Wilson, Samantha

From: Sent: Subject: Owen, James <jowen@littlerock.gov> Wednesday, April 28, 2021 11:54 AM RE: Rebuild the Rock Ouestions

Thanks, Jay. I'll let you know as I have a draft answer or as I have more questions.

-James

From: Barth, Jay Sent: Wednesday, April 28, 2021 11:50 AM To: Owen, James Cc: Pruitt, Kendra Subject: RE: Rebuild the Rock Questions

James-

Here's the two-pager detailing ECE. There's clearly confusion here about 0-2 year olds and 3 year olds and how they'd be dealt with.

Cheers, Jay

From: Owen, James
Sent: Wednesday, April 28, 2021 11:31 AM
To: Scott Jr., Frank <<u>fscottjr@littlerock.gov</u>>; Barth, Jay <<u>jbarth@littlerock.gov</u>>; Blake, Charles <<u>cblake@littlerock.gov</u>>;
Tennille, Grant <<u>gtennille@littlerock.gov</u>>
Cc: Pruitt, Kendra <<u>kpruitt@littlerock.gov</u>>
Subject: RE: Rebuild the Rock Questions

On it!

James Owen

Policy Analyst City of Little Rock City Hall - Office of the Mayor 500 W. Markham St. Ste. 210 Little Rock, Arkansas 72201 P: (501) 414-9888

From: Scott Jr., Frank
Sent: Wednesday, April 28, 2021 11:11 AM
To: Barth, Jay; Blake, Charles; Tennille, Grant; Owen, James
Cc: Pruitt, Kendra
Subject: FW: Rebuild the Rock Questions

James,

Please prepare a Memo and work with Jay, Grant and Charles to succinctly answer the questions in the forwarded email. Let's try to have this completed by COB tomorrow.

Just FYI--Mr. Burgess is Chairman of the Chamber.

I Appreciate You, FSJ

From: Frank Scott, Jr. Sent: Wednesday, April 28, 2021 11:02 AM To: Scott Jr., Frank Subject: Fwd: Rebuild the Rock Questions

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Frank D. Scott, Jr. Sent from my iPhone

Begin forwarded message:

From: Johnny Burgess <johnny.burgess@mainstream-tech.com> Date: April 27, 2021 at 2:42:03 PM CDT To: Cc: Johnny Burgess <johnny.burgess@mainstream-tech.com> Subject: Rebuild the Rock Questions

Mayor Scott,

Thanks again for agreeing to meet with us on multiple occasions and to provide us this avenue for asking questions and voicing concerns. I know you feel that this has been redundant but I hope you understand that we are a group of independent individuals with different perspectives, concerns and agendas. You are asking us, as a group, to support this proposal and as I said, we want to be supportive. But, if we put our collective voice behind this, failure is simply not an option and therefore, before giving said support, we are going to closely examine and discuss this until we have consensus that the proposal is sound and likely to survive detailed scrutiny from a questioning public and media.

The following is a summation of specific questions I received from the attendees of last Tuesday's meeting of the Chamber leadership and Fifty for the future members with you at the Chamber. I believe these are fair representations of the questions asked, although in some cases, I've combined questions which were asked by multiple people regarding the same initiative.

Participant questions:

Sunsetting the capital spending portion of the tax is a big deal. It's the biggest single issue with the proposal raised by our leadership group and it's the single biggest issue that gets mentioned by those in our social networks. Your proposal represents a 40% increase to the city budget. The optics of asking for a 40% raise in perpetuity vs. asking for 20% for a period of time to invest in a defined set of improvements with a 20% increase to funding is huge, in our opinion. Other cities and counties around

the state very successfully manage by funding capital expenditures through fixed-term (sunsetted) taxes. Why can't that portion of your proposal be converted to a 10-year sunset tax, as your proposal states that all the identified initiatives will be addressed within the first 10 years, anyway?

How will you ensure that the funding amounts detailed in your proposal get fully committed to their respective initiative and not diverted into general fund or other initiatives? Games like this have been played in the past (not by you, but if this is going to be in perpetuity we have to watch out for whoever comes next, whenever that may be). Having a defined list of capital projects with respective costs and timelines would give us, and voters, specific answers to many of our questions. This was an effective approach in overcoming objections in 2011.

You asked that the Tech Park come up with a number. The Tech Park established a number two years ago; \$26MM for the new-construction Phase II building. The Tech Park has already proven itself to be an excellent steward of the resources it has received by completing Phase I on-time and \$2MM under budget, managing its operations to be self-sufficient from a cash flow standpoint (beyond the 2011 sales tax money, none of the three stakeholders has had to inject one dime of additional funding) and managing its finances so that the facility will be debt-free by the time the 2011 sales tax money sunsets. Can you commit to funding an additional \$15MM (a number already discussed with Charles in a recent meeting) over 10 years to support Tech Park expansion? The Tech Park has been successful each year in attracting millions of funds from the private sector and other public entities for operations and to subsidize the work of The Venture Center and their internationally recognized accelerator programs. A commitment from the city would provide the Tech Park with options to pursue matching funds from other sources, both public and private. The Tech Park has demonstrated that it has the expertise to finish initiatives on-time, under-budget and to exceed expectations. You can be confident that your stated desires that existing buildings in the area be leveraged would be given the same due diligence give to all planning and spending and that the result of the city's investment will be optimized for the benefit of the city, the Tech Park and all its stakeholders and clients.

In the economic development portion of your presentation, you list \$3MM/year for capital investment and note approximately 15 uses for the money with no specific allocation. To develop a true 'super site" at the Port will require tens of millions of dollars but there is no specific mention of this significant item. What specifically will the \$1MM annual Small Business & Local Growth Fund be used for? Why is it allocated when the Job Creation portion isn't?. The Chamber has been running a successful business retention and expansion economic program for many years. Your presentation states "We will also move business retention and expansion (BR&E) to the center of Little Rock's economic development strategy." Is the City now going to run its own BR&E program?

Dr. Barth's description of the early childhood initiative has changed each time we've heard it. We believe there should be more focus on a defined program to formally train providers to work with traumatized children in that age group, as that speaks directly to the stated target of the program and less to the program as just another daycare subsidy program. We would like to see some consideration for this alternate approach with a realistic plan. His stating there will be no increase in administrative costs beyond his salary, regardless of the final plan (up to 200% above the federal poverty versus the 200% to 300% bridge range he gave in the last meeting) doesn't sound plausible or realistic. The changing narrative around this also raises questions about the entire package. Is the current \$6MM of Prevention, Intervention and Treatment annual funding being utilized? What are the measurable results of that program? In 2011, the business community was asked to double that funding but there doesn't seem to be any reporting on success. You stated that we are focused on 6% of the total, but if we feel that we have identified squishiness in this 6%, what squishiness is present in other parts of the proposal and does that mean that the entire thing could be done for 5/8 or 3/4 of a percent? This is going to be picked apart by the media and opponents and we want to make sure that the answer stays consistent and is a based on facts and published research.

The concept of War Memorial as our Central Park sounds great, but before committing to building new sports fields, has work been done to leverage the various historic or established sports complexes around the city, like Lamar Porter or the Boys and Girls clubs? Many of these facilities are already located in neighborhoods and would not require transit and attendant parking issues. How will the fields be managed? Will existing youth sports organizations be granted access or is the vision for some city-run program to manage utilization? We have received multiple questions about what specifically is being built and where (the presentation includes a rendering of an indoor sports center but no mention of where it will be located).

Apart from the contractual money paid by the city to the chamber for economic development services, economic development activity has been largely funded (70% private versus 30% public) by a small number of businesses in Little Rock through the chamber's work. The current overall economic development budget is \$1.3MM annually. In comparison, our competitors (see attached) are investing significantly more to grow their economy. A true public-private partnership where the city is matching the private contributions would enhance the already great results we experience from our work. We believe that more money allocated from RTR to economic development in the short-term will increase economic activity in the city, resulting in more tax revenue for the park improvements in the later years.

What are the mechanisms for how the projects under the affordable housing program will be selected and managed? The existing city housing program is not perceived as being effectively managed and begs the question of whether the city is the best vehicle for performing this work? These projects can be done in such a way that makes economic sense for the taxpayers by managing them effectively as real estate projects while meeting the altruistic and public safety goals.

How will the neighborhood empowerment fund be administered to ensure this doesn't become a piggy bank for localized pet projects? What decision process and oversight will be provided to ensure recipients are accountable and that funds are spent according to original expectations?

How will zoo attendance double in 10 years? This is putting a lot of pressure on the giraffe exhibit. Should this \$50MM be the priority of the city when so many other needs are going unmet?

Homelessness is a significant issue in the city but nothing to address or mitigate this chronic issue is present in the proposed initiatives?

Is the \$13MM for Downtown Parking Decks to procure/develop new decks or update the existing decks? If new, have sites been identified?

What land on Markham Street is included in the \$2MM land acquisition?

Will the Strategic Infrastructure Improvements be determined or identified prior to the election?

Is the \$3MM/year earmarked for street resurfacing a net new amount or does it include the current resurfacing budget and what is the current annual resurfacing budget?

Public safety remains the single largest issue in the minds of the voter but there is no identified funding for police officers. You said in your campaign that you would hire 100 more, yet there doesn't appear to have been much progress in getting those extra professionals on our streets and in our neighborhoods.

As you can see, there are still some questions in the minds of our community. As we both have said, the relationship is strong between the City and the Chamber and again, I appreciate your willingness to provide us this avenue for weighing in on the Rebuild the Rock proposal.

Thanks!

John Burgess (501) 801-6704 (501) 343-3174 Cell johnny.burgess@mainstream-tech.com

