 18-member committee is recommended with membership from the newly formed Transportation Advisory Committee, appointments from each Board member, and representation from the business community, as well as organizations representing low income and elderly residents.

Suggested membership, totaling 18 members:

- 5 members, one appointed by each member of the Board of Supervisors;
- 6 members of the Pima County Transportation Advisory Committee;
- 4 members from organizations representing businesses in Pima County (suggest Tucson Metro Chamber, Southern Arizona Home Builders Alliance, Pima County Small Business Commission and Southern Arizona Lodging and Resort Association);
- 3 members from organizations representing low income families and the elderly (suggest Pima Interfaith Council, Tucson Urban League and Pima Council on Aging).

Duties and responsibilities of the Committee:

1. Make recommendations to the Board of Supervisors before March 2018 on the following questions:
  - A. Should the Board of Supervisors adopt a half-cent sales tax?
  - B. If so, should the sales tax be limited in any way? For example, should its collection be limited for a particular number of years?

- C. Should revenues be allocated to road repair and primary property tax reduction purposes, and if so, what percentage of revenue should be allocated to road repair versus primary property tax reduction purposes?
2. Hold a minimum of seven meetings open to the public, with at least one meeting in each of the Supervisorial Districts, for the purposes of:
    - A. Receiving input from the public and other interested stakeholders.
    - B. Receiving briefings from County staff on topics including, but not limited to:
      - The current state of road conditions and road repair funding within Pima County;
      - Pima County's dependence on property taxes in comparison to other Arizona counties, including its impact on Arizona's Constitutional one-percent property tax cap on primary residences; and
      - Sales taxes in Pima County, including existing sales taxes levied by cities and towns and the Regional Transportation Authority, revenue projections from a new Countywide half-cent sales tax, the estimated cost to households from a new Countywide half-cent sales tax, initiatives by other organizations to increase sales tax levies for other purposes, and other types of non-general sales taxes that State law permits Pima County to adopt.
    - C. Providing time for Committee discussion and action.

If appointments to the Committee could be approved at the Board's August 21 or September 5 meeting, the Committee could begin meeting in late September, which would allow for at least one meeting per month through March. The meeting schedule would be coordinated with the Transportation Advisory Committee meetings to make it easier on those members who serve on both committees. The Committee would be staffed by my Executive Assistant, Nicole Fyffe, along with staff from the departments of Finance and Transportation who would be expected to brief the committee on the topics listed above, as well as respond to questions and data requests. Committee meetings would be noticed widely, including in newspapers and via the County's social media.

#### Additional Community and Stakeholder Outreach

Understanding that many residents will be unable or unlikely to attending Committee meetings, it is recommended that staff also solicit input regularly between September and March, through the following methods:

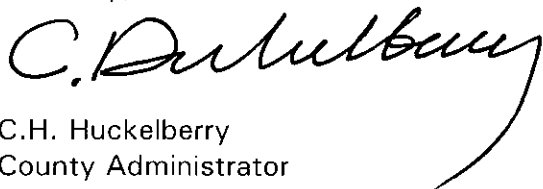
The Honorable Chair and Members, Pima County Board of Supervisors  
Re: **Community Input on a Possible Pima County General Sales Tax**  
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1. Establish a webpage to provide meeting times and locations, resources and further information, and a feedback link with an email address and phone number for questions and comments.
2. Make information available on the County's social media accounts.
3. Request time at neighborhood meetings and meetings held by other organizations that may have an interest in the topic.
4. Solicit input from other area governments that could be impacted by a new sales tax, including cities and towns, the Regional Transportation Authority, and the State of Arizona.
5. Prepare and distribute Frequently Asked Questions and handouts as needed.

Recommendation

I recommend the Board approve this community input plan regarding a possible County-wide sales tax for the purposes of road repair and property tax relief; and make appointments to the Committee as soon as possible.

Sincerely,



C.H. Huckelberry  
County Administrator

CHH/dr (July 12, 2017)

- c: Jan Leshar, Chief Deputy County Administrator  
Tom Burke, Deputy County Administrator for Administration  
Carmine DeBonis, Deputy County Administrator for Public Works  
John Voorhees, Assistant County Administrator for Administration  
Priscilla Cornelio, Director, Transportation Department  
Keith Dommer, Director, Finance and Risk Management  
Robert Johnson, Budget Manager, Finance and Risk Management  
Nicole Fyffe, Executive Assistant to the County Administrator