Actual Wording

CITY OF LINCOLN – BALLOT QUESTION

Shall the City Council of Lincoln, Nebraska increase the local sales and use tax rate by one quarter of one per cent (1/4%) upon the same transactions within such municipality on which the State of Nebraska is authorized to impose a tax for a period of no more than three years, for public safety improvements to enhance emergency communications and produce more efficient fire and police emergency response times under the following terms and conditions?

- (1) All revenues generated by the additional one quarter of one per cent (1/4%) to be used to pay the costs to construct, acquire, improve, furnish, and equip the City's public safety communications system and public safety buildings, infrastructure, and equipment including the following:
 - 911 public safety radio
 communications system
 equipment and infrastructure,
 replacements, and upgrades;
 - b. One joint police and fire and rescue station;
 - c. Three fire and rescue stations.
- (2) Expiration of Tax Rate Change. The increased sales and use tax rate will be implemented and related revenues collected beginning as soon as practicable after voter approval and continuing for a period of not more than three years.
- (3) Lincoln-Lancaster County Cooperative Agreement. Revenues from the tax rate change shall be used, in part, to fund the City's share of a cooperative interlocal agreement between the City of Lincoln and Lancaster County, Nebraska for the cooperative use of the 911 public safety radio communications system, for the joint and mutual benefit and protection of said City and County, and to review the use of such system to ensure it provides adequate public safety communications capabilities to the City and the County.
- (4) Citizens' Oversight and Accountability Committee. The Mayor shall appoint a citizens' committee to ensure the plans and budgets of public safety projects associated with this ballot measure are efficiently and effectively managed.

VOTE FOR or AGAINST

- I vote FOR authorizing the increase in city sales tax for the specified public safety purposes.
- I vote AGAINST authorizing the increase in city sales tax for the specified public safety purposes.

Explanation

The request looks simple – bump up sales tax by $\frac{1}{4}$ % (.0025), use the new money for replacing outdated 911 equipment, some fire trucks, and firehouse locations, and only do the collecting of extra tax for three years.

Those in favor of the sales tax increase see these values -

- The radio/electrical system that communicates between city police, fire, public works and utilities, as well as UNL, LPS, and county emergency personnel is soon (2017) to be out of date and not serviceable by the manufacturer.
- The need for new and improved fire stations in strategic locations to better serve the community in response times.
- The 3-year "sunset" clause would prevent the tax hike from just "continuing."
- Sales tax, as opposed to bond issues or paying a vendor's bill, is straight income
 without the long term interest payments. Sales tax is collected from non-property
 owners as well as visitors lessening the demand on property owners.
- An oversight committee will help insure the new monies are used for the intended purpose.
- The city council voted unanimously to put the issue on the ballot.
- Vendors who provide such equipment spend a good deal of money putting together a bid, so they want to know there's funding even available before they'll do a bid.

However, those who oppose the sales tax hike don't disagree with the need for new radio equipment, but disagree with the method for solving it.

- Some believe that more efficient running of the city could release some funds as well as some planning ahead to spread out the cost over the remaining years.
- The process of switching from the old system to the new one will take a sizeable amount of time and electronic patches will need to be in use so that thinking needs to be included in the planning.
- Others are concerned that the actual amount needed has not been accurately determined with an official RFP (Request For Proposal – in which bids are solicited from a variety of vendors) making this ballot request premature. (see above)
- The addition of the fire stations muddies the picture and creates two issues to vote
 on. The current all-volunteer rural Southeast Pine Lake Fire Station is nearly
 surrounded by city so the city fire department wants to have that facility be
 upgraded to city standards which would mean adding another tax-funded entity
 and long term union employees at community cost.
- Anytime the blending of two political entities occurs, clarity needs to be defined. In a sense the city tax payers would be subsidizing county services, and county residents will be paying a sales tax in which they had no say. The county actually pays a fee to the city for using the radio system, but owns its own "end" products like radio units. Depending on how the "migration" to the new system occurs, the county may incur replacement costs not covered by the city.
- Local businesses will have to restructure the collecting of sales tax, at their own expense.
- No guidelines are provided for whom the mayor appoints on the oversight committee.

A vote FOR the issue will set in motion an extra bit of sales tax beginning absolutely as soon as the computers can set it up.

A vote AGAINST the issue will force the city to find other means for paying for the nearly outdated 911 system and the new fire station locations strategic plan.

Further Resources:

http://journalstar.com/news/local/911/voters-to-decide-on-sales-tax-hike-to-build-new/article_0479ee33-c32d-55d1-880b-0d98dd1ec527.html
http://journalstar.com/news/local/voters-asked-to-consider-sales-tax-hike-to-buy-new/article_a4b7a1bc-2d4f-5e19-bf89-4a5b826501d8.html
http://lincoln.ne.gov/citv/safetv/#s