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Sent: Monday, July 28, 2008 7:18 AM
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Cc: 'editor@norfolkdailynews.com'

Subject: The Money Is There for Economic and Community Development

Dear Norfolk City Council Members,

Please help me understand why many of the recently identified community and economic development grants and investments will require an increase in taxes. Please help clarify or correct me on a couple points.

In 2002 the citizens voted on an ballot initiative to raise monies over 10 years by increasing the city sales tax rate by 1/2 cent. These monies were for fire and safety (approximately \$1.250M per year, property tax relief (approximately \$.500M) and economic development (approximately \$.250M). The plan on how to spend the economic development monies was not approved. There has not been another ballot initiative since then to define the use of these monies so the monies have been incorporated into the general fund for allocation by the City Council.

The NPPD lease monies has been allocated (approximately \$200,000 yearly) to four civic organizations for 5 years. This \$.250M gift per recipient has hopefully been used as an investment to increase their yearly operational revenues for the future. A large portion of these NPPD monies has now been allocated to support the planned nursing program to an amount of \$1M.

The recently passed Keno initiative is expected to bring in \$400K dollars per year for the City's recreation and parks operation.

The Park & Rec 2007-2008 proposed budget was stated at \$911,381.00 (the Keno revenue would represent a 44% increase).

Mayor Adams two years ago corrected me concerning a public forum statement where the City had actually spent over \$48,000 on economic development in 2001-2002 (I had stated the city had spent little to no revenue on economic development).

In summary the City is or will be receiving approximately \$850,000 per year that has been designated for economic and community development activities (250+200+400).

This should not be a debate on whether to increase taxes for economic and community development rather shall we increase taxes to operate the City for the 21st Century.

I suggest that the City has underspent on average of over \$1 million per year for the last 20 years on Quality of Life investments.

Let us look at a couple other communities and how much they are spending toward Quality of Life investments. This material was taken from internet city websites and although this is not an apples to apples comparison you can quickly recognize that we are underfunding our current quality of life investments.

- Columbus, NE 2007 audited financial report reflected a park & rec budget of \$3.766 million.

- Kearney, NE in their 2008 Strategic Plan reflected an annual park and rec budget of \$9.462 million, averaged over a three year period.

- The community Pella, IA, approximately 6,000 residents that has been referred to by NorthFork Riverwalk speakers, stated in a 2008 budget forecast that in 2007 they spent \$750,000 on a master plan for the Caldwell Park. This budget included an estimate of \$418,000 for walking and biking trails of which a local business was contributing \$100,000, the FY09 budget would need an additional \$52,000 for staffing their new lazy river addition to the aquatic center with costs being offset by increase entry fees.

The NorthFork Riverwalk Development Project has requested that the City match 50% of the total funds needed to complete the master plan for the adoption into the City's comprehensive plan. This project is significant in scope with greater potential for future returns in the City's revenue through increased evaluations from real estate development and increased sales tax revenue while improving quality of life incentives for current and future employers and employees.

I recommend that this project along with others, e.g., NAR, need to be endorsed and incorporated into the 21st Century strategic and adaptive planning process involving community stakeholders that is long overdue.

I look forward to your positive 21st Century growth decisions for Norfolk.

Regards,

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