Maricopa County Sales Tax Referendum Case Study

An MPO-led planning effort identified a carefully balanced program of projects that earned widespread support from the legislature, media and public.

Background

Initiative Description

In November 2004, the voters of Maricopa County, Arizona approved a 20-year ½-cent sales tax for transportation from 2006 through 2025 by passing Proposition 400. This tax was an extension of the existing ½-cent sales tax enacted in 1985 as Proposition 300 and which expired at the end of 2005. The original 1985 tax was almost entirely devoted to the construction of new freeways within the county, funding projects on the Maricopa County Association of Governments' (MAG) Regional Transportation Plan (RTP). The 2004 extension continued to fund projects on this long-range plan, but the types of projects funded were changed. Funding was allocated to the new construction of or improvement to existing freeways and highways (56.2 percent), improvements to arterial streets (10.5 percent), and to transit (33.3 percent). Greater detail of these projects is given below:[1]

- Freeway/Highway Element
  - 490 lane miles along new corridors
  - 530 general-purpose-lane-mile and 300 HOV-lane-mile widenings
  - Maintenance, operation, and noise mitigation improvements
  - Incorporation of a Freeway/Highway Life Cycle Program
- Arterial Street Element
  - New arterial facilities, widenings, or intersection improvements
  - Intelligent Transportation Systems (ITS) applications
  - Incorporation of an Arterial Life Cycle Program
- Transit Element
  - New regional bus service (local, arterial bus rapid transit [BRT], and freeway BRT)
  - 57.7 miles of light rail transit (LRT)
  - Other transit services including commuter vanpools and paratransit
  - Incorporation of a Transit Life Cycle Program

Estimated revenue generated from the tax over its 20-year span was $14.3 billion in year-of-expenditure (YOE) dollars. Other estimated state and federal funds over this time period amounted to $17.5 billion.[2] The sales tax itself represented 45 percent of the 20-year funding estimate, and accordingly, a critical source for implementing Maricopa County's RTP.

Maricopa County's Transportation Background

Maricopa County is the fourth most populous county in the U.S. and is home to nearly 4 million of Arizona's 6.5 million residents.[3,4] Maricopa County's estimated growth from July 2000 to July 2007 was nearly 800,000 people, making it one of the fastest growing metropolitan regions in the country with a population over 1 million.[5] At the time of the first transportation sales tax passage in 1985, its population was about 1.8 million, indicating a doubling of the county's population by the first tax's end.

Major cities in the county include Phoenix, Glendale, Mesa, Chandler, Scottsdale, Gilbert, Tempe, and Surprise.[6] The county is often geographically referenced by three main regions, the West Valley, Phoenix, and the East Valley. Much of the county's growth in the 1980s and 1990s took place in the East Valley (e.g., Mesa and Gilbert), with more recent growth in the West Valley (e.g., Glendale and Surprise).

Maricopa County's freeway/highway system includes routes on interstates, urban freeways and highways, and rural highways, all of which are part of the Arizona Department of Transportation (ADOT) State Highway System. Freeways/highway centerline mileage in the county is 615 miles, including 215 on interstates. The arterial street system complements the freeway/highway system, primarily comprising roadways of four or more lanes on a one-mile grid system, and carries auto traffic, transit, bicycle, and pedestrian traffic. Arterial streets carry more than half the vehicle miles traveled (VMT) in the region.[7]

The Maricopa County Association of Governments is the region's designated Metropolitan Planning Organization (MPO) whose membership consists of the county's 25 incorporated cities and towns (primarily mayors), three American Indian communities, the county itself, ADOT, and the Citizens Transportation Oversight Committee (CTOC). The CTOC was established in counties that levy a transportation excise tax and review and advise on matters related to the regional freeway system. Representatives from each of these members form MAG's governing and policy-making Regional Council.

Development

Demonstrated Need

Explosive population growth in Maricopa County over the past 25 to 30 years has required significant expansion in the region's transportation network. To an extent, expansion of the transportation system has itself helped reinforce growth in population as well. But mainly, socioeconomic reasons have helped drive growth, with ample job opportunities, affordable housing, and a perceived moderate cost of living, especially relative to many who relocated from California.[8]

The ½-cent sales tax (Proposition 300) in effect from 1986 through 2005 helped fund a significant portion of Maricopa County's roadway system to accommodate the growth of the 1980s and 1990s. That tax funded 138 centerline miles of regional freeways and highways on which about $5.7 billion (YOE) was spent. It was not, however, without financial difficulties. Several years into the program, during the late 1980s and early 1990s, it became clear that some of the projects promised under the tax's plan would not be delivered without additional funding. In an effort to compensate for the tax raising only half of its initial expectation as well as increased project costs,[9] a 10-year extension of the tax through 2016 plus an additional ½-cent sales tax was proposed. The additional ½ cent would be divided evenly between freeways and public transit. The proposal was defeated by the voters in November 1994.

Subsequently, the Governor and ADOT took steps to sure up what remained of the projects on Proposition 300's plan, revising funding forecasts, deleting two freeway projects, and reallocating federal funds. Additionally, ADOT introduced its Life Cycle Program concept in 1992. This Life Cycle Program, still employed today, implements a schedule of programmed projects, monitors their progress, and balances annual and total program costs with estimated revenues. In the case of Proposition 300 projects, this period had extended through its fiscal end in 2006.[1,10]

As Proposition 300's 20-year lifespan was drawing to a close in the early 2000s, it became clear that an extension of the tax to continue to fund system expansion would be necessary to meet continued population growth that had accelerated further. Traffic congestion and its environmental consequences were increasing and future projections of growth would only worsen the conditions. Forecasts published in MAG's 2003 RTP, the basis for the 2004 ½-cent sales tax extension as discussed in the following section, highlight these trends: by 2030, Maricopa County's population was projected to double from its level in 2000; and by 2025, projected employment would also double from its 2000 level, with job distribution spreading more uniformly throughout the urbanized region, rather than being concentrated in downtown Phoenix.[5]

A number of needs studies conducted by MAG for the 2003 RTP development identified a wide range of transportation projects to support projected population and employment growth. Among them included a transit study justifying investments in LRT and BRT corridors, proposed improvements to east/west mobility through the region, improvements within southwest Maricopa County near the border with growing Pinal County, and improvements necessary to serve the rapidly growing West Valley.[5]

Initiative Development

Significant development of Proposition 400 began in 2000. From 2000 to 2003, MAG developed the modal and area plans to determine the region's transportation needs beyond 2005 and the expiration of the 1985 Proposition 300 ½-cent sales tax for transportation. In 2002, a governance decision by the Regional Council led to the formation of the

Transportation and Policy Committee (TPC) to develop the region's next Regional Transportation Plan. The TPC consisted of elected officials from the county's seven largest cities, several other smaller communities, and the county itself; an ADOT state board member; and six individuals from the private sector to represent business interests.

At the same time, a grassroots effort led by the Associated General Contractors of Arizona (AGC) and its political consultant initiated its Maricopa 2020 campaign to advocate for an extension of Proposition 300. Its purpose was to educate the public about the tax's expiration and build support for its extension. Throughout 2003, they delivered many presentations to chambers of commerce, business organizations, and other community associations discussing future growth and mobility needs and related quality-of-life issues. In this manner, a coalition grew behind extending the sales tax, along with financial support, which together would later drive the election campaign.

A third parallel effort was the Vision 2001 Task Force that had been tasked with making a set of statewide recommendations on the future of Arizona's transportation systems. The Task Force released its findings in December 2001 summarizing the needs and means to finance 10,000 projects across the state. One proposed tool to fund the program was a statewide sales tax. The financed program was endorsed by the Task Force's transportation and business constituencies, but state elected officials were not apt to approve such a sales tax measure. Nonetheless, the Task Force's recommendations influenced Maricopa County's support for extending its own sales tax.

With input from MAG, the 2003 state legislative session began to address the upcoming expiration of Proposition 300. In March 2003, legislative proposals included a simple extension of the tax to be approved by the voters directing funding in the same manner as Proposition 300 had done, i.e. almost exclusively for freeway/highway expansion. However, funding for arterial (city) streets and transit was advocated by members of MAG, many of whom as mayors of the county's cities and towns sought funding for their local projects as well as transit within the more maturely and densely developed municipalities.

By April 2003, the Senate Finance Committee concluded that arterial street and transit funding should be included in a sales tax extension, beginning in earnest a debate over funding apportionment that would characterize the tax's development and eventual passage in November 2004.[11] To guide the sales tax's development, House Bill (HB) 2292 was signed by the Governor in May formally recognizing MAG's TPC and setting a deadline of December to finalize RTP. The RTP would specify which projects the tax extension, as well as other estimated resources, would fund over a 20-year timeframe.

The TPC presented a draft RTP in July, held six public hearings in August and September, and issued its final plan on September 17, 2003. Throughout the process, funding distributions, inclusion or exclusion of particular projects, and the setting of spending priorities were debated among the plan's stakeholders, well-represented by the Committee's membership—elected officials hoping to direct funding to their constituents' local needs and business representatives seeking improvements in their area and employment opportunities in support of specific projects. Emphasis fell on capacity expansion rather than system preservation, as the age of the county's infrastructure was relatively young. In the end, a prioritized list of projects emerged with a funding distribution of 56.2 percent freeways/highways, 33.3 percent transit, and 10.5 percent arterial streets.

Soon after the RTP was issued, however, criticism began as the focus turned to legislators who would be drafting a bill early in the 2004 legislative session authorizing the sales tax extension in what was hoped would be a May 2004 election. East Valley legislators felt too much money was going to extending light rail beyond the downtown region into the suburbs, preferring freeway expansion instead. West Valley legislators maintained this same stance against light rail and also felt that they were not going to receive enough of the money based on projections that their region would be subject to the most growth over the next 20 years. Meanwhile, the City of Phoenix began to threaten to pull out of the plan if wholesale changes were made, especially to the planned apportionment for transit.[12]

Despite initial objections from the chair of the House Transportation Committee, opposition to light rail was dropped as the 2004 state legislative session evolved, including a proposal to present it as a separate measure on the ballot. Many concerned lawmakers, including the House Transportation Committee chair became convinced that voters were owed the opportunity to vote on the tax extension and not lose a significant funding source for freeways, as well as other systems.[13] However, a November, rather than May 2004 election was approved. HB 2456 was passed and signed by the Governor in early February 2004, endorsing the RTP and authorizing the ballot measure for the November election.

Beginning in summer 2004 and increasing through the fall up to the election, pro and con campaigns were waged. Financial support for the Yes on 400 campaign outstripped detractors until a prominent East Valley businessmen bankrolled a hard-fought campaign against the measure, specifically opposing the light rail component. In the end though, the sales tax extension passed with a 58 percent majority.

Sponsors and Stakeholders

Prior Experience

A ½-cent sales tax to fund transportation improvements was not a new concept to decision-makers or the people of Maricopa County. Clearly, experience implementing and utilizing, as well as simply paying for the tax, leant a certain level of familiarity with the concept as the expiration of the original 20-year Proposition 300 sales tax began to approach in the early 2000s. In selling the idea among elected officials, business interests, and taxpayers, there was no notion of a "new tax," an often politically unpalatable approach to pay for new or increased public needs. In fact, opposition did not emerge against the tax itself, but rather on how and where it would be spent.

Proposition 300 enacted in 1985 helped fund major freeway expansion within Maricopa County during its rapid population growth in the 1980s and 1990s. Tax dollars collected translated into tangible and relied upon infrastructure that had become a significant part of the region's transportation system including segments of the 101 Loop through the northern portion of the Valley past Glendale and Scottsdale and Loop 202 around the East Valley near Mesa, Gilbert, and Chandler. Overall 138 centerline miles of freeway were funded. Residents of Maricopa County felt that they received something invaluable for their personal investments.

Of course, the first sales tax was not without its problems, including funding shortfalls and a failed attempt at extending and increasing the tax in 1994. Revenue projections made prior to the institution of Proposition 300 were rather crude and erroneously based on the high inflation rates of the 1970s and early 1980s.[14] Fiscal oversight of tax receipt expenditures was also lacking. The 1994 extension and increase was proposed without a comprehensive spending plan, and voters balked at raising the tax for unproven transit and to pay for freeway projects that had already been promised. The early pitfalls of the 1985 tax and the failure of the first Proposition 400 in 1994 led MAG officials and legislators to apply lessons learned and build safeguards into the 2004 tax extension.[1] The inclusion of these safeguards was also supported by campaign research efforts indicating that accountability, oversight, and revenue protection all backed by audit processes were important to public and legislative acceptance.[15] As a result, the following provisions were adopted into the Proposition 400 plan:

- Revenue firewalls – protected funding from being transferred from one program to another by mandating the funding distribution set among freeways/highways, arterial streets, and transit. This measure specifically addressed concerns that potential light rail or other transit cost overruns would end up impacting promised freeway funding.
- Performance audits – a five-year cycle of comprehensive, multi-modal performance audits would be performed to evaluate the RTP's scheduled projects and make project-specific recommendations on their viability.
- Major amendment process – developed to be able to modify the RTP based on the results of performance audits or recommendations from the TPC. An amendment would be made only after a rigorous consultation and review process showing that any alternative would have to provide at least the same level of congestion relief or mobility as the original project.

- Life Cycle Programs – based on the successful Freeway/Highway Life Cycle Program maintained by ADOT since 1992 and instituted following a 1991 audit of Proposition 300 expenditures, life cycle programs were implemented for the tax's arterial streets and transit elements, maintained respectively by MAG and Valley Metro Regional Public Transportation Authority (RPTA), which operates the regional transit system in the Phoenix metropolitan area.

Finally, Proposition 300's early difficulties also may have been influenced by ADOT's relative inexperience constructing urban freeways. In the mid-1980s, ADOT did not possess a good understanding of urban freeway design elements and their costs, including freeway-to-freeway intersections, drainage requirements, and others.[14] As the first sales tax program advanced, however, ADOT gained such experience, and the public and elected officials' confidence grew in the agency's ability to successfully implement freeway projects.

Incidentally, there was some disagreement among interviewees that active, visible construction was necessary to earn voters' support for extending the sales tax. One individual interviewed felt that it was necessary to demonstrate to the public that responsible agencies could deliver on what had been promised, especially for freeways that had experienced earlier pitfalls.[14] However, another remarked that had light rail construction been visible at the time of the election, causing traffic disruptions and impinging on business access in downtown Phoenix, voters may have balked at the approving funding when such prominent inconveniences were the clear result.[15] However, this difference of opinion also may have highlighted some of the inherent disagreements between support for freeways and support for light rail transit.

Maricopa Association of Governments

Since 1985 and Proposition 300, transportation decisions in Maricopa County have been locally-driven. It is also important to note that Arizona statute gives MAG the power to set transportation project priorities as well as to approve material scope and costs changes, lending it a primary role in transportation development in the county. As such, MAG played an instrumental role in Proposition 400's passage.

MAG's Transportation and Policy Committee successfully formulated an RTP to serve as the basis for the transportation sales tax extension. Over several months in the second half of 2003, elected officials and business representatives worked diligently to arrive at a spending and prioritization plan consensus. They carefully considered options for dividing funding geographically throughout the region. The TPC weighed distributing it based on population and likely voter turnout—this approach favored the more populous East Valley and Phoenix regions—or based on current traffic measurements and growth projections, which tended to favor the lesser developed but fast-growing West Valley.[16] The TPC also considered the mix of projects, requiring a balance among desired freeways in the outlying parts of the Valley, arterial street improvements in more built-up areas, and transit improvements, especially the continued expansion of light rail from downtown Phoenix, which at the time, had not yet started construction. Decisions were made using a performance-based approach, with a selection of projects that showed the best chance for improvements, balancing these competing priorities.

Eric Anderson, Transportation Director at MAG, was a key facilitator during the formulation of the RTP. As a leader within MAG but outside the TPC, he provided significant input at each step in the process, from guiding the initial policy discussions to formulating plan alternatives to identifying the right set of projects.[14] His work helped craft a plan in manner that was ultimately both politically and technically feasible.

Transportation Policy Committee Leadership

The chair of the TPC, Tempe Mayor Neil Giuliano, had prior experience with a transportation sales tax. His city, known for taking the lead on progressive initiatives, was the first in the state to implement a local transportation sales tax in 1996, which was used to fund transit projects. Centrally situated within Maricopa County and home to Arizona State University, Tempe draws a large amount of pass-through and destination-oriented traffic. Accordingly, transportation has been a significant issue for the city, often drawing greater public concern than crime and education. Mayor Giuliano applied his "CVS" model—the "capacity, value, and support" model he had used to indentify and build consensus for needed transportation improvements in Tempe—to his work on the TPC.[17]

Successful guidance of the TPC also came from its vice chair, Glendale Mayor Elaine Scruggs. Together, Mayors Giuliano and Scruggs felt that reaching a strong consensus on the RTP prior to the Legislature's involvement to authorize the election for the sales tax extension was essential. The *Arizona Republic* summed up the significance of agreeing on the plan in an editorial on the matter: "If large factions opposed the plan, the theory went, it would be an open invitation for the Legislature to tinker with components. Moreover, if the mayors [who partially comprise the TPC] openly rebelled and voted against it, the voters might take their cue from their leaders and turn down the extension of the half-cent sales tax in a planned election…."[18]

Arizona Department of Transportation

The Arizona Department of Transportation was not the primary public agency involved in the development of the Proposition 400 sales tax extension—that role belonged to MAG. Nonetheless, Proposition 400 campaign polling indicated that ADOT's reputation was significant. It is important to note ADOT's inauspicious beginning in delivering the products of the first Proposition 300 sales tax, as well as its subsequent recovery and marked improvement in project delivery and reputation beginning in the mid-1990s. With experience gained from the early days of freeway-building in the late 1980s and early 1990s, the introduction of the Lifecycle Program to better balance lifetime project costs, and the successful delivery of a reworked Proposition 300 program in its latter half, ADOT had achieved a certain level of positive credibility within the county. Eventual completion of these projects that now comprise an indispensible county freeway network created tangible results that helped shape users' support for a sales tax extension. One other particular and recent program that had achieved a favorable response from the public was the use of rubberized asphalt in freeway construction to reduce highway noise.[19]

In addition, ADOT had developed a good working relationship with MAG and provided strong technical support to the development of the RTP.[14] Another turning point for ADOT occurred in 1999 shortly after the passage of the Federal TEA-21 transportation reauthorization legislation the year before. Initially, ADOT had programmed only 10 percent of state discretionary transportation funds, including federal highway funds from TEA-21, for Maricopa County, a disproportionate figure considering the county held 60 percent of the state's population. Then-Director of ADOT, Mary Peters, brokered the so-called Casa Grande agreements in 1999 to reach an understanding on how best to divide transportation funding regionally around the state, since improving ADOT's working relationship with MAG and other county entities.[14]

Even so, in 2004, ADOT still shouldered some negative sentiment from the pressures of delivering the Proposition 300 freeway network that had to undergo modifications and the elimination of promised projects as it progressed. It was thought that this remaining negativity contributed to the high degree of project specificity in the Proposition 400 program.[20]

Business Community

Without the work and support from the business community in Maricopa County, the sales tax extension very likely would not have occurred. Individual business leaders, local coalitions, and chambers of commerce all played critical roles in advocating for the tax extension from the perspective of supporting economic growth. Their involvement took place at all stages of Proposition 400's development dating back to 2002 with the formation of Maricopa 2020, a grassroots effort led by the Arizona AGC and its political consultant, Highground Inc. As discussed under *Initiative Development*, throughout 2003 and prior to and during the TPC's work on the RTP, Maricopa 2020 built greater support for the sales tax extension, bringing chambers of commerce, business organizations, and other community associations on board. As this business-oriented coalition grew, so did support from local elected officials, who in turn brought to the table particular projects desired in their regions to be included in the RTP and funded by the tax extension. Business and community groups included among others:

- Phoenix Community Alliance – focuses on business and community revitalization in Central Phoenix
- East Valley Partnership – advocates for economic and social issues in the East Valley
- Western Maricopa Coalition – promotes the West Valley influence on public policy issues
- Valley Forward – promotes environmental concerns and livability issues in Maricopa County
- Homebuilders Association and Association of Realtors – advocates for the development community

One of the most notable influences of the business community was their presence on the TPC. Six of the 23 members were selected from the private sector, representing banking, trucking, heavy construction, real estate development and sales, and energy delivery. Their presence on the TPC represented the first time private sector interests were involved in transportation policy decisions; previously their involvement had been limited to technical work. Multiple interviewees pointed to this group of business representatives as instrumental in keeping the committee's work on task. As representatives from outside the political process, they acted as a tempering force—"honest brokers" as one interviewee put it—by resolving disagreements among elected officials and keeping the focus of their work on producing a regional plan by transcending the parochial interests of individual communities.[14,20] One interviewee described these six committee members as the "investors" among the overall group, keenly interested in achieving an outcome that would drive economic development, a platform that garnered a strong consensus. On a project basis, they had a good feel for which investments would meet approval at both a constituent and legislative level.[19] Overall, by the time the RTP was finalized, their contributions and activism had helped build both public acceptance and legislative support, leading to its approval in early 2004 to appear on that November's ballot.

Once the Proposition 400 measure was authorized by the state Legislature to appear on the ballot, the business community, again led by the same leaders of Maricopa 2020, championed the public campaign. The Yes on 400 campaign was spearheaded by the Arizona AGC and run by Highground Inc., led by their respective presidents, David Martin and Chuck Coughlin. The details of this campaign are discussed further under *Communications and Marketing*.

Legislative Leadership

Despite some short-lived hesitancy on accepting the inclusion of funding for light rail in the RTP, State Representative Gary Pierce (R-Mesa), chairman of the House Transportation Committee, was the main supporter and driver for delivering the authorizing legislation for the Proposition 400 ballot measure. After the RTP's issuance, in early October 2003 it was clear that Rep. Pierce, himself a strong supporter of freeway development as a representative from the East Valley, was not a proponent of the light rail funding included in the plan, despite stating that he would not oppose its funding when expected to formulate a bill in January 2004 to authorize the election.[21] As described in the *Initiative Development* section, opposition to light rail outside of Phoenix threatened to derail a smooth acceptance of the RTP and ballot measure authorization during late fall 2003.

In December, Rep. Pierce announced that there was too much legislative opposition to the plan and suggested withholding funding for expansion of light rail beyond Phoenix until at least 2011, allowing enough time for the initial downtown phase to prove successful, and postponing the ballot measure from May to November 2004 to allow further time to develop the legislation and secure the two-thirds vote needed for the bill's passage.[22] However, he subsequently began to adopt a more balanced approach as the January legislative session approached and supporters of the plan presented convincing data on light rail's expected benefits to the region.[20]

As the legislative session opened, Rep. Pierce insisted that the geographic battles were over, referring to the preferences of the East and West Valleys to build freeways, rather than light rail favored by the City of Phoenix. It was understood that the Legislature either had to accept the RTP in its unmodified entirety or reject it outright; there was no opportunity to modify the project selection that comprised it. This perception was later confirmed in an October 2004 issuance of a Legislative Council memo concluding that a legislatively-developed funding plan would be contrary to the federal transportation planning process and jeopardize the receipt of federal funds.[23] Thus, given the overwhelming support behind the plan especially at the city level, a majority of legislators, behind the leadership of Rep. Pierce, agreed that the public should not be denied the opportunity to decide on generating significant transportation revenue and investment. They endorsed the plan and authorized the election for November 2004.

Opponents

A small minority of legislators (about 20 percent) opposed the Proposition 400 plan—not the concept of the sales tax itself—during the legislative authorization process and beyond into the public campaign throughout 2004. They maintained staunch opposition to light rail funding, advocating for a significant reduction in its sales tax apportionment or its elimination from the measure altogether. During the height of the public campaign, one legislator, Rep. Andy Biggs (R-Gilbert), proposed rewriting the plan to devote 98 percent of its funding to freeways.[24]

However, the primary opponent to Proposition 400 as the election date approached was in fact a single individual—David Thompson, a wealthy East Valley entrepreneur who maintained a vehement opposition to light rail funding. He only became involved in the overall development of Proposition 400 very late, when in September 2004 he singlehandedly bankrolled the No on 400 campaign, becoming a formative opponent backed by a small number of pro-freeway legislators. Mr. Thompson argued that light rail did not move people as efficiently as freeways and their costs of construction were comparatively higher and nearly guaranteed to be more than anticipated. Like lawmakers, he was not opposed to the tax but wanted to see 90 percent of the funds dedicated to freeways, essentially eliminating the transit component as nearly all the remainder would fund arterial streets.[25] The details of his campaign are discussed further in the next section.

Communications/Marketing

Election Year Campaign

Certainly, communicating the need and purpose of the Proposition 400 sales tax extension was necessary early on in the process and throughout it, beginning with Maricopa 2020's support-building outreach efforts and through the critical development of the RTP and legislative campaign to authorize the ballot measure—these details have been extensively covered in earlier sections. However, many salient details associated with communicating and marketing Proposition 400 occurred after its legislative authorization and when the public campaign began in earnest.

Individuals interviewed who were members of Maricopa 2020 and also later directly involved in the Yes on 400 campaign stated that they had hoped to gain legislative approval for a May 2004 election. Their reasoning was a desire to start the campaign as soon as possible to capitalize on the initiative's existing momentum and to avoid competing among other measures and campaigns during the 2004 presidential general election. As a local measure, Proposition 400 would be placed near the end of the ballot and potentially be overlooked by voters. Campaigning during the general election also would be more costly.[15,19]

Maricopa 2020 interviewees stated that the Legislature's reasoning for selecting the November general election was to expose it to a larger voter turnout. As a special May election, Proposition 400 would have been the only measure to appear on the ballot, and they believed that the Legislature wanted to avoid the appearance of trying to appeal to a contracted voter base for an important countywide measure, potentially one that would skew—either in favor or opposed—results representing the actual public sentiment on the matter.[15,19] Indeed when interviewed, the TPC Chair stated that it is generally easier to sell a campaign message and generate a desired voter outcome during an off-cycle election.[17] A private sector member of the TPC interviewed for this study also agreed with the assessment that a larger public showing tends to produce a more reliable and balanced result. However, the interviewee disagreed with the assertion this decision was dictated by the Legislature, but rather resulted through the course of campaign debate.[20]

Yes on 400 vs. No on 400

The business community was key to fundraising and supporting the Yes on 400 campaign. Fundraising occurred throughout 2004, with the campaign kicking off in earnest in mid-September. Interviewees stated that upwards of $3 million was raised and spent, with $500,000 expended by the AGC and another $1.2 million from its members alone.[15,19] Polling was used extensively to ascertain which aspects of the Proposition 400 plan resonated most with the public, and these were subsequently integrated into campaign outreach materials and advertisements. Comparatively, focus groups were not employed widely, with one interviewee experienced in running campaigns stating that they are used only when the intensity of a particular issue needs to be measured or qualitative information obtained.[15] A tracking poll was also used to measure support for the initiative—300 individuals' opinions were recorded on a rolling basis, by which the oldest 100 individuals were replaced by a new set of 100.

Campaign messages that resonated most effectively with the public included highlighting the expected economic benefits of the planned infrastructure and how necessary they were to maintaining a high quality of life. Campaign materials included targeted brochures tailored to emphasize the plan's benefits to various regions throughout the county. The campaign also printed and collected requests for early mail-in ballots, from which they built a database of public supporters. Finally a comprehensive website offered numerous resources to learn about Proposition 400. It featured an interactive map allowing users to view and zoom in on their region or neighborhood and layer on specific improvements programmed into the plan.

The No on 400 campaign also debuted in September, and despite not having been previously involved in the development of Proposition 400 and undertaking a long fundraising effort, it proved to be a formative force. The No on 400 campaign was wholly supported by David Thompson, who some believe was capitalizing on the situation to advance a future political career.[17,20] Mr. Thompson's "No" campaign was strictly based on an anti-light rail platform.

The No on 400 campaign was often characterized as combative and narrowly focused, and ultimately the much broader coalition of supporters behind Proposition 400 prevailed. The Yes on 400 campaign capitalized on inaccurate statements made by Mr. Thompson on the merits of the plan and translated them into television and email advertisements in favor of the initiative.[15] Two interviewees suggested that Mr. Thompson's extreme position against nearly all funding for light rail ultimately harmed the effectiveness of his message,[14,17] although another believed that the failure of his campaign was more attributable to the unlikely ability of what was essentially a one-man campaign, albeit well-funded, to overcome the "massive inertia" behind a well-thought-out plan.[19] Another interviewee also suggested that Mr. Thompson's efforts helped crystallize the plan's support from elected officials; it was easier for the "Yes" campaign to diffuse the fact that the opposition was only opposed to the light rail component of the plan. As light rail only comprised 15 percent of Proposition 400's funding, it was clear to most of the public that the overall plan was much broader than this one issue that had formed the heart of the opposition's argument.[15]

Lessons Learned

Specification of Projects

One notable feature of Proposition 400 on which multiple interviewees remarked was the direction of all its funding to specific projects. Although one interviewee objected to calling this strategy earmarking, noting that selected projects were not "ornament projects" that had not been vetted through a public process,[19] all agreed on one aspect: voters insist on knowing what they would get for their money. Those directly involved in the campaign pointed to polling results indicating that an illustrative tool showing where the sales tax money would be directed was necessary to win public support for the measure.[19] However, multiple interviewees lamented that this process may also be too prescriptive, and that in retrospect, greater flexibility in funding particular projects would be beneficial because unforeseen changes in budgets or the logistics of pursuing a particular project may warrant a shift in the plan's programming that may not be possible. It was suggested that the plan's prescription be limited to specific corridors rather than specific projects along such a corridor.[20] Overall though, this limitation was "the inherent cost of doing business"[14] and a necessary product of the political process.[20]

Overall Conclusion

All interviewed agreed that Proposition 400 was an important achievement for Maricopa County; one calling it a "great public policy and community success."[17] The overall effort's flexibility, consistent message, and ultimately, the strong partnership across numerous stakeholders and process participants led to the measure's successful passage by 58 percent, a figure that had exceeded expectations.[17] The use of the TPC was identified as a key success factor; as noted it leveraged experienced leadership and the innovative inclusion of private sector members to build broad-based consensus and maintain an ability to remain agile throughout the process and work with the Legislature. Maintaining and marketing a consistent message continued past the plan development and legislative authorization phase into the public campaign. This factor was critical to overcoming the opposition as the election date neared. By continuing to tout Proposition 400's balance and inclusiveness throughout the campaign, the foundation for the opposition's argument was marginalized and shown to represent the sentiment of a very narrow segment of the electorate.

[1] *2008 Annual Report on the Status of the Implementation of Proposition 400*, Maricopa Association of Governments (October 2008).
[2] *2005 Annual Report on the Status of the Implementation of Proposition 400*, Maricopa Association of Governments (September 2005).
[3] U.S. Census Bureau, Population Division. *National and State Population Estimates*. 18 Mar. 2009. 8 May 2009 <http://www.census.gov/popest/states/tables/NST-EST2008-01.xls>.
[4] U.S. Census Bureau, Population Division. *County Population Estimates*. 18 Mar. 2009. 8 May 2009 <http://www.census.gov/popest/counties/tables/CO-EST2007-01-04.xls>.
[5] *Regional Transportation Plan*, Maricopa Association of Governments (November 2003).
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