

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
OCTOBER 6, 2009 AGENDA**

Subject:	Type:	Submitted By:
CITIZEN ADVISORY REVIEW COMMITTEE — EDP REPORT	RESOLUTION ORDINANCE ◆ RECEIVE/FILE	RITA RAMIREZ ASSISTANT CITY ADMINISTRATOR

SYNOPSIS

A public hearing has been scheduled for the Citizen Advisory Review Committee to submit a written report to the Mayor and City Council regarding the City's Economic Development Program. A copy of the report is attached.

FISCAL IMPACT

N/A.

RECOMMENDATION

Receive/File.

BACKGROUND

Ordinance No. 921 established the City's Economic Development Program and formed the Citizen Advisory Review Committee which is charged with reporting to the Mayor and City Council in a public hearing at least once every six months.

LA VISTA CITIZEN ADVISORY REVIEW COMMITTEE

To: Mayor and Members of the City Council

Dt: September 10, 2009

Fr: Citizen Advisory Review Committee

Re: Economic Development Program Bi-
Annual Report

Pursuant to §117-15 (g) the Citizen Advisory Review Committee shall report to the Mayor and City Council, at least once every six months, regarding the Economic Development Program. The following report generally covers activity for the period of March 2009 to date:

1. One application to the Economic Development Program has been received to date. The application was from John Q. Hammons to construct a full service Embassy Suites Hotel and conference center facility, which has been open for just over one year and a Marriott Courtyard Hotel, which was completed and opened in May of this year. These facilities are located in the Southport West subdivision.
2. The City has been collecting sales tax revenue for the Economic Development fund since its effective date and the fund had accumulated approximately \$480,000. In FY 08 the fund received approximately \$534,000 in interest income on the bond proceeds and \$382,115 in loan payments (interest only) from John Q. Hammons. Expenditures in 2008 included \$1,094,520 for debt service associated with the grant and construction loan, \$23,800 for legal fees, and \$17,183,050 for land and construction costs (the construction loan and land grant to JQH).
3. The Economic Development Fund Budget for Fiscal Year 2009 anticipates that \$3,612,784 will be carried forward from FY 08 and the fund will receive \$1,234,663 in revenue from loan payments (interest only) by John Q. Hammons. Expenditures in FY 09 will include debt service payments (interest only) of \$1,509,683, legal fees of \$25,000 and final construction costs of \$1,627,645.
4. The City's assessed valuation for 2010 is over \$1 billion, up approximately 7.2% from 2009. Over the past 10 years, growth in the City's valuation has averaged about 12.9%.
5. Net taxable sales increased by 11% from 2007 to 2008 - \$165,713,262 to \$183,883,170.
6. During the 2008 fiscal year (October 1, 2007 through September 30, 2008), the City received \$2,898,476 in local option sales tax revenue. This is an increase of approximately 2.8% as compared to the prior fiscal year. While sales tax revenue for the first five months of the current fiscal year is up over the same period last year, it is believed this is due in part to an on-going construction project in the City that will be receiving incentives from the state, funded in part by local sales tax dollars.
7. Although building permits were down in 2008 (a total of \$43,487,781 in valuation), since 1997 the City has issued building permits totaling in excess of \$773 million in valuation.

The members of the Citizen Advisory Review Committee consider themselves trustees of La Vista's Economic Development Program, based upon the parameters of Ordinance 921. In submitting this bi-annual report, the Committee notes that it has a sincere interest in monitoring and reporting to the Mayor

and City Council on the City's economic health and objectively evaluating the City's progress and success in the economic arena. Thank you for this opportunity and we are happy to answer any questions.

Respectfully submitted:

Lynda Shafer, Chair
Doug Kellner, Vice-Chair
Rick Burns, Secretary