

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
APRIL 6, 2010 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: March 25, 2010
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 September 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 opened in July of 2008 and a Marriott Courtyard Hotel, which opened in May of 2009. 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 09 the fund received approximately \$18,514 in interest income and \$1,128,036 in loan payments (interest only) from John Q. Hammons. Expenditures in 2009 included \$1,509,683 for debt service associated with the grant and construction loan, \$3,318 for legal fees, and \$1,627,645 for land and construction costs (the construction loan and land grant to JQH).
3. The Economic Development Fund Budget for Fiscal Year 2010 anticipates that \$1,630,020 will be carried forward from FY 09 and the fund will receive \$1,186,573 in revenue from loan payments (interest only) by John Q. Hammons. Expenditures in FY 10 will include debt service payments (interest only) of \$1,509,683.
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 12.1%.
5. Net taxable sales remained fairly consistent from 2008 to 2009 - \$180,377,174 to \$180,688,892.
6. During the 2009 fiscal year (October 1, 2008 through September 30, 2009), the City received \$3,203,279 in local option sales tax revenue. This is an increase of approximately 10.5% as compared to the prior fiscal year.
7. Building permits were down in 2008 (total permit valuation of \$43,487,781), and again in 2009 (total permit valuation of \$27,316,647), making 2009 the lowest year for permit valuations in 10 years. In light of the overall economic conditions and the subsequent slowdown in construction, this is not totally unexpected. However, since 1997 the City has issued building permits totaling nearly \$815 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