ITEM B

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
OCTOBER 15, 2019 AGENDA

Subject:	Type:	Submitted By:
CITIZEN ADVISORY REVIEW COMMITTEE — EDP REPORT	RESOLUTION ORDINANCE ♦ RECEIVE/FILE	RITA RAMIREZ ASST. CITY ADMINISTRATOR/ DIR. COMMUNITY SERVICES

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

Approval.

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 City Council	Dt:	September 12, 2019
Fr:	City Advisory Review Committee	Re:	Economic Development Program Review

The Citizen Advisory Review committee is required to report to the Mayor and City Council at least once every six months regarding the Economic Development Program. The following is provided for the Committee's information and generally covers activity for FY18 (the period from October 1, 2017 to September 30, 2018) and FY19 to date.

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. The Program provided a construction loan for this project. The City received a balloon loan payment from JQH on May 17, 2018 in the amount of $16,023,483. Outstanding bonds were paid off on June 20, 2018, closing out this Economic Development Program project. No new applications have been made to the Economic Development Program.

1. The City's assessed valuation for FY2019 was $1,542,141,658, and the assessed valuation for FY2020 is $1,651,417,826, which is an increase of 3.02% from 2018. Over the past several years, the growth in the City's valuation has averaged approximately 5.2% annually.

   FY2015 Valuation - $1,269,085,286
   FY2016 Valuation - $1,331,138,549 (up 4.89%)
   FY2017 Valuation - $1,410,681,076 (up 5.97%)
   FY2018 Valuation - $1,496,821,908 (up 6.11%)
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   FY2019 Valuation - $1,542,141,658 (up 3.02%)
   FY2020 Valuation - $1,651,417,826 (up 7.08%)

2. Sales and use tax revenue has continued to show a substantial increase over the last several years. The City has started to build a sales and use tax reserve for potential future rebates. FY2018 sales tax revenues (earned) were up 12.8% over last year.

   FY2010 Sales and Use Tax - $3,499,187 (up 9.2%)
   FY2011 Sales and Use Tax - $3,741,187 (up 6.9%)
   FY2012 Sales and Use Tax - $4,471,391 (up 19.5%)
   FY2013 Sales and Use Tax - $5,999,367 (up 34.2%)
   FY2014 Sales and Use Tax - $3,212,977 (actually received - $2.4 million rebate to SON)
   FY2015 Sales and Use Tax - $6,956,421 (up 23.9% over total earned in FY14)
   FY2016 Sales and Use Tax - $8,238,608 (up 18.4%)
   FY2017 Sales and Use Tax - $7,550,882 (actually received - $1.7 million rebate to SON; earned total up 12.3% over FY16)
   FY2018 Sales and Use Tax - $8,033,943 (actually received - $2.4 million rebate to SON; earned total up 12.8% over FY17)
   FY2019 Sales and Use Tax - $8,668,314 (October 2018 through August 2019)

3. Building permit valuations are reported in calendar year, not fiscal year. The past several years have remained fairly consistent—up and down somewhat based on various construction projects.

   2008 - $43,487,781 (a decrease from the previous year).
   2009 - $27,316,647
   2010 - $50,312,009 (two large multi-family projects at the end of the year)
   2011 - $34,936,491
   2012 - $28,813,664
   2013 - $31,603,604
   2014 - $48,455,140
   2015 - $53,935,091
   2016 - $27,782,343
   2017 - $43,036,890
   2018 - $45,980,935
   2019 - $29,325,665 (Through August)

   Total building permit valuations since 1997 are over $1.21 billion.