

COUNTY PUBLIC SAFETY FACILITIES – Back to the Basics

For this article, I'll revisit the basic factors of the public safety facilities issue. I once read that text without context is pretext – so, here is the context.

To wit: given the current situation of our inadequate jails and unsafe courtrooms; given the current population of Gila County and the projected growth rate; and given the current crime rate and projected increase – the public safety facilities Committee factored out a 20-year infrastructure solution for necessary jail beds and attendant administration and court space.

Inherent in addressing the court needs was the understanding that in Arizona, counties are “blessed” with one additional Superior Court division, and all of its trappings, for every 30,000 citizens. We currently have two Superior Courts and are nearing 60,000 residents. Therefore, in the near future we will be establishing another Superior Court.

All in all, the identified jail needs are +/- 300 jail beds (up from +/- 150 beds, based on projected population growth and crime rate growth in the next 20 years) within a total of new and remodeled space of 60,000 sq. ft. (following national space requirement standards).

The identified new court space – court rooms for both Superior and Justice/Municipal Courts and associated offices; Sheriff Administration with evidence storage, County Attorney with Child Support and Probation, and Constable (also following national space requirement standards) totals 62,000 sq. ft.

The estimated probable cost of this construction falls between \$32 million and \$40 million. As you know, the two principal costs of construction are the cost of the materials and labor, and the cost of the money needed to build.

When thinking about the cost of materials and labor, know that it is more economical to build today than it will be a year from today or two years, or etc. Part of the reason the Committee was instructed to bring forth the “most economical, soonest recommendation” was to take advantage of this factor – where soonest also factors into most economical.

As to the cost of money, the Committee learned of the very sound financial condition the County enjoys – i.e. no existing bond debt, a \$10 million free reserve, and a short term prime borrowing rate of prime minus 3 1/3%. In their financing inquiries, the Committee was advised by investment bankers that if the citizens agreed to let the County “go out to bond”, the County would be eligible for the very lowest interest rate available at the time of bonding.

It was this understanding that led them to recommend the County go to election to let the citizens choose whether or not they wished the County to garner the

“cheapest” money available through bonding (paid for with dedicated secondary property tax) ... a “yes” vote in the bond election – or whether the citizens wished to use more expensive money (paid for with undedicated primary property tax) a “no” vote in the bond election.

This would pay for the courts. Now for the jails.

The Committee recommended the County ask the citizens if they wanted to slide half of the total cost of construction off the back of property tax and onto the back of sales tax. In Arizona, counties are allowed the use of up to ½-cent sales tax, with voter approval, for new jail construction and operation. If you buy discretionary goods in Maricopa, Coconino or Yavapai counties, you are helping to pay for their jails.

One third of the arrests in Gila County are out-of-county residents and one third of the discretionary goods purchased in Gila County are by out-of-county residents. By using sales tax, Gila County can “export” this out-of-county cost. Residents or non-residents, legal or illegal, would all share in this cost through their purchases of “discretionary” goods (NOT groceries, pharmacies or services). These costs are currently paid for by property tax.

In this case, a “yes” vote on the sales tax issue would mean the citizens have elected to use up to ½-cent sales tax to build and operate the new jails. A “no” vote on the sales tax would mean the citizens have elected to use their undedicated primary property tax for this instead.

And now, because so many myths and misrepresentations have been thrown into this discussion and “muddied the water”, I feel it is time I address some of these. With my next article I will discuss the recommended Payson location and why it was considered not only adequate but the best “bang for the buck”. (The Committee was working under the instructions of making a recommendation that *“got the tax payer the most value for the least money in the quickest period of time”*.)

I will also discuss alternate sites that were considered by the Committee, and sites that have been offered up for discussion following the disbandment of the Committee in June. I will share what was considered some of the “fatal flaw(s)” of each.

In further articles I will speak to the county perspective on other issues being raised. As always, if you’d like more information on this or other topics, please contact my office at 928-474-7100.