

### **City of Jonesboro**

Municipal Center 300 S. Church Street Jonesboro, AR 72401

# Meeting Minutes Nominating and Rules Committee

Wednesday, December 13, 2023

4:30 PM

**Municipal Center** 

#### SPECIAL CALLED MEETING

#### 1. CALL TO ORDER

## 2. ROLL CALL (ELECTRONIC ATTENDANCE) CONFIRMED BY CITY CLERK APRIL LEGGETT

Present 4 - Chris Gibson; Ann Williams; Janice Porter and Charles Coleman

Absent 2 - Chris Moore and Brian Emison

#### 3. APPROVAL OF MINUTES

MIN-23:090

Minutes for the Nominating & Rules Committee meeting on Tuesday, September 19, 2023

Attachments: Minutes

A motion was made by Charles Coleman, seconded by Ann Williams, that this matter be Passed. The motion PASSED with the following vote.

Aye: 3 - Ann Williams; Janice Porter and Charles Coleman

Absent: 2 - Chris Moore and Brian Emison

#### 4. **NEW BUSINESS**

#### RESOLUTIONS TO BE INTRODUCED

RES-23:298

A RESOLUTION TO FORM A COMMITTEE AND HIRE A CONSULTANT TO STUDY IMPACT FEES IN THE CITY OF JONESBORO

Councilmember Janice Porter said, I appreciate the opportunity to address you my valued colleagues. I have three concerns regarding this proposal. My first concern is that this ordinance calls for a process which will commence while most people are busy with holiday activities. I question the need for the haste. Secondly, in my opinion, an impact fee is a tax by another name. I hate to bring up unpleasant history, but the implementation of the hamburger tax without the vote of the people sparked outrage across the state. The legislature responded by creating a law which prevents Arkansas cities from doing likewise. To now implement another new tax may appear to be doubling down on creative taxation. Thirdly, several significant businesses have recently chosen to locate near Jonesboro but outside of the city limits. I question the wisdom of imposing another obstacle to development in Jonesboro.

Chairman Chris Gibson said, just as a reminder this is not to implement a tax. It is to do a study of impact fees to see if they are relevant to the City of Jonesboro, first and foremost. I personally, and I see there are some developers in the room, but I have talked to a few developers in the area and the majority of those that I have spoken to are in favor of controlled growth in the City of Jonesboro. And, this is just a form of controlled growth.

Councilmember Ann Williams said, I was going to mention a lot of other cities in Arkansas have implemented this with great success, including Fayetteville and Springdale, Northwest Arkansas, and Conway and some other smaller towns. It has not, and certainly if you look at Fayetteville, it has not inhibited growth there. In fact, it has been very beneficial as far as them having good growth. When Fayetteville first passed impact fees, it was noted here in the Finance Committee, about 20 years ago, and there was opposition to us doing it because it was said it was going to kill any growth up there and we can see that has not been the case in the cities where it has been implemented. In fact, the opposite, every town and city that has implemented this has prospered and done well. Councilmember Porter said, it happens that my daughter lives in Fayetteville and the cost of living is very high there. It is very, very difficult for young couples to afford housing there. So, it is not about problems.

Councilmember Dr. Charles Coleman said, the problem I have is I have spoken to several people and instead of being a hypocrite, this has been my statement. You know we try to get ready to do a bond issue. We get ready to try to do a couple of other things that has to do with finance and people are in an inverted way back to the statement you read, an inverted way of taxing and I do have a problem with it. I know sometimes we do, I try not to compare Jonesboro to any other place because I still think Jonesboro is a little bit different from Fayetteville and other places that we have lived in. So, I guess, doubling down on taxes is really an issue to me. At the same time, I think it is appropriate to have a study, but I am not sure that would be something that I could push for to put another tax on the community. Especially when it comes to construction and building, it is just a little issue with me. Here lately, for some reason, in the last five years, every time I look around, I even told you last night, it is like we are taxing the community and that is kind of bothering me a little bit. Our sales tax, I think, is doing pretty good. I think it could do better. But, I think, maybe one of the reasons why our sales tax is not doing as good as I think it should be, just from a personal standpoint, here lately I think a lot of people are going out of state to buy things because of the way that they are treated in different industries. I just had an issue with a car here not too long ago and it kind of just bothered me so bad that we are paying these kind of taxes here in Jonesboro, but we can't get the information we get from the industry standpoint. I think the building, the house building, the construction as far as I am concerned is doing pretty good in the community. But, I think from the small business standpoint, well, it's not so much the small business standpoint, the car dealership and other entities that are making it hard for us to do what we need to do where sales tax is concerned. But, again, this is just a study, but it is still hard for me to label the community again with another tax. I do house plans and a lot of people, it is really hard for them to even want to pay for that type of thing for the fact that they are going to be taxed a little bit by the city. They are going to have to get permits and all that kind of thing So, it's an issue. But, again, I don't have any problem with it being studied, but I just want to make sure to put my little two cents in on the record that I am not sure that is a good thing that we need to do.

Chairman Gibson said, I just want to say that I know that we have talked about this issue since at least 2015. In 2017, we agreed to do a study and it came to an abrupt

halt for some reason. I am not sure what transpired there. I have slept since then. However, I do feel that we have kicked this can a long time and it at least affords a look. Councilmember Coleman said, I agree with that Chris and you are right, we do kick things down the road and we have to keep going over and over and over. So, that just get it done and see if it is needed or if it is not needed. I think there is a possibility that maybe it needs to be a citizen vote too before we go too far after the study. We will see what the study says.

Councilmember Williams said, I think as far as the citizens, if you analyze it, then kind of understand what it is about, this is actually to make sure that there is infrastructure and services are paid for by the developer who is making a profit over a large developer including some out-of-state that they are making money off the projects. In fact, sometimes they are surprise that we don't have impact fees here because other places that they do jobs have them. And, so, it kind of makes us look like we are kind of smucks, you know, as far as not having one. And, then you end up paying for these things, sidewalks and street repair, police and fire, and sewage and sanitation and everything anyway, the taxpayers do. Why should it all be on the taxpayers to cover those things that are increased costs based upon new development and new areas in which somebody ends up paying for and usually it is the taxpayer rather than the developer. And, that kind of galls me. Councilmember Porter said, but the developer just passes those costs on in the price of the product.

Councilmember Coleman said, well, I think like anything, let's do the study, get the study done, and look at it and then it will be left up to us to the council itself to vote yes or no and be done with it. But, I think again and I have to agree with Chris, we have kicked this down the road too far. Let's get the study done, see what it says, and either I agree with it or I don't agree with it. Chairman Gibson said, I will say that the individuals that will be part of this committee as it says in the resolution are professionals in this field. They are going to come to us with a resolve that is beneficial to them as well as the City of Jonesboro. Councilmember Porter asked, what measures will we have to insure the objectivity of the consultant? Chairman Gibson said, it will be decided solely by the committee on who the consultant will be. Councilmember Williams said, it regard to that, I think Derrel has indicated that there are two or three firms that are known as specialists in this area. Chairman Gibson said, that is very much so. Councilmember Williams said, they have done this in a lot of cases and this is a very specialized area. So, there are two that are commonly used are known to be good. (Someone in the public said, we are just curious.)

Councilmember Janice Porter asked, is my understanding correct that those absent count as a soft no? So, isn't it a 3-3 tie? Councilmember Chris Gibson said, you will have to interpret that April. City Clerk April Leggett said, well, we did not have a 3-3 tie. There were two ayes, one nay, and one abstain. We have two absent on the committee. So, the motion does pass to Recommend RES-23:298 to Council. Councilmember Porter asked, don't the absences count as no? Ms. Leggett said, no ma'am. There is no vote counted for absent committee members. Councilmember Porter said, thank you.

Councilmember Coleman said, I would put that on record. (Referring to a two page note that Councilmember Porter had. She declined to put it in the record because she said she had stated the main points during the meeting.)

A motion was made by Ann Williams, seconded by Charles Coleman, that this matter be Recommended to Council. The motion PASSED with the following vote.

Aye: 2 - Ann Williams and Charles Coleman

Nay: 1 - Janice Porter

Absent: 2 - Chris Moore and Brian Emison

#### 5. PENDING ITEMS

#### 6. OTHER BUSINESS

#### 7. PUBLIC COMMENTS

#### 8. ADJOURNMENT

A motion was made by Ann Williams, seconded by Charles Coleman, that this meeting be Adjourned. The motion PASSED with the following vote.

Aye: 3 - Ann Williams; Janice Porter and Charles Coleman

Absent: 2 - Chris Moore and Brian Emison