

ITEM B

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
OCTOBER 5, 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: September 9, 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 March 2010 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 10 the fund is projected to receive approximately \$8,500 in interest income and \$1,186,573 in loan payments (interest only) from John Q. Hammons. Expenditures in 2010 are projected to be \$1,509,683 for debt service associated with the grant and construction loan.
3. The Economic Development Fund Budget for Fiscal Year 2011 anticipates that \$1,295,579 will be carried forward from FY 10 and the fund will receive \$1,186,573 in revenue from loan payments (interest only) by John Q. Hammons. Expenditures in FY 11 will include debt service payments of \$1,509,683 in interest and \$505,000 in principal.
4. The City's assessed valuation for 2011 is over \$1 billion, up approximately 3% from 2010. Over the past 10 years, growth in the City's valuation has averaged about 11.3%.
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. Through the first eleven months of the current fiscal year (October 2009-August 2010) sales tax revenue is up approximately 9% over the same period last 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 was not totally unexpected. Through the first seven months of 2010, building permit valuations are just over \$18 million, bringing the total since 1997 to over \$833 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
Jeff Schovanec
Brenda Carlson