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Officials seek tax increase in Washoe County for public safety

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Reno, Sparks and Washoe County officials are seeking a ballot question to raise the sales tax in the county for public safety instead of the Truckee River flood control project.

Officials said a quarter-cent hike would generate \$18 million a year. A proposal to raise the tax by an eighth of a cent for flood control was rejected.

The Sparks City Council unanimously voted Monday to urge the Washoe County Commission to place the proposal on the Nov. 7 ballot. Reno and the county would get 40 percent of the money and Sparks 20 percent.

The county commission is scheduled to consider the question June 20. The Reno City Council would act June 14.

If voters approve, local officials must seek authorization from the Nevada Legislature next year.

The Truckee River Flood Control Steering Committee will be urged Friday to eliminate the tax from a bundle of taxes and fees needed to close a \$319 million gap in the \$658 million, half funded by the Army Corps of Engineers.

"A sales tax for flood control is not in the cards," said commission Chairman Bob Larkin, also a member of flood control finance committee.

A Washoe County survey of 609 registered voters in May showed only 44 percent would approve of a one-eighth cent increase in the sales tax, now at 7.375 percent.

But the survey showed 56 percent of voters would support a sales tax hike for public safety, including police and firefighters, according to the \$22,000 survey by InfoSearch International for the flood control steering committee.

A Sparks survey of voters in March showed 73 percent would support a quarter-cent sales tax to hire more police.

Public safety, crime and gangs ranked sixth in the survey in an open-ended question on the most important issue facing Washoe County. Growth, water and traffic were the three most important issues by a large margin, followed by education and higher gasoline/utility prices. Flood control ranked 13th.

With a quarter-cent hike, a household buying \$10,000 a year of taxable merchandise would pay an extra \$25, according to a Sparks report. Sales tax is not collected on food, drugs and medical supplies.

The flood control finance committee of elected officials and top executives from Reno, Sparks and Washoe

County will urge the flood steering committee to hire an economist to propose a package of taxes and fees that likely would be accepted by residents for presentation to the Legislature in 2007.

Without additional money, flood control director Naomi Duerr said money will run out in 2008 to buy land and work the flood control project. The Army Corps of Engineers is reviewing options, but locals favor a "living river" flood control concept with natural areas rimmed by berms allowed to flood in east Reno and Sparks.

Pyramid Lake Paiute tribe officials want two dams on the river eliminated or fish ladders built to assure passage for the endangered cui-ui fish. Corps officials and tribal chairman Norm Harry are to have a "sovereign nation to sovereign nation" talk on the issue in a few weeks.

For the local share of the flood project, county officials estimate they'll need \$19-\$26 million more a year over 30 years. That's on top of \$9 million a year from a one-eighth cent sales tax approved in 1999 to pay for flood control and two public safety projects.

With inflation and maintenance costs, the total cost of the flood control project is estimated at \$891 million over 30 years.

Duerr said the cost of damages from another major flood also are going up and could approach \$950 million.

The committee also wants to assess the impact of lost wages. More than 25,000 people in Sparks work in the flood plain.

"It's a regional issue," said Shaun Carey, Sparks city manager.

In the survey, voters also rejected boosting motor vehicle registration taxes to pay for flood control. Only 43 percent of the voters said they'd favor a 1 percent boost in the tax, based on the value of their vehicles. That would raise \$9.7 million a year. And only 30 percent support a transfer tax when real estate is sold.

Of the taxes supported, 78 percent favored an impact fee on new development in the flood plain; 55 percent favored an annual charge on properties that contribute to runoff in the Truckee River.

Fifty-three percent favored an annual charge on buildings in the flood plain that will be safe after the project is built. Officials said that charge would be offset by lower flood insurance rates.

"People do believe in the bundling idea to share the burden," said County Manager Katy Singlaub. "But it has to be fair."

Larkin said he wants officials to lobby for \$100 million of the state surplus expected next year and to go after other state and federal grants to buy land along the Truckee River.

John Phillips, president of the 162-member Heron's Landing Homeowners Association, said everyone in the Truckee Meadows should help. Anyone who has a roof or driveway adds to the runoff that eventually goes into the river, creating flooding for someone else.

In his neighborhood, he said floodwaters came within a foot of flooding homes last New Year's Eve.

"We had a lot of scared people," he said.