



February 9, 2024

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MEMORANDUM

To: Honorable Mayor Romero and Council Members

From: Michael J. Ortega, P.E., City Manager

Subject: Sales Tax Revenue Projections and Regional Transportation Authority (RTA)

As you may recall, I directed staff to contract with the University of Arizona, Eller College of Management's Economic and Business Research Center (EBRC) to confirm and develop a forecast of anticipated revenue for the City's Better Streets, Safe Streets (Prop 411) 0.5% sales tax. We ultimately expanded the scope to include separate related forecasts for the other City of Tucson sales tax rates of 2% (general sales tax) and 0.1% (zoo sales tax). Also included in the expanded scope was a 20-year projection for the 0.5% sales tax to compare with the expected productivity of the RTA/RTA Next 0.5% Transaction Privilege Tax that would be collected within the City of Tucson. We have received the new sales tax revenue projection from EBRC. Attached are both the EBRC report's Executive Summary (Attachment A) of the new forecast and the forecast tables from the full report (Attachment B) for each of the three sales tax rates for your information and use. The complete report can be provided upon request.

Although our focus was initially to confirm our projections for existing City sales taxes, when I reviewed the information, it caused me to pause and direct my focus primarily on the RTA and particularly RTA Next. Hence, this memorandum will relate to the information generated by EBRC, and how I have translated it into RTA Next revenues. We will provide more information on the Prop 411 and Zoo sales taxes as a part of future budget development discussions. Should you want more details on those now, please do not hesitate to ask.

The EBRC projection includes Optimistic, Pessimistic, and Baseline forecasts for various durations, expressed both in real dollars (year of collection) and 2024 dollars (deflated to present value). This approach is common. It follows the same methodology, and was performed by the same analyst, used by the RTA. Notably, the RTA forecast was completed using economic data through FY 2022; the new city forecast includes data from FY 2023. The 2022 forecast appears to have been informed by a concern that post-pandemic inflation may not be able to be brought under control without triggering a recession. Although there is still a risk of a near term recession, FY 2023 experienced significant revenue growth, locally, regionally, and nationally, rather than the feared recession.

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The new forecast for the productivity of a 0.5% sales tax levied only within the City of Tucson for a 20-year period from 2024 through 2043 ranges from \$1.83 billion (optimistic, 2024\$) to \$1.65 billion (pessimistic, 2024\$). The revenue projected in the City's pessimistic forecast represents over 70.5% of the pessimistic forecast currently being used by RTA in its RTA Next budget of \$2.34 billion.

We believe the current RTA pessimistic forecast significantly underestimates the revenue production of the RTA, even under unfavorable economic conditions. The RTA pessimistic forecast of \$2.34 billion produces an average revenue of \$117 million/year over the 20-year life of RTA Next; by comparison the RTA's FY 2023 TPT revenue was \$119.3 million, (RTA FY 2023 Audit, pg. 7) and FY 2024 revenue to date exceeds FY 2023 collection. The RTA updated its RTA Next project cost estimates several months ago, but I suspect those estimates are now dated enough to warrant a new review. In addition, based on these latest revenue projections from EBRC, RTA should also update its revenue forecast.

Independent of the EBRC forecast effort, the City has tracked the revenue produced by the City's Prop 101 and 411 sales tax collections compared to the RTA Transaction Privilege Tax (TPT). This comparison is summarized in Table 1 below:

To: Honorable Mayor Romero and Council Members

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Comparison between RTA TPT Collections and the Productivity of a City Only 0.5% Sales Tax

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Avg. FY 19-23
RTA TPT @ 0.5%	\$ 86,326,341	\$ 89,518,565	\$ 101,235,313	\$ 110,676,463	\$ 119,283,740	\$ 101,408,084
Prop 101/411 Total Revenue @ 0.5%	\$ 53,471,798	\$ 57,374,937	\$ 61,301,093	\$ 69,156,299	\$ 76,903,032	\$ 63,641,432
% of RTA TPT which Tucson collected	61.94%	64.09%	60.55%	62.49%	64.47%	62.76%
Prop 101/411 Monthly					* Props 101 & 411	
June	\$ 3,641,810	\$ 5,016,356	\$ 7,334,565	\$ 4,565,363	\$ 5,666,888	
May	\$ 4,336,120	\$ 3,886,269	\$ 4,485,331	\$ 7,807,517	\$ 7,309,770	
April	\$ 5,130,828	\$ 3,768,640	\$ 5,163,596	\$ 5,822,157	\$ 5,863,753	
March	\$ 4,268,222	\$ 6,607,130	\$ 6,650,697	\$ 4,453,393	\$ 8,307,527	
February	\$ 4,362,248	\$ 3,827,259	\$ 3,627,248	\$ 5,064,602	\$ 4,335,803	
January	\$ 3,865,093	\$ 4,594,147	\$ 7,084,002	\$ 7,709,632	\$ 6,193,816	
December	\$ 5,944,228	\$ 5,742,741	\$ 2,120,129	\$ 5,473,888	\$ 7,621,752	
November	\$ 3,826,722	\$ 4,527,626	\$ 5,964,406	\$ 6,330,667	\$ 6,205,700	
October	\$ 5,462,650	\$ 3,159,245	\$ 4,626,683	\$ 5,336,848	\$ 6,303,446	
September	\$ 3,500,215	\$ 6,263,186	\$ 3,693,265	\$ 4,838,956	\$ 4,512,227	
August	\$ 3,765,069	\$ 4,193,166	\$ 6,051,134	\$ 6,546,088	\$ 9,097,752	
July	\$ 5,368,594	\$ 5,789,173	\$ 4,500,038	\$ 5,207,186	\$ 5,484,598	
Total	\$ 53,471,798	\$ 57,374,937	\$ 61,301,093	\$ 69,156,299	\$ 76,903,032	

Table 1, 5-Year Comparison of RTA and Prop 101/411 Revenue Production

As you can see from Table 1, the City's sales tax revenue generated within the City limits is on average nearly 63% (62.76%) of the total regional (RTA) tax collections. A reasonable assumption is that these percentages would hold over the next 20 years and would mean the RTA should generate about \$2.63B (\$1.65B/62.76%) compared to the \$2.34B RTA has been using as the budget for RTA Next. This first challenge can be addressed by updating the projections accordingly.

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The second challenge is more significant and is directly related to the City of Tucson's participation in a future RTA Next. The current proposals up for consideration show the City of Tucson receiving about \$1.01B in RTA Next funding over the next 20 years, as outlined in the TMC Modified Recommended Plan, while the amount shown in Plan 4.2 is only \$161M for City of Tucson projects. It needs to be noted that Plan 4.2 only allocates specific amounts to the Roadway Corridor Element projects, and although we can assume a portion of the other elements will go to the City of Tucson, we have no guarantee particularly since the City only has one vote and can easily be out voted when trying to obtain investments within the City from the Safety, Active Transportation, Environmental, and Transit Elements.

Hence, given that at this point, the investment on the table for consideration by the RTA Board of Directors using the TMC Modified plan is approximately \$1.01B or less and the City could generate approximately \$1.65B if we were to go after our own 0.5% sales tax, I may not be able to in good conscience recommend the City of Tucson continue to participate in RTA Next. In essence, by participating in RTA Next, the City would basically give up approximately \$640M of revenue over the next 20 years or approximately \$32M annually. To put that in perspective, our HURF allocation (DTM budget) is about \$65M annually. An additional \$32M for street maintenance would equate to an increase of about 50% and far exceed the \$200M for pavement rehabilitation we had identified in our prior submission to the RTA. Please keep in mind the \$32M per year is only the amount above what we are currently scheduled to receive under the TMC Plan for other improvements.

Another way to think about this situation and put it in perspective is that even if the RTA determined through their analysis or through EBRC, that our calculations are correct and the RTA Next budget should in fact be closer to \$2.64B, and the entire increase of approximately \$310M (\$2.65B - \$2.34B) were allocated to the City of Tucson, it would still fall short of what the City could potentially realize if we were to solicit and receive approval from the voters for our own 0.5% sales tax. If that were the case, the City would see about \$1.32B or a percentage of the total of about 49.8%, significantly below the 62.76% generated within the City of Tucson. In the past, the City of Tucson has been challenged to demonstrate the regional value of improvements and programs important to City residents such as capital maintenance, modernization of corridors, and transit to name a few. Based on these new numbers, I suspect it will be important for the other regional partners to demonstrate and convince the City of Tucson of how exactly their projects benefit the region, but more specifically the City of Tucson residents.

To: Honorable Mayor Romero and Council Members

From: Michael J. Ortega, P.E., City Manager

I have been a proponent of a regional approach to solving the challenges we all face including transportation and I still believe in a broad regional approach as I continue to see value in it; however, when you simply look at the numbers, it would be fiscally irresponsible for us to leave \$32M on the table every year in the name of a regional approach. I suspect the RTA may be requesting updated numbers from EBRC, which is good and may open the conversation among the RTA Board to rethink the allocation and distribution of the RTA Next projects and funding. As a part of this discussion, we should identify an acceptable and transparent process for allocation of revenue that the RTA will likely receive above the pessimistic forecast they are currently programming for RTA Next.

I will be asking for an agenda item for the Feb. 21, 2024, Study Session to review this information in more detail, but in the meantime, please feel free to reach out if you would like to discuss this matter further.

Attachment A: Executive Summary of EBRC Report

Attachment B: Page 17 of the EBRC Full Report – Forecast Reports

Attachment A: Executive Summary of EBRC Report

Revenue Forecasts for the City of Tucson 0.5% Sales Tax Rate

George Hammond, Ph.D., Director and Research Professor
Economic and Business Research Center
Eller College of Management, University of Arizona
January 2024

Executive Summary

This summary discusses long-term (30 year) revenue forecasts for the City of Tucson’s 0.5% sales tax rate by major category. This tax rate is assumed to persist at current levels during the forecast period. The forecasted revenues are of annual frequency, beginning in fiscal year (FY) 2024 and ending in 2053. Forecasts are provided for three scenarios: a “most likely,” an “optimistic,” and a “pessimistic.” Forecasts are provided both in current dollars and in constant 2024 dollars for thirteen different tax categories. Methodology and techniques, as well as forecasted revenues for the base 2% and 0.1% tax rate are available in “Sales Tax Revenue Forecasts for the City of Tucson by Tax Rate, January 2024.”

Revenue Outlook for the 0.5% Rate

The forecast calls for City of Tucson revenues to increase during the next 30 years. Revenue growth is expected to decelerate in fiscal year 2024, after strong gains in 2023. Growth is generally in the 3% per year range during the forecast. During the next 30 years, baseline revenues from the 0.5% rate total \$3.9 billion in current dollars (\$2.8 billion in 2024 dollars).

Revenues are initially lower under the pessimistic scenario, which assumes slower economic growth for the nation and the Tucson MSA. However, due to higher inflation in the pessimistic scenario, nominal revenues during the 30-year period hit \$3.9 billion. That is equal to the baseline total. However, removing the effects of inflation leaves revenues in the pessimistic scenario at \$2.5 billion in 2024 dollars for the 30-year period. That is well below the baseline.

The optimistic scenario posits faster economic growth for the nation and the Tucson MSA, which, in turn, generates higher revenue for the City of Tucson. Over the 30-year period revenues total \$4.2 billion. After adjustment for inflation, revenues are forecast to be \$3.0 billion in 2024 dollars.

Exhibits 1 and 2 show annual revenues for the 0.5% tax rate under alternative scenarios in nominal and constant 2024 dollars.

Exhibit 1: City of Tucson 0.5% Tax Rate Nominal Revenues Under Alternative Scenarios

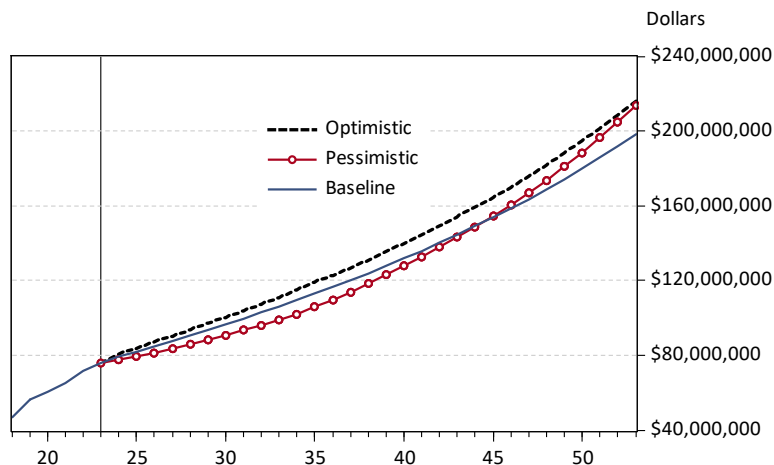
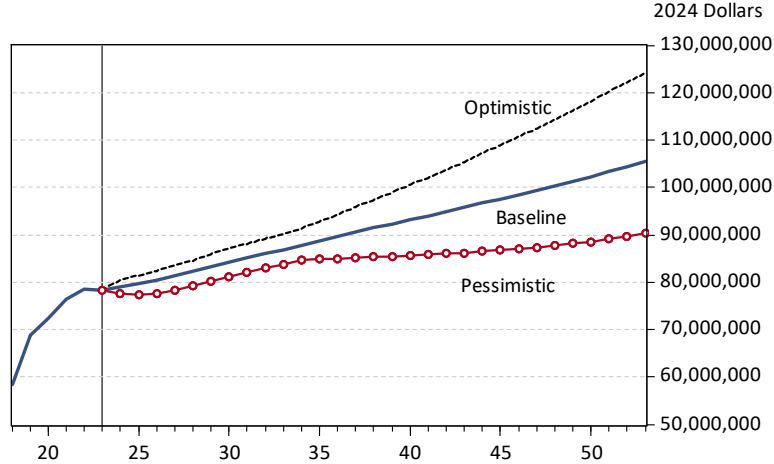


Exhibit 2: City of Tucson 0.5% Tax Rate Inflation-Adjusted Revenues Under Alternative Scenarios



Economic Outlook

The future growth of City of Tucson sales tax revenue depends on gains in the local economy, which, in turn, depends in part on national and even global economic growth. Likewise, the forecasts presented here for City of Tucson revenues depend on assumptions about global, national, and local economic trends. Forecasts for the national and global economies come from S&P Global, a well-known economic forecasting and consulting firm. Those forecasts drive the Tucson MSA (Pima County) model, maintained by the EBRC through the Forecasting Project, which provides projections for key local indicators (jobs, income, and population).

During the second half of 2022, economic forecasters became increasingly pessimistic about near-term growth for the nation. During 2023, however, those fears proved to be overblown as the U.S. avoided a recession, even with significantly higher interest rates engineered by the Federal Reserve.

The latest long-term Tucson MSA outlook was completed in August 2023, based on a national outlook generated by S&P Global in July 2023. The baseline projections called for the U.S. economy to achieve a “soft landing,” which means that growth and inflation slow significantly without a recession. More recent forecasts maintain this assumption.

Slowing national growth in the near term translates into something similar in Tucson. Job growth slowed significantly in 2023 for both the nation and Tucson as the economy transitioned to more normal growth coming out of the pandemic. In addition, relatively high interest rates, engineered by the Federal Reserve to reduce inflation, contributed as well.

Over the longer term, Tucson economic growth under the baseline is expected to be near the national pace but well below average growth for the state and the Phoenix MSA. On average from 2023 to 2053, Tucson job growth averages 0.6% per year, above the U.S. at 0.3% per year but well below Tucson’s average growth rate during the prior 30-year period (1.4% per year).

The story is similar for population growth. Tucson’s population is forecast to rise by 0.5% per year, which is faster than the national average (0.4% per year) but well below the prior 30 year average of 1.4% per year. Population growth decelerates during the next 30 years due to the demographic transition caused by the aging of the Baby Boom generation. This puts downward pressure on natural increase (births minus deaths) during the forecast period.

Finally, inflation-adjusted income in Tucson is forecast to rise by 2.4% per year in the Tucson MSA, compared to 2.2% per year nationally. Even so, that is below Tucson’s average growth rate during the prior 30-year period of 3.0% per year.

Alternative Economic Scenarios

The baseline scenario calls for continued, but slowing, gains in the national and local economies. It is important to also consider alternative scenarios. The alternative scenarios are provided by S&P Global and reflect different assumptions about growth in the short- and long-term.

The baseline forecast is assigned a 55% probability. The pessimistic scenario is assigned 25% and the optimistic scenario is assigned the remaining 20%. The pessimistic scenario assumes a moderate national downturn in the second half of 2023, driven by tightening lending standards by banks, which restrict consumer and business spending, as well as continued problems arising from the Russian invasion of Ukraine. Growth is below the baseline through 2025.

The optimistic scenario assumes gains faster than expected under the baseline for both the U.S. and Tucson.

Exhibit 3 shows how the national alternative scenarios translate into Tucson MSA job growth. Jobs in the pessimistic scenario are well below the baseline.

Exhibit 3: Tucson MSA Jobs Under Alternative Scenarios

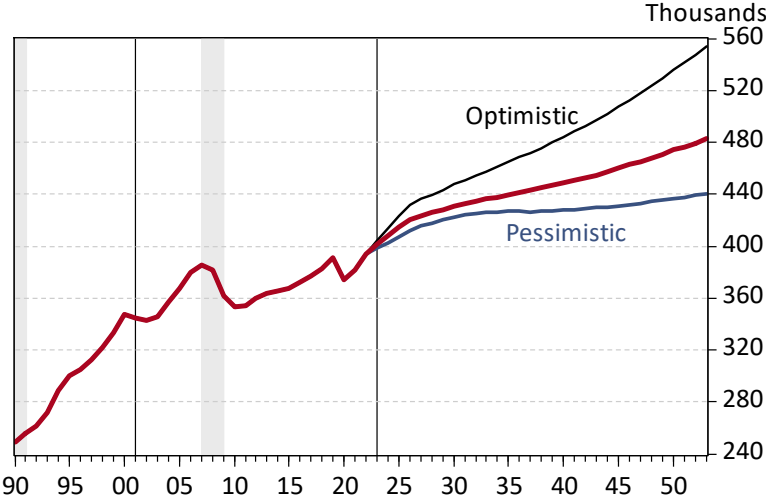


Exhibit 4 and 5 provide cumulative revenue projections for the 0.5% tax rate by scenario in nominal (**Exhibit 4**) and constant 2024 dollars (**Exhibit 5**).

Exhibit 4: Cumulative Revenue Projections for the 0.5% Rate by Scenario, Thousands of Current Dollars

**Projected Yield for the City of Tucson (Thousands of Current Dollars)
Baseline, 0.5% Rate
Fiscal Year**

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	3,530	7,850	13,110	19,500	27,310	36,910
Communications	3,120	7,670	12,670	17,650	22,630	27,880
Contracting	28,970	61,390	97,390	137,440	182,280	233,060
Publishing	420	840	1,260	1,690	2,110	2,530
Printing	600	1,250	1,940	2,730	3,640	4,690
Restaurants and Bars	52,710	118,610	199,740	297,690	416,300	560,810
Rentals of Real Property	21,870	46,050	72,570	101,500	132,910	166,940
Rentals of Personal Property	12,790	26,560	41,690	58,480	77,030	97,460
Retail plus Remote	252,500	549,570	898,510	1,308,060	1,788,110	2,352,250
Use Tax	17,940	39,280	64,220	93,120	126,420	164,870
Utilities	28,370	61,860	100,660	145,690	198,180	260,010
Total	422,830	920,940	1,503,760	2,183,550	2,976,920	3,907,370

**Projected Yield for the City of Tucson (Thousands of Current Dollars)
Optimistic, 0.5% Rate
Fiscal Year**

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	3,610	8,110	13,670	20,530	29,080	39,830
Communications	3,540	8,810	14,820	21,100	26,950	33,050
Contracting	30,200	65,120	104,930	150,260	202,090	261,850
Publishing	460	920	1,380	1,840	2,290	2,750
Printing	660	1,380	2,150	3,020	3,990	5,080
Restaurants and Bars	54,370	123,550	209,130	312,310	437,160	589,440
Rentals of Real Property	22,600	47,480	74,680	104,260	136,290	170,900
Rentals of Personal Property	13,140	27,450	43,250	60,970	80,730	102,680
Retail plus Remote	258,420	566,160	931,960	1,365,820	1,880,980	2,494,330
Use Tax	18,530	40,710	66,840	97,350	132,910	174,440
Utilities	29,160	64,310	105,520	153,670	210,060	276,860
Total	434,690	953,990	1,568,330	2,291,130	3,142,540	4,151,210

**Projected Yield for the City of Tucson (Thousands of Current Dollars)
Pessimistic, 0.5% Rate
Fiscal Year**

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	3,340	7,370	12,330	18,610	26,630	37,000
Communications	2,530	6,180	9,640	12,280	14,260	16,100
Contracting	27,470	57,800	91,090	127,650	168,150	213,740
Publishing	380	770	1,150	1,540	1,920	2,300
Printing	540	1,120	1,730	2,440	3,270	4,250
Restaurants and Bars	49,630	110,320	185,570	279,120	395,730	541,490
Rentals of Real Property	21,140	44,590	70,400	98,630	129,370	162,760
Rentals of Personal Property	12,130	25,590	40,370	56,590	74,240	93,460
Retail plus Remote	246,560	526,140	857,760	1,264,240	1,762,450	2,377,650
Use Tax	17,090	36,940	60,420	88,710	122,660	163,710
Utilities	26,740	57,690	93,690	138,010	193,430	263,610
Total	407,550	874,510	1,424,160	2,087,820	2,892,130	3,876,080

Exhibit 5: Cumulative Revenue Projections for the 0.5% Rate by Scenario, Thousands of 2024 Dollars

**Projected Yield for the City of Tucson (Thousands of 2024 Dollars)
Baseline, 0.5% Rate
Fiscal Year**

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	3,360	7,050	11,100	15,510	20,360	25,680
Communications	2,960	6,850	10,700	14,150	17,240	20,160
Contracting	27,610	55,320	83,020	110,720	138,560	166,770
Publishing	400	760	1,090	1,380	1,640	1,870
Printing	570	1,130	1,660	2,200	2,770	3,350
Restaurants and Bars	50,150	106,450	168,800	236,520	310,110	390,340
Rentals of Real Property	20,840	41,510	61,910	81,930	101,440	120,350
Rentals of Personal Property	12,190	23,960	35,600	47,220	58,740	70,090
Retail plus Remote	240,410	494,290	762,570	1,045,770	1,343,690	1,657,030
Use Tax	17,070	35,310	54,490	74,480	95,150	116,510
Utilities	27,010	55,640	85,470	116,610	149,180	183,520
Total	402,580	828,280	1,276,410	1,746,490	2,238,880	2,755,690

**Projected Yield for the City of Tucson (Thousands of 2024 Dollars)
Optimistic, 0.5% Rate
Fiscal Year**

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	3,420	7,230	11,490	16,340	21,890	28,290
Communications	3,340	7,810	12,420	16,870	20,670	24,310
Contracting	28,640	58,230	88,790	120,820	154,500	190,110
Publishing	440	830	1,180	1,500	1,800	2,070
Printing	630	1,240	1,830	2,440	3,070	3,720
Restaurants and Bars	51,490	110,060	175,710	248,580	329,690	420,390
Rentals of Real Property	21,430	42,530	63,410	84,310	105,140	125,770
Rentals of Personal Property	12,460	24,590	36,720	49,240	62,090	75,170
Retail plus Remote	244,910	505,620	786,270	1,092,710	1,427,460	1,792,820
Use Tax	17,560	36,350	56,400	77,960	101,060	125,810
Utilities	27,620	57,410	89,030	123,040	159,690	199,470
Total	411,950	851,900	1,323,250	1,833,800	2,387,070	2,987,920

**Projected Yield for the City of Tucson (Thousands of 2024 Dollars)
Pessimistic, 0.5% Rate
Fiscal Year**

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	3,200	6,740	10,570	14,630	18,960	23,660
Communications	2,420	5,630	8,320	10,040	11,120	11,950
Contracting	26,320	52,980	78,750	102,420	124,360	145,040
Publishing	370	710	1,000	1,250	1,460	1,630
Printing	520	1,030	1,500	1,960	2,410	2,850
Restaurants and Bars	47,510	100,800	158,960	219,430	282,500	348,520
Rentals of Real Property	20,250	40,860	60,840	79,120	95,780	110,930
Rentals of Personal Property	11,620	23,450	34,900	45,400	54,960	63,680
Retail plus Remote	236,150	481,780	738,140	1,000,930	1,270,460	1,549,160
Use Tax	16,360	33,800	51,960	70,250	88,620	107,230
Utilities	25,600	52,800	80,630	109,280	139,250	171,030
Total	390,300	800,570	1,225,560	1,654,710	2,089,890	2,535,690

Attachment B: Page 17 of the EBRC Full Report – Forecast Reports

Projected Yield for the City of Tucson (Thousands of 2024 Dollars)
Pessimistic, Base 2% Rate
Fiscal Year

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	12,790	26,950	42,270	58,510	75,860	94,630
Bed Tax	41,840	80,250	113,080	140,010	162,470	181,500
Hotel/Motel: Transient Occupancy	73,960	145,380	207,130	257,640	299,970	336,400
Communications	9,670	22,510	33,290	40,150	44,470	47,810
Contracting	105,280	211,920	315,010	409,690	497,460	580,180
Publishing	1,470	2,820	4,010	5,010	5,840	6,540
Printing	2,080	4,110	5,990	7,820	9,620	11,410
Restaurants and Bars	190,030	403,210	635,820	877,710	1,129,980	1,394,080
Rentals of Real Property	80,990	163,440	243,360	316,500	383,130	443,740
Rentals of Personal Property	46,470	93,790	139,580	181,590	219,850	254,730
Retail plus Remote	944,590	1,927,120	2,952,550	4,003,740	5,081,840	6,196,630
Use Tax	65,430	135,210	207,840	280,990	354,500	428,910
Utilities	102,390	211,200	322,540	437,120	557,010	684,120
Total	1,677,010	3,427,900	5,222,470	7,016,480	8,822,000	10,660,680

Projected Yield for the City of Tucson (Thousands of 2024 Dollars)
Pessimistic, 0.5% Rate
Fiscal Year

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	3,200	6,740	10,570	14,630	18,960	23,660
Communications	2,420	5,630	8,320	10,040	11,120	11,950
Contracting	26,320	52,980	78,750	102,420	124,360	145,040
Publishing	370	710	1,000	1,250	1,460	1,630
Printing	520	1,030	1,500	1,960	2,410	2,850
Restaurants and Bars	47,510	100,800	158,960	219,430	282,500	348,520
Rentals of Real Property	20,250	40,860	60,840	79,120	95,780	110,930
Rentals of Personal Property	11,620	23,450	34,900	45,400	54,960	63,680
Retail plus Remote	236,150	481,780	738,140	1,000,930	1,270,460	1,549,160
Use Tax	16,360	33,800	51,960	70,250	88,620	107,230
Utilities	25,600	52,800	80,630	109,280	139,250	171,030
Total	390,300	800,570	1,225,560	1,654,710	2,089,890	2,535,690

Projected Yield for the City of Tucson (Thousands of 2024 Dollars)
Pessimistic, 0.1% Rate
Fiscal Year

	Cumulative Over Period					
	5 years	10 years	15 years	20 years	25 years	30 years
	2024-2028	2024-2033	2024-2038	2024-2043	2024-2048	2024-2053
Amusements	640	1,350	2,110	2,930	3,790	4,730
Communications	480	1,130	1,660	2,010	2,220	2,390
Contracting	5,260	10,600	15,750	20,480	24,870	29,010
Publishing	70	140	200	250	290	330
Printing	100	210	300	390	480	570
Restaurants and Bars	9,500	20,160	31,790	43,890	56,500	69,700
Rentals of Real Property	4,050	8,170	12,170	15,820	19,160	22,190
Rentals of Personal Property	2,320	4,690	6,980	9,080	10,990	12,740
Retail plus Remote	47,230	96,360	147,630	200,190	254,090	309,830
Use Tax	3,270	6,760	10,390	14,050	17,720	21,450
Utilities	5,120	10,560	16,130	21,860	27,850	34,210
Total	78,060	160,110	245,110	330,940	417,980	507,140