Op Ed sent to inside Tucson Business

Very early on in the current budget cycle for the City of Tucson I made the claim that my number one priority would be public safety. More specifically, fixing our roads.

According to analyses done by TDOT, the vast majority of our roadways in the City are in fair, poor or failed condition. From the standpoint of economic development, that's a reflection on our region that drives prospective businesses away. It shows that for far too long we have lacked the political will to make a priority of preventative maintenance of our infrastructure. Now that has come home to roost in the form of a huge fiscal liability.

I was looking down two paths. One was where to find an immediate cash influx so we can get started on the repairs as soon as staffing, materials, and equipment are available. The other was to look for a longer term solution in the form of a dedicated funding source earmarked to road repairs.

For the immediate term, I proposed to staff refinancing our current HURF debt. That will yield nearly $12M this fiscal year. Combined with our current HURF allocation from the State, we will have in excess of $15M to work with. From the standpoint of using all of our physical resources, our capacity is about $20M per year. To that end, we directed staff to comb through the budget and find that remaining $4+ million and max out this fiscal year what we are able to do productively.

Putting $20M into road repair in one lump sum, and targeting the immediate fiscal year is the most significant effort towards the issue of our infrastructure that this City has ever done. I'm happy that we're moving down that first path.

The second path, the longer term solution began with my proposal to repurpose 20% of the existing RTA 1/2 cent sales tax money and target it to road repair. The tax is already being paid, and so no new net tax increase would have been involved. I put that in the past tense because the idea would require the Board of Supervisors to place the question on the ballot and I sense no support for doing that at this time. So, how do we move towards the dedicated funding source on a long term basis, and preferably do so in a way that does not simply involve a tax increase?

Annually, the City retires debt that is paid for by our secondary property taxes. This year because of reduced tort liability, we are reducing our primary property taxes as well. The combined result is that we have an opportunity to present the idea of bonding in a manner that would have either a negligible or nearly zero impact on the existing property tax rate, and earmark the bond money to fixing our roads. I have asked staff to look at what specific net impacts a 5 year, $20M per year bond package would have on property taxes - that is, net of the reductions we are already achieving through the tort and debt retirements. The question of bonding would still go to the voters, but it would be a vote of the City Council, not the Supervisors that would get it onto the ballot. I believe if the data comes back as I expect it to, this Council will agree to ask the voters their opinion of the bonding option.