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# Board of Supervisors Memorandum

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March 18, 2014

**Resolution Ordering and Calling a Special Bond Election to be Held in and for Pima County, Arizona on November 4, 2014 for the Purpose of Improving and Reconstructing the Pima Animal Care Center**

## Introduction

On Friday, February 21, 2014, the Bond Advisory Committee (BAC), in response to requests from the Pima County Board of Health and Animal Care Advisory Committee, unanimously recommended that the Board of Supervisors call a bond election on November 4, 2014 for improvements and reconstruction of the Pima Animal Care Center at a cost not to exceed \$22 million. The BAC had previously recognized the need for this project as part of a possible 2015 bond election. During the August 2013 public bond survey, 17,000 responses were received, and this project ranked top of its category.

The recent crisis in overcrowding due to a combination of 22,000 animals annually coming through the facility, as well as more recent efforts to reduce euthanasia rates, have led to an urgent need to replace this antiquated facility as soon as possible. The temporary tent facility, approved by the Board as an interim measure to expand kennel space, has been constructed and is awaiting kennel installation. In addition to these short-term facility solutions, a thorough review of the animal care operations is underway and will result in recommended budget increases beginning next fiscal year. This includes an effort already underway to triple the budget for spay and neuter, which is ultimately the answer to reducing the population of animals cared for by the County and other community animal care organizations.

There will essentially be no cost to add this item to the 2014 ballot, since the ballot will already include a number of items for elective offices and other referrals. However, there will be approximately \$70,000 in costs associated with the printing and mailing of statutorily required publicity pamphlets to registered voters and approximately \$5,000 for required notices in the newspaper, including publishing the full text of a bond implementation plan ordinance for the project as called for in the County's Truth in Bonding Code.

## Process

Attached for the Board's consideration is a resolution to order and call a special bond election to be held on November 4, 2014 for the purpose of improving and reconstructing this facility. Attached to the resolution is sample version of the Notice of Special Bond

The Honorable Chair and Members, Pima County Board of Supervisors

Re: **Resolution Ordering and Calling a Special Bond Election to be Held in and for Pima County, Arizona on November 4, 2014 for the Purpose of Improving and Reconstructing the Pima Animal Care Center**

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Election solicitation of arguments for and against the bond issue for the purposes of including such arguments in the statutorily required publicity pamphlet that would be mailed to all registered voters. Should the Board approve this resolution, the process prior to Election Day would include the following:

- Posting the Notice of Special Bond Election and the call for arguments in the newspaper at the beginning of May, with a filing period from May 15 to May 30 for such arguments.
- Development of a bond implementation plan ordinance, its approval by the BAC and the Board after a public hearing in September and noticing it in the newspaper and County website prior to early voting, which begins October 2, 2014.
- Development of and mailing to each registered voter the statutorily required publicity pamphlet prior to early voting.
- Development of educational materials and educational opportunities.

The Board should be aware that the resolution calling the election and attached notice contain the following language: "The bonds to be issued in one or more series, maturing not less than one year and not more than 30 years following the date of issuance of each series, bearing interest at a rate or rates not higher than 8 percent per annum and to be sold at prices that may include a premium not greater than that permitted by law."

Pima County includes this language on the ballot questions on the advice of counsel in order to obtain a voter authorization sufficiently broad to cover most future circumstances. In fact, however, over the past 30 years, Pima County has only sold bonds with a maturity of no more than 15 years, so that the County's debt can be retired in a timely manner, and future generations are not burdened with large debt. Furthermore, although the maximum interest rate would not be higher than 8 percent per year, Pima County expects to sell bonds at much lower rates. In the last five years of sales of general obligation bonds by the County, the average interest rate has been 3.4 percent per year.

State statute now requires that the ballot contain the phrase "The issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds." In actuality, the County's rapid repayment of existing bond debt will result in capacity to sell this additional bond debt of \$22 million without resulting in a property tax increase.

State statutes also now requires the publicity pamphlet mailed to each registered voter to disclose the estimated cost per residential unit with a full cash value of \$250,000. In Pima County, however, the average full cash value for residential units is only \$147,800. Based on the total values of all property contained on the 2014 Assessment Roll from the Assessor, we have estimated that a tax rate of \$0.0264 per \$100 of assessed valuation

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would yield the amount needed for debt service on a \$22 million new debt. For a home with a value of \$147,800, the average home in Pima County, the annual cost would be \$3.90 per year. For a home with a value of \$250,000, the annual cost would be \$6.60 per year.

Recommendation

I recommend the Board of Supervisors approve the resolution ordering and calling a special bond election to be held on November 4, 2014 for the purposes of improving and reconstructing the Pima Animal Care Center.

Respectfully submitted,



C.H. Huckelberry  
County Administrator

CHH/dr – March 5, 2014

Attachment

c: Jan Leshar, Deputy County Administrator for Medical and Health Services  
Dr. Francisco Garcia, Director, Health Department  
Kim Janes, Manager, Pima Animal Care Center

**RESOLUTION NO. 2014 - \_\_\_\_\_**

**RESOLUTION ORDERING AND CALLING A SPECIAL BOND ELECTION TO  
BE HELD IN AND FOR PIMA COUNTY, ARIZONA ON NOVEMBER 4, 2014.**

**The Board of Supervisors of Pima County, Arizona (the "Board"), finds that:**

- A. It is in the best interests of Pima County, Arizona (the "County") to issue and sell up to \$22,000,000 principal amount of general obligation bonds of the County in order to fund improvements related to care and safekeeping of animals within the County.
- B. The Arizona Constitution requires the Board to submit questions relating to the issuance and sale of County general obligation bonds to the qualified electors of the County.
- C. As of the date of this resolution, the County has \$450,675,000 aggregate principal amount of outstanding general obligation bonds authorized by previous bond elections.
- D. As of the date of this resolution, the County's Constitutional debt limitation is \$1,143,553,692.

**NOW THEREFORE, BE IT RESOLVED, that:**

- 1. A special bond election will be held on November 4, 2014, to submit to the qualified electors of the County the following question (the "Question"):

For the purpose of acquiring, developing, improving and equipping facilities for the care and safekeeping of animals in the County, including, without limitation, the construction of new animal care and safekeeping facilities or the improvement of existing facilities in the County, and the acquisition and construction of real and personal property or interests or rights in property for such purpose and paying all expenses properly incidental thereto and to the issuance of such bonds, shall Pima County, Arizona be authorized to issue and sell general obligation bonds of the County in an aggregate principal amount not exceeding \$22,000,000? The bonds to be issued in one or more series, maturing not less than one year and not more than 30 years following the date of issuance of each series, bearing interest at a rate or rates not higher than 8 percent per annum and to be sold at prices that may include a premium not greater than that permitted by law. The issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

- 2. The County Administrator and the County Elections Director, or their designee(s) will cause the following to take place:
  - a. Publish a Notice of Special Bond Election (the "Notice"), in substantially the form attached to this Resolution as Exhibit A, in a newspaper published and circulated generally within the County.
  - b. Mail to the residence of each registered voter in the County, not less than 35 days prior to the election, an informational pamphlet containing the information required by law.

- c. Designate polling places for approval by the Board. The polls will be open during the periods of time stated in the Notice.
  - d. Prepare and deliver to the election boards, to be furnished to the qualified electors wishing to vote at the special bond election, ballots and related materials in the form and containing the information required by law.
  - e. Direct early voting, in the manner provided by law, with the assistance of the County Recorder.
  - f. Arrange for all voting to take place on voting equipment authorized by the Arizona Secretary of State.
  - g. Conduct the special bond election and keep the poll lists in the manner provided by law.
  - h. In order to comply with the Voting Rights Act of 1965, as amended, include, in each of the following, as it is posted, published, and recorded, a Spanish translation: the Notice, the informational (publicity) pamphlet, the ballot, all early voting materials, and all instructions at the polls.
  - i. Return the results of the special bond election to the Board within twelve days after the special bond election.
  - j. Submit a copy of the informational pamphlet to the department of revenue within thirty days after the special bond election.
3. The Board will hold a special meeting within twenty days after the election to canvass the votes cast and certify the results of the special bond election, as provided by law. The Board will be governed by the vote of the majority as to the Question. The Clerk of the Board is hereby directed to prepare and present to the Board, at that special meeting, a certificate as required by law, and cause that certificate to be recorded in the office of the Pima County Recorder after approval by the Board.
  4. Written arguments of no more than 300 words in length for and against the Question, for inclusion in the informational pamphlet to be distributed to registered voters in connection with the special bond election as required by law, must be submitted as provided in the Notice and must be received no earlier than 8:00 a.m. on May 15, 2014 and no later than 5:00 p.m. on May 30, 2014.
  5. If issuance of the bonds is authorized at the special bond election, the expenditure of the bond proceeds will be governed by the provisions of Chapter 3.06 of the Pima County Code "Bonding Disclosure; Accountability and Implementation," as it may be amended from time to time.
  6. If any provision of this resolution, or its application to any person or circumstance, is determined to be invalid, that will not affect other provisions or applications of this resolution that can be given effect without the invalid provisions or applications.

PASSED, ADOPTED AND APPROVED by the Board of Supervisors of Pima County, Arizona, on March 18, 2014.

PIMA COUNTY, ARIZONA

By: \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
Clerk, Board of Supervisors

APPROVED AS TO FORM:

SQUIRE SANDERS (US) LLP  
Bond Counsel

By:   
Timothy E. Pickrell

EXHIBIT A

**NOTICE OF SPECIAL BOND ELECTION TO BE HELD IN AND FOR  
PIMA COUNTY, ARIZONA ON NOVEMBER 4, 2014  
AND  
SOLICITATION OF ARGUMENTS FOR AND AGAINST THE PROPOSITION**

**TO THE QUALIFIED ELECTORS OF PIMA COUNTY, ARIZONA:**

A special bond election will be held on November 4, 2014.

The purpose of the election is to ask the qualified electors of the County whether the County should be authorized to issue County bonds in addition to those authorized at previous elections.

The question to be submitted is as follows:

**Question No.**

**Facilities for the Care and Safekeeping of Animals**

For the purpose of acquiring, developing, improving and equipping facilities for or related to the care and safekeeping of animals in the County, including, without limitation, the construction of new animal care facilities or the improvement of existing facilities in the County, and the acquisition and construction of real and personal property or interests or rights in property for such purpose and paying all expenses properly incidental thereto and to the issuance of such bonds, shall Pima County, Arizona be authorized to issue and sell general obligation bonds of the County in an aggregate principal amount not exceeding \$22,000,000? The bonds to be issued in one or more series, maturing not less than one year and not more than 30 years following the date of issuance of each series, bearing interest at a rate or rates not higher than 8 percent per annum and to be sold at prices that may include a premium not greater than that permitted by law. The issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

The polls will be open during the period from 6:00 A.M. to 7:00 P.M., inclusive, on the day of the election.

Any qualified elector may vote by early ballot in the manner provided by law. Official early balloting materials may be requested by telephone or mail from the County Recorder, 115 North Church Avenue, Tucson, Arizona; telephone 724-4330, prior to 5:00 P.M. on October 24, 2014. Any elector prevented from voting at the polls as a result of an emergency occurring between 5:00 P.M. on October 24, 2014 and 5:00 P.M. on November 3, 2014 should contact the County Recorder for directions as to voting.

The County hereby solicits the submission of written arguments of no more than 300 words in length for and against the question on the issuance of the bonds for inclusion in the informational pamphlet to be distributed to registered voters in connection with the special election, as required by law. Such arguments must be submitted to Pima County Election Department, 6550 South Country Club Road, Tucson AZ 85756, and must be received no earlier than 8:00 a.m. on May 15, 2014 and no later than 5:00 p.m. on May 30, 2014. A \$100 fee payment, payable to the Pima County Elections Department, must accompany each argument submitted to offset a portion of the printing and mailing costs associated with the informational pamphlet.

DATED \_\_\_\_\_, 2014.

PIMA COUNTY, ARIZONA  
By: Robin Brigode  
Clerk, Board of Supervisors