



COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER
130 W. CONGRESS, TUCSON, AZ 85701-1317
(520) 740-8661 FAX (520) 740-8171

C. H. HUCKELBERRY
County Administrator

November 7, 2003

James Keene, Manager
City of Tucson
P.O. Box 27210
Tucson, Arizona 85726-7210

Re: **Pima County May 2004 Bond Election**

Dear Mr. Keene:

I am responding to your request concerning the size of our May 2004 general obligation bond election. Attached is a memorandum I sent to the Board and the County Bond Advisory Committee on this subject. The primary constraint on the size of the bond authorization will be maintaining the County secondary property tax rate for debt service stable and predictable, not too exceed the approximated rate today. If the years over which bonds are sold is extended from five to seven, then a total bond authorization of up to \$450 million is sustainable. I am prepared to recommend that amount to the County Bond Advisory Committee and the Board of Supervisors. Ultimately, the Board will make the final decision on the size of the bond request.

Actual implementation and timing of a 2004 general obligation bond program will be dependent on a number of factors, such as the state of the municipal bond market, the readiness of projects to go into acquisition, design or construction, and growth in the County secondary assessed valuation. As in the past, Pima County will carefully monitor these factors and make annual decisions accordingly. On projects of mutual interest, we will keep our partners fully informed of these issues and pending program decisions.

I hope this information helps.

Sincerely,

A handwritten signature in cursive script, appearing to read "C. Huckelberry", is written over a printed name and title.

C.H. Huckelberry
County Administrator

CHH/jj
Attachment

c: The Honorable Chair and Members, Pima County Board of Supervisors
Chair and Members, Pima County Bond Advisory Committee



CITY OF
TUCSON

OFFICE OF THE
CITY MANAGER

November 5, 2003

C.H. Huckelberry
Pima County Administrator
130 West Congress, 10th Floor
Tucson, AZ 85701

Subject: May 18, 2004, Special Pima County Bond Election

Dear Mr. Huckelberry:

At the Pima County Bond Advisory Committee meeting of October 31, 2004, you stated your preference that the total bond amount not exceed \$450 million and a 5-7 year time frame for implementation in order to prevent an increase to the secondary property tax rate. City staff intends to inform our Mayor and Council of your recommendation on this matter when they hold a study session discussion to prioritize the City's bond request on Monday, November 10, 2004.

Nonetheless, I understand that is your recommendation. Your Board, as my Council does, makes its own decisions as the governing legislative body.

Since the Mayor and Council took the position that they did not want the Pima County bonds to result in a tax increase, the total bond amount is a key consideration for them as they review the City's request. I want to verify your commitment to the \$450 million bond amount you recommended to the Committee. If at some point in the future you recommend an amount that is greater than \$450 million or the Board of Supervisors makes a different decision, this may require the Mayor and Council to revise or reorder the priorities contained in the City's request. The firmness of the County's commitment to identifying the size of the Bond package and guarantee of holding at that level is important to my Mayor and Council's ability to respond to prioritization requests.

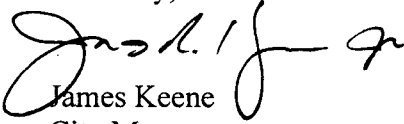
Please inform me before Monday, November 10, of your recommendation, specifically, and your sense of the Board's support for that recommendation.

Let me reiterate a desire to continue to work with you and Pima County staff to ensure that the program of projects in the bond election benefit City of Tucson residents and others who live in Pima County.

C.H. Huckelberry, Pima County Administrator
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I am available to discuss this matter further if necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "James Keene". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

James Keene
City Manager

JK:sap

c: The Honorable Mayor and City Council Members
The Honorable Chair and Members of the Pima County Board of Supervisors
Members of the Pima County Bond Advisory Committee