

Thank You for your time.

Last week, we were posed with a question, "What kind of a city do we want to be?" That's a valid question. It's a relevant question and it's a very important question. We listened as we heard how brain drain was plaguing our city and if we didn't do something about it, we were going to lose our best and brightest. We heard how we are a city who citizens are worried about how they would pay for healthcare if their little Johnny were to get sick or hurt. This one did make me scratch my head. How does RAISING taxes on these people HELP these people? I don't know. Maybe we can get an answer sometime soon. Team Jonesboro proposed a solution. A means of keeping those who are trained to work in the fields of Science, Technology, Engineering, and Mathematics - (STEM).

The solution proposed one ordinance which calls for a 1% sales tax which would be split with $\frac{1}{2}$ going for amenities (and there is a list – waterparks, aquatic centers, libraries, sidewalks, parks, museums, and the list is only as limited as the imagination of the committee which will be evaluating the projects. The other $\frac{1}{2}$ % would be shared between Police and Fire in essence $\frac{1}{2}$ of $\frac{1}{2}$ percent for each.

I want to commend the Team Jonesboro. Many at the meeting last week are my friends and my neighbors. I have the upmost respect for them, and I value and welcome a robust discussion concerning this tax increase as does Team Jonesboro. I think we both have the city's best interest in mind. We may differ in the road we would take and the meaning of quality of life, but we all have the best intentions for the city.

To me, quality of life is the ability of our people to be safe in their homes and secure in their property -- to be as free from over burdensome government regulations -- to live in the lowest tax environment possible thus retaining as

much disposable income as possible. More disposable income means more businesses will want to set up shop here. It means having access to quality healthcare, safe shopping, gainful employment, and for our children to get a high-quality education in a safe and healthy environment. We must understand that the more we rely on government, the more government needs, the more it needs, the more we have to give. The more we give of what it ours, the less free we are.

There was a radio personality several years ago named Paul Harvey. Mr. Harvey had a signature saying. After his radio show, he would always end with, "and that's the rest of the story." That's what I want to try to do this afternoon.

I believe anytime government contemplates raising taxes on the electorate it is of the utmost importance and deserving of every consideration. This tax will

- 1) Increase the size of the government of Jonesboro because it will increase what the city is responsible to upkeep and maintain. You see, it's not just about building amenities; it's about maintaining what is build.
- 2) It reduced the buying power of not only the citizens of Jonesboro but those in surrounding areas who come here to shop and spend money in our local business.
 - a. I think it's interesting that we have heard time and time again how desperately we need to advocate for an internet sales tax because it's killing Jonesboro's brick and mortar business.
- 3) It will create an atmosphere where public amenities could be in direct competition with private industry. For instance. Let's take the shooting range. We have a few privately owned and operated shooting ranges in the area. They employ people who earn a wage and pay taxes. If the city builds one, it's now in direct competition with its own local businesses for range time and shooting supplies that may be sold there. If

the local business can't make it, then it must let employees go and close which means the property taxes leave the schools, disposable income leaves the area. Heaven forbid if one of the employees were little Johnny's parents.

4) We are contemplating a bike trail. What is the impact on the local economy if a public entity builds the bike trail? Would the city duplicate that same model in this instance as it would for the shooting range? Would the city then go into the business of selling bikes, helmets, gloves, seats, all to support the trails it now owns and operates? You see, anytime GOVERNMENT competes with PRIVATE SECTOR, the private sector loses. When the private sector loses, the people lose. The schools lose.

In the presentation, we were compared to Fayetteville. The only reason I am going to discuss this comparison is, to shed some light on who we are.

By delving further into this comparison, we can possibly get a different perspective on Jonesboro and possibly realize that the answer to "Brain Drain" is not more "stuff". The answer to helping little Johnny's parents is not amenities. By the way, I totally get 12-year olds wanting to live in Fayetteville. My son, Parker has been fortunate to go to different cities with his music. He came back excited and dead set on living in all of them. However, those going to Fayetteville might want to make sure you can protect yourself. You see, Fayetteville's violent crime is almost 9% higher than Jonesboro and their property crime is also higher. So, if you're on one of the 163 miles of bike trails make possible by a private infusion of over 74 million dollars by Walmart, I would suggest not riding alone

You might also want to make sure your job pays significantly more because the average home is 30% higher than it is here. Tyson and JB Hunt also contributes significantly to amenities found there (400,000 for one project and 300,000 for another – these are just 2. I'm sure there's more.)

I would pose this question, how much of these publicly owned and operated amenities were funded by private donations and how much are funded with public tax money? I think that's an important distinction that deserves an answer.

I could not find a stat on bottled water usage but I'm sure it's high. You see, on a scale of 0-100 where 100 is the best, Fayetteville's water quality is rated a 52. Jonesboro's is a 92. THANK YOU CWL!

But what about "Brain Drain"? How do we keep these kids who want to work in the fields of science, technology, engineering, and mathematics? This spiked my interest because it was the thrust and at the very core of their presentation. Why are we supposedly losing our best and brightest (if the definition of best and brightest means those in STEM jobs) to Fayetteville or any other city for that matter?

LET ME TELL YOU WHAT I FOUND OUT ABOUT JONESBORO -

Fayetteville has higher percentage of people from 18 to 35 which is not surprising considering it's the home of U of A. However, Jonesboro has a higher percentage in EVERY SINGLE CATEGORY for those OLDER than 35. What does that tell me? It tells me that kids go to Fayetteville for school or possibly a job at Walmart, JB Hunt, or Tyson when they graduate. However, when they are ready to settle down and raise a family, people move to Jonesboro.

Fayetteville's unemployment rate is only .4% lower, but our recent job growth is the same and we are tracking with them as far as 10-year job growth.

3% MORE of Fayetteville's population earned less than 15G per year.

1% more people in Fayetteville earn between 150 and 200G and 1.5% more people earn greater than 200G.

But MORE of our citizens fall within incomes between 30G and 150G than Fayetteville. What does that tell me? It tells me that Jonesboro is a city of opportunity. One can come here and find a good job in a variety of different occupations, earn a good living, with lower taxes which means more buying power and more house for the money. It means that, people in Jonesboro have a better opportunity to better themselves. It means our economy is one that screams, LIVE HERE! BUILD HERE! START YOUR BUSINESS HERE! BRING YOUR MAUFACTURING HERE! RAISE YOUR FAMILY HERE!

They did have 4% more in management jobs but that should be expected since that area is home to Walmart, all their subsidiaries who sell to them, Tyson, and JB Hunt.

2.2% more in engineering and computer science which is also not unexpected.

However, Jonesboro has 4% MORE healthcare practitioners and technology jobs.

We are within a ½ % in sales, office, and administrative jobs. But we almost DOUBLE them in the percent of people in Construction/maintenance/ and repair jobs.

Fayetteville has 6.5% of their population in production, transportation, and material moving. Again, Jonesboro MORE THAN DOUBLES THEM WITH 15.8% of its population in those professions.

The truth is Jonesboro is comprised of hardworking people who make a good living in a wide variety of jobs and who deserve the lowest taxes possible. People come here to raise their family in a place where the schools are safe, neighborhoods are affordable, and the city is clean and respectable.

Don't get me wrong, I think Fayetteville, Conway, Batesville, and other places are great to visit. The topography is beautiful. I just don't want to be Fayetteville. I don't want to be Conway. I don't want to be Rogers or Bentonville. I want to be JONESBORO. We out score Fayetteville in public safety, cost of living, quality schools, excellence in public utilities, increased population distribution regarding job variety and the earning potential those jobs bring.

But still, we did make Bloomberg's list of cities experiencing a loss of people moving for STEM jobs. I looked at several cities who are experiencing Brain Drain and what was more fascinating than what I FOUND was what I DIDN'T FIND. When faced with the question of how do we combat Brain Drain? How do we keep our best and brightest (if that's how you want to define best and brightest) in our city? I could not find ONE... Not a single City who is implementing a strategy of building amenities such as water parks, aquatic centers, bike trails, or museums to combat this situation. Here are what other cities are doing. I think this approach is a more long term, sustainable approach. Here's what they are doing...

- They are ACTIVELY SOLICITING STEM industries to come to their cities. That begs the question, “How may STEM related industries have WE solicited, enticed, or courted to come to OUR city over the past 3 to 5 years? That is a question I would like to have answered. I’m not talking about those who have come to us. I mean how many have WE pursued on our own?
- If their work force is not capable of supporting STEM jobs, they are purposefully and intentionally training their workforce for those jobs.
- And they are soliciting industries that their workforce can support.

We don’t need an “if we build it, they will stay” mentality. The truth is those seeking employment in those professions will go where the jobs are. If we want to keep them here, WE GO AFTER THE JOBS. WE GO AFTER THE INDUSTRIES THAT NEED THOSE JOBS.

If we want some of these amenities so desperately, I ask, how many companies whose business it is to run water parks (for example) has Jonesboro actively pursued in the last 3 to 5 years? Why haven’t they come here? Is it because we’ve not approached them with the idea of making Jonesboro their next build? Is it because it’s not fiscally feasible? Is it because we are getting the reputation of over burdensome building codes and restrictions?

If they don’t think they can run one for a profit or break even, what makes us think Government can? If it cannot be run for a profit, then what will the opportunity cost of the drain on our finances be? Are we willing to give up what we need to have what some want?

I’ve heard Batesville’s water park mentioned. I believe I read their city council also allocated tax funds out of the general budget to help maintain the facility. What other area had to give so the water park could be maintained? We are talking about ~~80~~ million dollars of projects that, after they are built, they will

100

need to be staffed, maintained, operated, and funded by this city. My question is with what? This tax ends after 12 years. I believe before we hang ourselves on a multitude of projects, we need to know the big picture. There is a Biblical principle that say that a wise man counts the cost... I feel we need to slow down and count the cost and determine can we afford it.

Museums, bike trails, sidewalks, aquatic centers you name it-- These are not bad endeavors. I think if we want some of these amenities, we should push those who market our city to solicit companies who know what's involved in making these endeavors a success, get them to buy our land, employ our people, and pay taxes supporting our schools. It seems that Team Jonesboro's approach is dependent on the taxpayer to build, staff, and maintain these projects -- Mine proposes is a better way... A proven way... I propose the free market way.

I then looked at the ordinance itself. In section 4 it states that the CITY (which really means you and I and all the other almost 80 thousand people) will pay for "reasonable" expenses of the committee. Team Jonesboro spent 25G for the few documents needed for this ordinance, the tax document and the special election documents. They hired "the best attorney they could find"... TEAM JONESBORO HIRED A LITTLE ROCK ATTORNEY. Anyway, I'm sure they felt that was a reasonable expense. Is the city going to be paying for feasibility study after feasibility study as reasonable expenses? What else would be considered a reasonable expense? None of that was answered. It's almost like we are being asked to 'PASS IT – SO WE CAN FIND OUT WHAT'S IN IT.

How did they come up with the 1% which I find is interesting? There was no data to supporting their claim to being able to build all the things they want to build with ½ a percent. The bike trail alone is over 50 million dollars. The ½ percent was going to equal about ~~60~~¹⁰⁰ million over 12 years. Yet, we are to catch the vision of a city filled with parks, museums, water parks, aquatic centers, and

the likes. All for ¹⁰⁰~~60~~ million and all to be maintained, equipped and staffed with City Employees. Amenities get $\frac{1}{2}$ a percent while fire and police split $\frac{1}{2}$ meaning, all things being equal, the police would get $\frac{1}{4}$ % and the fire would get $\frac{1}{4}$ %. I requested the Fire Dept's estimate of capital expenditures for the next 10 years. I was able to get 5 years. The Police did give me some data but said it was difficult to estimate that far out. How can we know that $\frac{1}{4}$ for each will be enough? What if we can pay for all the needs of the police and fire for LESS THAN $\frac{1}{2}$ percent? I would like to see the data supporting this before we ask for the people's money.

All this being considered. I have heard from numerous people that have told me they are for the fire and police but not for amenities. I also feel that an "all or nothing" ordinance DOES NOT allow for the true expression of the desire of the people. Yes it is a "citizen initiative". At the same time it is an ordinance and it is deserving of the same scrutiny as any other and I would say even more since it is dealing with a tax increase. Like I said earlier, many of Team Jonesboro are my friends. They are a group of good, well intentioned citizens who spent their own money to propose this ordinance. Yet this does not shield it from change or exempt it from begin scrutinized or modified for the good of all the people of Jonesboro or to be required to back up the claims with real data.

We also must realize that Jonesboro does not live in a bubble. What I mean by that is all over this state, Arkansans have higher taxes looming over their heads from legislation coming out of Little Rock. Internet Sales tax, tire tax, 3 cent increase on gas; 5 cents on diesel and the list goes on. These taxes impact the people of Jonesboro. They reduce the net take home pay of every individual in Arkansas. This is in addition to what I have heard proposed in these chambers as well. Are we to pass this tax increase with the expectation that all talk of impact fees, storm water drainage fees, and other fees will just disappear? No. I'm sure they will continue to be pushed forward. We have increased a multitude of

city provided amenities already. By the way, it has been said that Jonesboro doesn't have sanitation fees for trash pick-up. That's correct, but a ½ cent sales tax was passed in 2014 in order to make that happen. It's not like we absorbed the cost of trash pickup out of existing revenue. There was a tax increase to pay for it.

I had a conversation with a member of Team Jonesboro last Sunday and I was told that if we don't pass this tax then we will be another Blytheville or Pine Bluff. It was even suggested that we might even be too late to prevent it. It was said that we are the drain of delta meaning that people from all over the surrounding area want to move here. I believe that. There was a recent editorial highlighting Jonesboro. It said that whatever we are doing, we need to bottle it and sell it to other communities. I was told that crime doesn't look the same as it did in the past. Well, crime doesn't look the same anywhere as it did in the past. I tried to figure out what they were saying and I asked, Are you telling me that if we don't make our city MORE EXPENSIVE to live in, then we can expect more undesirable people to come here? I was assured that was not the case, but I struggled to see it any other way. Then I got to thinking; what am I going to do if Jonesboro becomes too expensive for me? What will you do if Jonesboro becomes too expensive for you to live in?

I feel the responsibility of this committee is to put before the council a well-researched, well documented, ordinance that has a fiscally responsible plan in place, one with real numbers to back up the tax increases and exactly what it's going to be spent on. We have a good idea what the money will be spent on with the Fire and Police. But what is being proposed with the tax for amenities is, "All we are asking for is ¹⁰⁰~~60~~ million dollars." When asked - What are we going to get for ¹⁰⁰~~60~~ million dollars? ANSWER: "I don't know but trust me... it will be great!" Why would we not ask to see what we are getting for the money before we ask for the money?

The people will come closer to supporting a tax if they know what the tax is going to be spent on. They want more than just categories. They want to know what they are going to get for their money so they can determine if it's worth it or not.

Then there is the special election. There is not an emergency here. Special elections are expensive (20g per election). I feel the people deserve to know what they are going to get for ~~60~~¹⁰⁰⁺ million dollars. I would ask for more data be collected allowing this committee to put solid ordinance to the council. It is reckless to get pay for an election from the tax payers DIME, for the purpose of TAKING THEIR DIME.

That would be my first option.. Slow down... get more data.. Know the costs of what is needed and what is wanted.. Then go from there.

However, If this committee is set on pushing this forward, then I think we need to consider a better way.

I would want a true representation of what the people want and I hope you do to. Each one of you represents an electorate and the city as a whole. We have a responsibility to do whatever we can to make sure that everyone has the opportunity to vote YES or NO for all or part of this ordinance. I have a solution that does not harm the stated intent. It will not in any way disturb the committee mechanism proposed in the ordinance being considered tonight. It will provide for a clear referendum from the people... ALL THE PEOPLE. My proposal allows for the people to vote for all of it, none of it, or part of it. The way it is not, that freedom of choice is not possible – And it should be.

My proposition is to split the 1/2 % for Fire and Police OUT of the ordinance and make it a separate ordinance keeping intact the restrictions on what the money can be spent for. What will be left is the same 1/2 % for amenities, the same committee mechanisms, with no harm done to that part. If this does not pass at the ballot box for Team Jonesboro then they can get the signatures needed to put it on the ballot by going directly to the electorate which, I think, is the most forthright way anyway. If you going to ask people for their money, do it face to face.

If Team Jonesboro truly feels this is the desire of the city, then the city will show up and vote and there should be no opposition for the split. If this is not split, then I feel it is saying a couple of things. 1) Support for Amenities is not as strong as we are being led to believe and does not have the support to be passed without being tied to or propped up with a funding mechanism for Fire and Police. 2) Team Jonesboro is willing to sacrifice Police and Fire needs for amenities by forcing a “my way or the highway” vote. In other words, if you don’t play ball the way I want, I’ll just take my ball and go home. That is antics we see in Little Rock – Let’s not do that here. I think the other almost 80 thousand citizens of Jonesboro have a right to expect its elected officials to keep their interests in mind as well. In my view there is absolutely no reason why this should not be split.

In summary, first I would as that more data be requested so we can get a handle on exactly what we need so we can determine that the true sales tax need might be. This would make a special election needed and

I would ask that one of you make a motion to instruct our city attorney to split this ordinance into 2 separate and distinct ordinances. One for fire and police keeping the same restrictions on the use of funds, and the other for amenities

keeping the same guidelines for committee purpose, formation, and structure as the original ordinance.

If this is so moved, I would ask that a roll-call vote be taken for the record. I WANT THE TRUE DESIRE OF THE POEOPLE OF JONESBORO TO PREVAIL. I TRUST THE PEOPLE OF JONESBORO TO DO THE RIGHT THING.. THE QUESTION IS .. DO YOU?

Thank you.

