

Executives' Association of Savannah

Great SPLOST Debate

Tuesday, September 24, 2013

| Time Segment | Description   | Participant    |
|--------------|---|----------------|
| 8:15-8:20    | Brief History of SPLOST and Introduction of Panelists | Harvey Gilbert |
| 8:20-8:27    | Comments In Opposition to Extending SPLOST            | Brian Foster   |
| 8:27-8:34    | Comments in Favor of Extending SPLOST                 | Trip Tollison  |
| 8:35-8:45    | Questions   | Audience       |

- **IN JUST 43 Days on Nov. 5<sup>th</sup>, EACH OF YOU WILL VOTE on SPLOST EXTENSION**
- **CRITICALLY IMPORTANT INITIATIVE FOR CITIZENS AND BUSINESS COMMUNITY IN EXPANDING INFRASTRUCTURE**
- **SINCE 1985, FIVE SPLOST PROGRAMS HAVE FUNDED MORE THAN \$1 BILLION IN PROJECTS IN CHATHAM COUNTY WITH VISITORS OUTSIDE CHATHAM COUNTY PAYING ABOUT \$400 MILLION**
- **WE ARE FORTUNATE TO HAVE TWO EAS MEMBERS WHO ARE RECOGNIZED COMMUNITY LEADERS AND EXPERTS ON THIS MATTER DEBATE THE PRO AND CON POSITION**

**Brian Foster, CEO : CON POSITION**

**First Chatham Bank**

**Trip Tollison, President & CEO: PRO POSITION**

**Savannah Economic Development Authority**

- **BRIAN AND TRIP WILL PROVIDE US WITH THEIR PRESENTATIONS**
- **FLOOR WILL BE OPENED TO QUESTIONS AND COMMENTS**
- **WE WILL ADJOURN PROMPTLY AT 8:45 AM**

**BRIAN FOSTER****CON**

Brian was the Chair of the SPLOST campaign in 2006 and instrumental in its passage by the voters. He therefore speaks from experience.

He is not opposed in principle to using this method of funding infrastructure projects which are vital to the community. Such funding is secured either from a Sales Tax or from a Property Tax increase.

Brian's objections stem from 2 areas he sees from his last time:

1 City and County were politically unable to define the projects or prioritize them effectively. Specifically the Jail and the Arena. The numbers kept jumping around and \$20mm seemed to be unaccounted for in the Jail project estimate.

2 There was minimal communication from the City / County and little transparency in providing updates on changes in plans etc.

Even though the SACC and others have facilitated improvement in both these areas, Brian has lost confidence that the outcomes will any better this time around, if more tax money is raised to be administered in essentially the same fashion.

**TRIP TOLLISON****PRO**

Trip agrees with Brian that the last SPLOST (actually the 5<sup>th</sup> since 1985) had management and political problems, both City and County, which eroded the trust of the taxpayers in their government's ability to perform. He says that there is a new, different administration and some personnel changes coming in 2014, which encourage him to support SPLOST this time.

Trip is CEO of SEDA and his main concern is attracting businesses to locate in Savannah bringing jobs with them. A major incentive is Free Land for plant sites and SEDA currently only controls 100 acres for this purpose. Competing cities have 1,000 acres + to offer. The SEDA Board voted to support SPLOST.

Trip is confident that the new direction in the City / County governments will learn from past mistakes and perform better in future.

**QUESTIONS AND COMMENTS**

Re lack of trust                      what about controlling spending versus the need to always raise more tax money?

Lack of maintenance money leads to deterioration of infrastructure – often the consequence of reducing manpower to save money.

Man management is very inefficient, wasteful – one anecdote that grass cutting crew does not cut much grass. Also, Nino can't get a hole in his road fixed – not sure why !!!



# A full accounting

**T**HE DATE has been established for Chatham County voters to decide whether to extend the local sales tax for special projects for another six years, beginning in October 2014.

Soon it will be time to take a detailed look at the question.

This Friday, Chatham County commissioners are expected to finalize the list of capital projects that would be funded, should a majority of voters agree on Nov. 5 to keep the one-percent, Special Purpose Local Option Sales tax on the books. The tax is expected to generate \$370 million for county and municipal governments.

Savannah City Council has already approved the city's project list. The county has a tentative list that should become official by the end of this week.

Among the big-ticket items on that list are:

- \$25 million for road, bridge and intersection improvements.
- \$15 million for stormwater and drainage projects.
- \$15 million for land for an industrial park to attract industries and create jobs.
- \$15 million for an emergency operations center for the Chatham Emergency Management Agency.
- \$11 million for Memorial Stadium.

Unlike the county, the city's project list includes one big project — a new arena — and many smaller projects.

If voters agree to keep the sales tax, the city would invest \$105 million in future revenue in an arena, which officials want to build on city-owned land off West Gwinnett Street just east of Interstate 16. The city's next largest project is \$11.8 million for rights-of-way

acquisition along DeRenne Avenue. It's part of a long-term effort to improve traffic flow on that often-congested, east-west thoroughfare.

Long-time voters should be familiar with how this tax works. It has been in place here since 1985; majorities have approved it five times.

This year, the public will have slightly more than a month to familiarize itself with the next round of SPLOST-funded projects. That's not a lot of time.

And that's why complete transparency is important.

Voters deserved to be fully informed about where these extra tax dollars would go if SPLOST is extended. Without openness, there's no trust.

At the same time, voters deserve to know how previous tax revenue has been spent — or, in some cases, not been spent.

The city has reported, for example, that it still has about \$27 million left to spend from past tax referendums. That amount doesn't include revenue from the current tax period, which expires next fall. The largest pot of unspent funds is about \$20 million for the new arena. The city says it would add this sum to the \$105 million it expects to net if voters approve the tax extension in November.

Citizens expect elected officials to mean what they say and say what they mean. When they don't, trust in government erodes. So does public support.

Being transparent, in other words, is good politics. Voters tend to support officials who understand that they're doing the public's business and have nothing to hide. That includes a full accounting of what's on the line Nov. 5.