

# Council Update

## December 21, 2007

- City Hall Closed – City Hall and other non-emergency offices will be closed Mon & Tues.
- Jan 2 Swearing In Ceremony – Incoming Mayor Gluba will preside at his first Council Meeting January 2. The meeting will be a little more formal / festive than recent vintage new Council swearing-ins, with an honor guard, chorist and invocation. The agenda will be kept light, so as not to delay a post-meeting City Hall Open House, hosted by Mayor Gluba and the 2008 / 2009 Council.

On a related note, there will be some reconfiguring of seating in the Council Chambers. We will be moving the press to the side staff sits at now to make their entry and exit during meetings a little easier / less disruptive. Staff, in turn, will be sliding over to the east side of the chambers, where Tom and I will join them. A few other minor tweaks will be accomplished to make presentations go a little smoother. Looking forward to the changes.

- Jan 6, 7 and 8 Goal Setting – Lyle Sumek will be facilitating goal setting for the 2008 / 2009 Council. Owing to Aldermanic schedules that make meetings during the workday difficult / impossible for some, the goal setting sessions will be held Sunday, Jan. 6 from 1 – 5 pm, Monday, Jan. 7 from 5 – 7:30 pm and Tuesday, Jan. 8 from 5 – 7:30 pm. The goal setting sessions will be open to the public to watch, at a location(s) to be determined.
- Three Minutes To Success? – At the request of Mayor-elect Gluba, staff facilitated an orientation session for newly elected aldermen December 8. Every department head did a fine job reviewing the status of their department with new council members, with the incoming aldermen very patient and engaged as they listened to a series of powerpoint presentations. At the conclusion of the dept by dept presentations, I tried to provide a conceptual summary for the work ahead. The agenda item read “Three Minutes To Success”. I think I stayed within the three minute timeline with the attached six slide powerpoint - *Working Together On Revitalization And Growth*. Six simple words (surrounded by an expanse of white space to wander around in). Thanks, Mr. Venn, for the conceptual circles. Two years from now, we’ll see how much we were able to overlap interests and build consensus (on whatever circles the 08/09 Council draws for the community).

Also presented, with due credit to Dr. / Mayor Nalbandian, was a ten slide overview on how public decision making can be different from other decision making models.

- Federal Funding Drafts – The first drafts of briefs the Quad City Development Group fashions into a briefing book for the annual lobbying trip to DC were due Thursday. Our first drafts, in the somewhat regimented format prescribed by QCDG, are attached. The lobbying trip is scheduled for Feb. 13 – 15.

- QCT Stories On The Way

- Expansive Thinking Meets Government – Tory from the Times will likely be authoring a story on Ald. Meyer’s idea to utilize City of Davenport Neighborhood Beautification Program funds for a project in another city, across a state line.

“Pushing the envelope” became part of the broader, cultural lexicon with Tom Wolfe’s brilliant “The Right Stuff” in 1979. I’ll admit to idolizing the daring-do in the book and movie to follow, along with the concept of making more things possible through “pushing the envelope”. Then I got a job whose role is – from time to time – being the envelope.

Best wishes Keith. You will be missed.

- Kalamazoo Promise – On the subject of expansive thinking, Sheena Dooley from the Times will likely be authoring a Sunday / Monday (?) series on the Kalamazoo Promise and its budding Davenport counterpart. Look for concerns that the KZ Promise isn’t a perfect piece of magic – that business growth is a process, not an event, that overlapping Kalamazoo city / school district boundaries are a challenge for growth management and that revitalizing and growing an economy and community isn’t something you just flick a switch on.

Many of these lessons have been learned by those participating on the Davenport Promise Exploratory Committee, who have worked to create a program calibrated for the different circumstances of Kalamazoo and Davenport. The Davenport program, in its current state of development, is not solely focused on college tuition (though this continues to get almost all the attention). Our state / regional economy is in a much better position to grow than Michigan’s. Our ability to utilize a Davenport specific funding stream for regional growth focused on Davenport is quite dissimilar to the Kalamazoo circumstance. That the Davenport concept needs to flow from being grassroots, through to being reviewed by organized stakeholders including the City and School District, back to a vote of the citizens – rather than being a program created behind close doors and announced to fanfare – is an extraordinary difference (and not one that has been well understood or appreciated by some). It will be interesting to see if these points of how the DP Promise has learned from the KZ Promise are explored in any detail.

The two key facts that have direct application to Davenport – that the KZ Promise dramatically reversed a trend of years of student enrollment decline and was a contributor to a doubling of the prior property value growth rate – remain as facts.

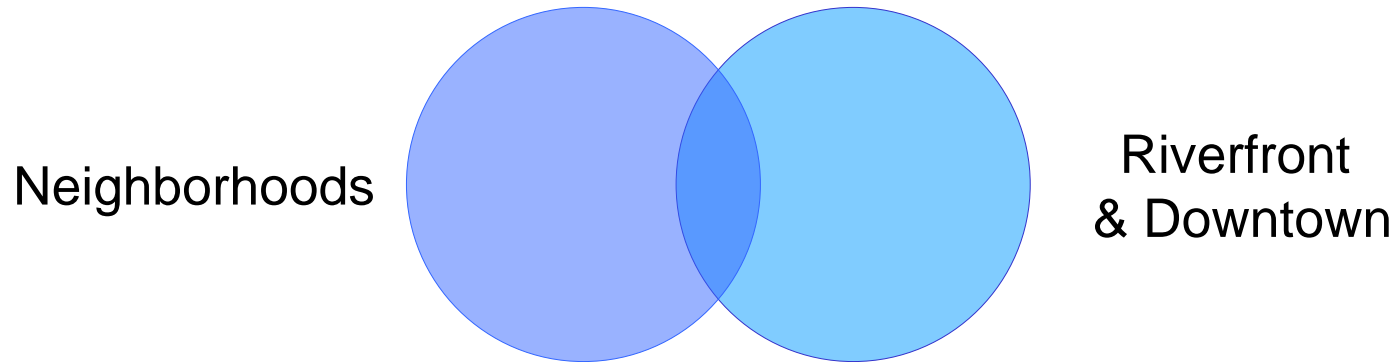
Two last notes: 1) The State just released a report on declining enrollment (see attached) and Davenport lost more students in 2007 than any other district. 2) The purposefully unfancy (no flags or kids) powerpoint presentation from the December 13 Community Development Committee is attached.

- **The Merriest To You & Yours.**

*Contributions to the next Council Update are welcome. Please direct any such contributions to the attention of Director of Communications Nahra by noon Friday.*

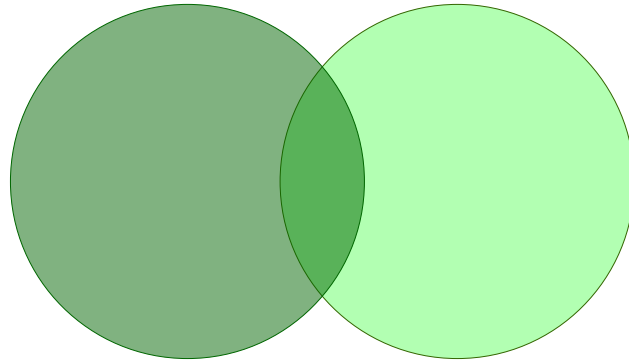
# Three Minutes To Success

# Revitalization



# Growth

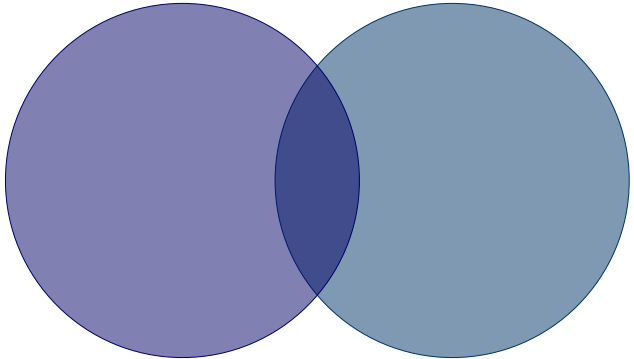
Davenport  
Promise



Sewer  
Tunnel

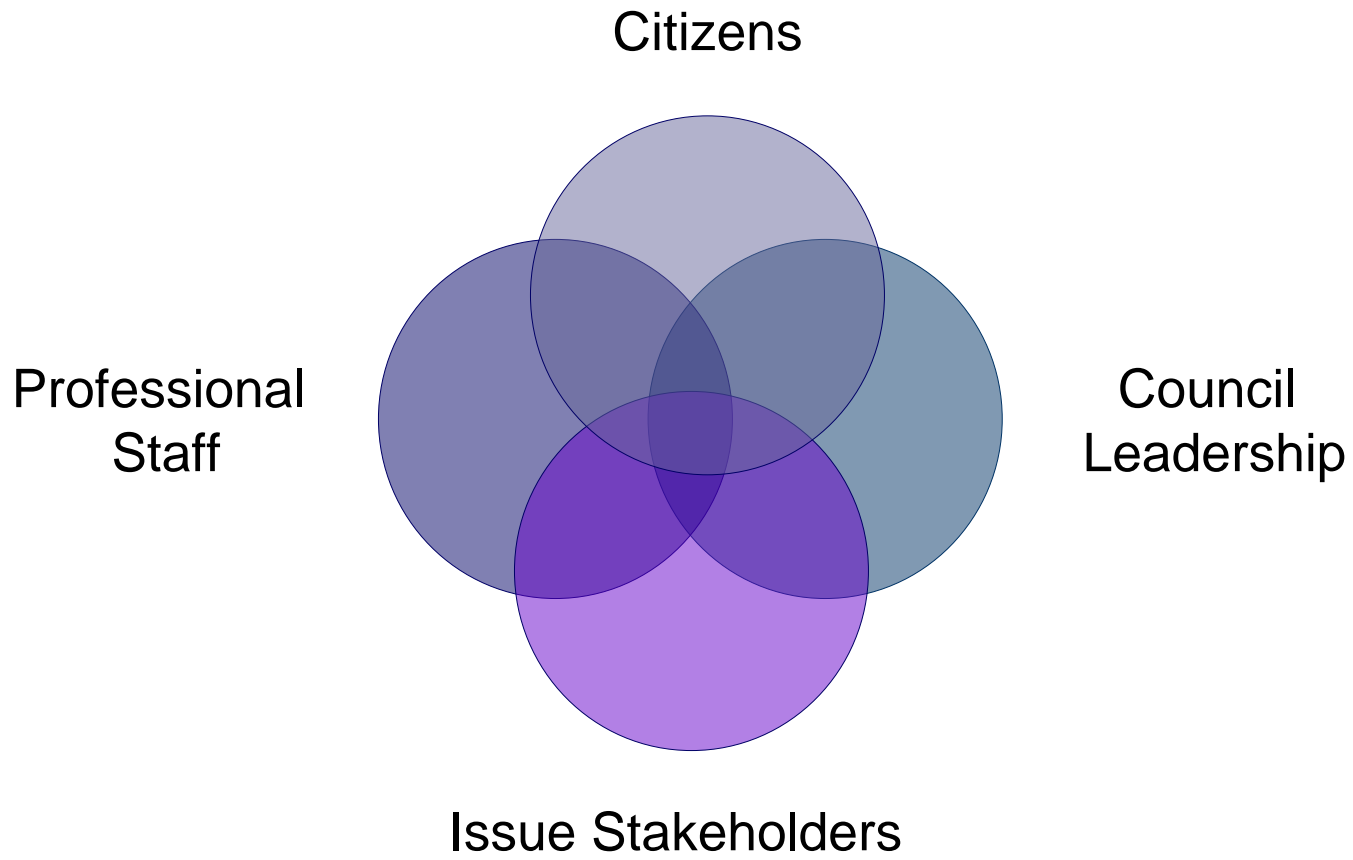
# Working Together

Professional  
Staff



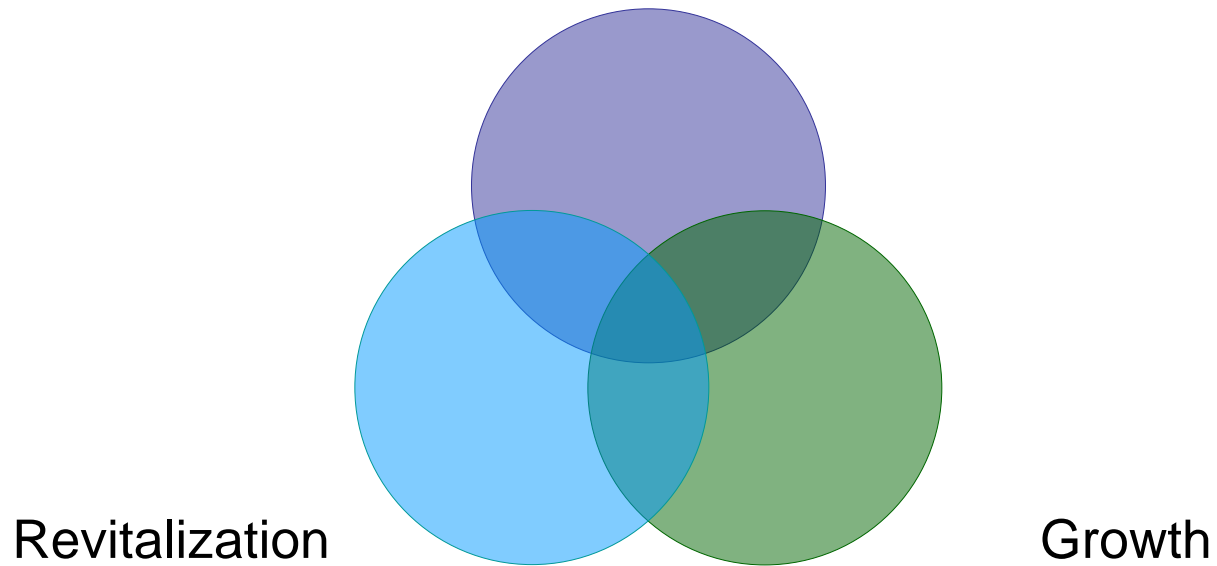
Council  
Leadership

# Working Together



# Success

Working Together



# Public Decision Making

## Democracy In Action

portions adapted from John Nalbandian, PhD.  
Chair, KU PA Dept.  
Mayor, Lawrence, KS

# Public Decision Making

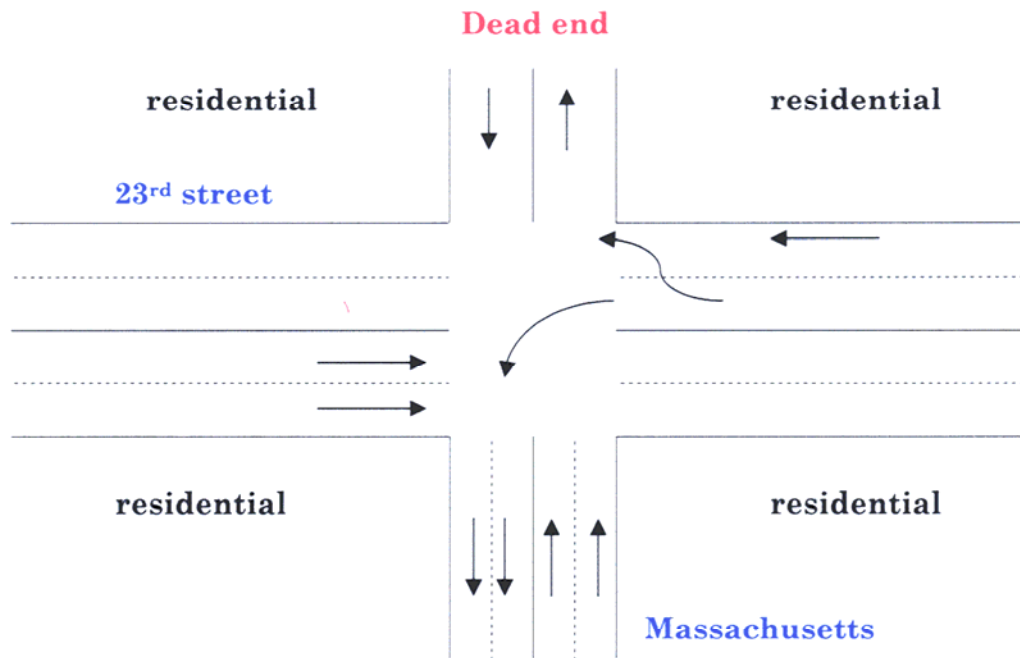
- Challenges
  - Imperfect information
  - Conflicting values in policymaking
  - Conditions that make public policymaking difficult
  - Varied perspectives of stakeholders

# Governing Body Working Conditions

- Vague Task Definition
- No Hierarchy
- No Specialization
- Little Feedback
- Open Meetings

# One Right Answer ?

## 23<sup>rd</sup> and Massachusetts



Toward downtown

# Characteristics of Politics and Administration

Characteristics	Politics	Administration
Activity	Problem Solving (avocation)	Problem Solving (vocation)
Players	Representatives	Experts
Conversation	“What do you hear?” <ul style="list-style-type: none"> <li>• Passion</li> <li>• Dreams</li> <li>• Stories</li> </ul>	“What do you know?” <ul style="list-style-type: none"> <li>• Data</li> <li>• Plans</li> <li>• Reports</li> </ul>
Pieces	Intangible: Interests and symbols	Tangible: Information; money, people, equipment
Currency	Power (stories)	Knowledge (deeds)
Dynamics	Conflict, compromise, change	Predictability, cooperation, continuity

# Reduce Uncertainty

- Focus on Policymaking Role
- Goal Setting
- Problem Solving Techniques
- Develop Norms of Behavior
- Team Building
- Partnership With Staff & Citizens

# Steps to Take

- Identify value conflicts
- Depersonalize issues
- Establish vision; set goals
- Build team expectations
- Schedule council “retreats”
- Develop effective relationship with staff
- Understand political and administrative logic
- Develop “translation” skills

# Two Prevailing Themes

- Modernizing Organization
  - Connecting administrative processes to strategic goals
  - Integrating personnel and financial systems
  - Organizing around problems, not departments and hierarchy
  - Decentralized decision making for timely response
  - Technology-based innovations
  - Performance budgeting
  - Citizen / customer focus
- Building Community
  - Engaging citizens in political and administrative processes
  - More emphasis on expressions of direct democracy
  - More emphasis on neighborhoods as the base unit of the community
  - More accountability and transparency with citizens
  - More communication and education
  - Devolution of tasks and partnerships with other non-governmental sectors – private sector, non-profit sector, faith-based organizations

# Davenport Challenges

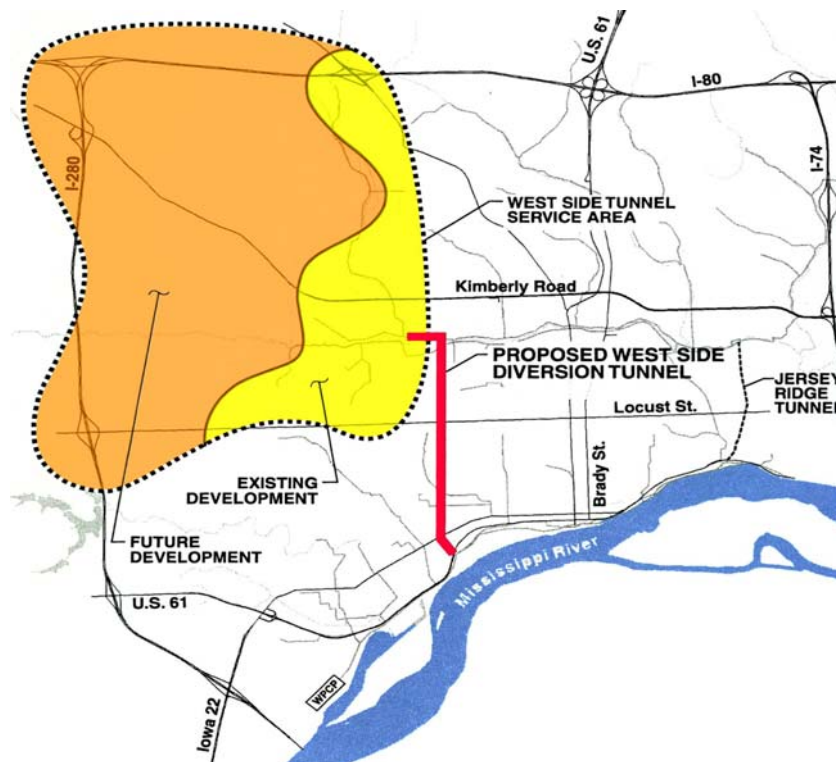
- Midwest Manufacturing City
- Anti-Urban State Legislature
- Short Term Governing Structure
- At Times Contentious Media
- Traditional Organization

# Davenport Opportunities

- Locational Attributes
- Quality Of Life / Affordability
- Iowa Public Education
- Downtown / River Relationship
- Closer to More Markets & Population Than Any Other Place In Iowa
- Excellent Staff
- Fresh & Vibrant Democracy

**Issue: Westside Diversion Tunnel** - Davenport requires federal assistance to construct a sewer to serve 20 square miles of property within its corporate limits and to address sanitary sewer backups in neighborhoods.

**Background** - Development and growth in Davenport is severely limited because of sanitary sewer capacity problems. The Westside Diversion Tunnel Project will allow 20 square miles of the City inside the interstate beltway to be developed. The tunnel also positively impacts the remainder of the collection system by increasing the pipe capacity in other areas of the City. This additional capacity has been identified as the solution to sanitary sewer backups in several neighborhoods.



This project totaling \$45.0 million has received federal grants of \$1,726,800 with the City match of \$1,412,837. The majority of these funds have been used for engineering services. In December of 2007 federal legislators announced a further award of \$492,200. Now that the final design is complete, the City plans to construct Phase 1 in the fall of 2009 after all of the right of way has been purchased. The City is requesting multi-year funding to reach at least 55% grant level of the estimated \$45.0 million project or \$16 million.

**Request** - The first construction contract is estimated to be \$11.5 million. With the current federal fund balance of \$1,084,200 the City requests \$5,241,000 of federal funding to bid the first phase of the project. The multi-year request for the entire project is \$23.8 million of federal funds.

**Issue: RiverVision** – The cities of Davenport and Rock Island request federal assistance for implementation of the RiverVision plan.

**Background** - The cities of Davenport, Iowa, and Rock Island, Illinois, together with corporate and community groups, opened a bi-state public planning process in 2003 that resulted in the “RiverVision” plan being unanimously adopted by both cities in 2004. This bi-state plan, the only one of its kind in the nation, was the basis for the U.S. Conference of Mayors awarding First Place honors to Davenport and Rock Island in the 2007 City Livability Awards, calling RiverVision “a far-reaching and broadly participatory waterfront plan that provides a coordinated framework for channeling development and configuring urban public open space to improve the quality of living in Davenport and Rock Island..” RiverVision is built on five strategic goals:

- **Connect Davenport and Rock Island**
- **Capitalize on the unique qualities of Davenport and Rock Island**
- **Create new urban parks appropriate for each city**
- **Identify catalysts for spurring economic development**
- **Phase project implementation to demonstrate early success**

The endeavor is complex, long term and at a critical juncture. Like other Midwest manufacturing cities in transition, Davenport and Rock Island have been challenged for decades by global economic forces and federal policies favoring green field development and urban disinvestment. For the region to prosper, the downtowns and surrounding neighborhoods of the historic core of the Quad Cities must remain viable and vibrant. On both sides of our nation’s greatest river, Davenport and Rock Island are strongly committed to revitalization programs from the water’s edge through our downtowns and into our adjacent historic neighborhoods. Federal support for this uniquely crafted bi-state plan is appropriate and necessary for our community’s collective RiverVision to become reality.

### **Project Summaries**

While the two cities plan to pursue economic development funding from the Dept. of Commerce outside the Congressional process, the cities are anxious to obtain targeted appropriations for key components of RiverVision in the FY 2009 appropriations cycle, as described below.

**Water Taxi** – Davenport and Rock Island jointly request \$3,500,000 from within the Ferry Boat Terminal and Facilities program at the Department of Transportation, for the development of piers and acquisition of equipment to reinstitute water taxi service between Davenport and Rock Island. The taxi would be operated by Metrolink, with operational support from both cities.

**Lock & Dam Lighting** – Rock Island and Davenport jointly request \$650,000 from within the Operation and Maintenance accounts of the Army Corps of Engineers, to light Lock and Dam #15. The lighting project will complement Centennial Bridge which was lighted in 1988 and is about a mile downstream. The US Army Corps of Engineers has been part of a committee investigating the project and is satisfied the proposed lighting concept will not adversely impact river navigation.

**Armory Park** – An important element of the RiverVision Plan in Rock Island is development of Armory Park; approximately one-half mile of river frontage adjacent to downtown. Although much of the area is currently used to support a riverboat gaming operation, relocation of the gaming facility will take place in late 2008. This will allow this downtown waterfront parcel to be reclaimed for public use. A key element in moving forward with the Armory Park development project is removal or modification of an obsolete and deteriorated former National Guard Armory building. Because the north façade of the building forms part of the city's flood protection system, the design and construction of a structure to replace this key flood protection element will be necessary. Preliminary estimates for the reconstruction of the flood wall, demolition of the Armory structure and construction of the park improvements is over \$10 million.

The city has developed preliminary design plans for Armory Park that will establish a beautiful riverfront area for public use that provides a venue for arts and entertainment, recreational programming and a transient dock facility. It is the city's goal to use the proximity of the riverfront to complement development activity in the downtown and create a legacy and point of pride for future generations. The city requests \$3,000,000 to assist with the construction of Armory Park.

**Centennial Park Floodplain Management Demonstration Project** - Our nation spends \$6 billion annually for structural floodplain management that is prone to failure, as evidenced by federal expenditures exceeding \$109 billion in the wake of three recent hurricanes. The path that Davenport has followed with regard to floodplain management is the more enlightened, environmentally responsible and cost effective approach. Davenport is the nation's largest city on a major river that has not walled itself off from the river with a floodwall or system of levees and pumps that are increasingly expensive to construct, maintain and repair.

In doing so, Davenport has created hundreds of acres of public land along the banks of the Mississippi River. Over the course of decades, flood prone property has been cleared of buildings and land uses detrimental to the environment along the river's edge. Through such sustained, enlightened actions, Davenport is becoming a national model for cost effective, environmentally responsible floodplain management.

However, the removal of flood prone buildings and elimination of industrial uses degrading the environment along the river's edge has left nearly one hundred acres of brownfields that now severely constrain private investment necessary to revitalize the historic core of the Quad Cities. For Davenport's approach to floodplain management to succeed as a national model, the one remaining step that requires federal support is to assist with the reclamation of river edge brownfields to vibrant, public spaces. Ultimately, the implementation of the full RiverVision plan is expected to generate in excess of \$300 million in private investment and tax base growth.

As Davenport moves forward incrementally with the reclamation of 55 acres of Centennial Park expected to require \$26.6 million (2004 dollars) of public funding, the City requests an initial

appropriation of \$2,000,000 from within the Brownfields Program of the EPA as part of an aggregate \$10,000,000 Federal appropriation requirement for sub-surface infrastructure, grading and establishment of a sustainable landform on which to make locally funded park improvements.

**Issue - Davenport Farmers' Market** - The City of Davenport is seeking a fiscal year 2009 appropriation of \$250,000 to partially fund further development of a downtown Farmers Market. These funds are being requested within the Transportation, HUD, and Related Agencies Appropriations bill, within the Department of Housing and Urban Development's Economic Development Initiatives (EDI) account.

**Background** - The Davenport Levee Improvement Commission (LIC) and City Council have approved a redevelopment plan for the historic Freight House on Davenport's riverfront that provides an opportunity to further develop and support an adjacent Farmers Market. Partial work is complete, and the remaining work is well underway by private developers to bring an entertainment facility and restaurant to the eastern two thirds of the Freight House. The LIC lease with these developers has created the opportunity to reclaim the western portion of the building for public use to support the existing Farmers Market (the lease also reclaims public ownership of the surrounding property and full public ownership of the building at the end of the 25 year lease). The current Farmers Market (actually two markets sharing space leased to them by the LIC in the City owned Florian Keen parking lot adjacent to the Freight House) has over 100 local vendors serving an estimated 5,000 customers weekly from May through October. To remain the premier Quad Cities Farmers Market and expand the many social, financial and environmental benefits of market operation to a larger customer base, the Davenport Farmers Market requires funding for market development and capital improvements.

The use of the western portion of the Freight House to support an expanded Farmers Market is one of ten recommendations included in the August, 2006 Project For Public Spaces (PPS) report (available at [www.cityofdavenportiowa.com/egov/docs/1162246089\\_74401.pdf](http://www.cityofdavenportiowa.com/egov/docs/1162246089_74401.pdf)). Supporting the Farmers Market is one of the City's top goals referenced in its 06/07 Strategic Plan and is a key to the Council goal of developing a Downtown Living Strategy within an identified Market District anchored by the Farmers Market and Freight House. Working with a wide array of stakeholders, the LIC plan for supporting and expanding the Farmers Market includes funding either already committed, or in the process of being solicited, from the following partners:

Private Equity	\$500,000
City of Davenport (Florian Keen lot & access improvements)	75,000
Levee Improvement Commission (LIC asset improvements)	75,000
Davenport Jaycees (PPS recommended play area)	50,000
Scott County (PPS recommended Farmers Market improvements)	300,000
State of Iowa (CAT grant)	250,000
Federal Funds (EDI)	<u>250,000</u>
Total	\$1,500,000

**Request** – The City of Davenport request of \$250,000 from within the Department of Housing and Urban Development's Economic Development Initiatives (EDI) program will support market development (including organizational development and small business assistance) of the Farmers Market. This small percentage of the overall funding of \$1,500,000 set aside for the Farmer's Market development project, will secure an opportunity to prompt private investment, foster community revitalization, support healthy lifestyles, and connect the agricultural economy of Eastern Iowa with the rebirth of one of Iowa's oldest commercial centers. The market has proven to be an accessible, low cost and healthy option for households within neighborhoods adjacent to the Market District and the development of an expanded market will improve the community's capacity to grow small businesses and attract and retain population and investment.

**Issue: Transit Maintenance Garage** – The City of Davenport requests federal assistance to construct a transit maintenance garage.

**Background** - The City of Davenport identified the need for a long-term strategy for its transit facilities and completed a Transit Facility Study in 2006. The goal of the study was to link the physical needs of transit as well as the need for a more seamless management of its operations and maintenance. The strategy recommended will result in a better and more cost efficient service to the public.

Currently Davenport Transit maintenance and operation functions are in two separate locations over two and a half miles apart. The City shares a facility with Rock Island County Metropolitan Mass Transit District (MetroLink). The current 75,000 square foot facility has maintenance and storage to accommodate 66 vehicles. The combined fleet is over 80 buses. Therefore, MetroLink has made the decision and has received funding to move its fleet to a new location. Davenport's fleet of 20 buses is too small to remain at the existing location.

The maintenance facility study reviewed several options and recommended that the Transit maintenance and operations be added to the Davenport Public Works Complex. The estimated cost of the addition is \$5,635,000. This cost compares to a stand-alone building of \$9,808,000. The City's current site improvements that are eligible as matching funds is 43% of the grant request which far exceeds the necessary 20% match. The study also analyzed the operational savings of moving the operations to Public Works and found an annual savings of a \$193,000 or 15 year savings projected at 3.5% inflation of \$4,227,000.

This project has been identified by the State of Iowa DOT as a need and is in the Bi-State Transportation Improvement Plan.

**Request** - The City is seeking \$5,123,000 of 5309 grant funding for this project. The City match is the current facility assets of \$4,173,000. The City will be seeking a state infrastructure grant in May of 2008 for the maximum allocation the State will award.



**NEWS RELEASE**  
**For Immediate Release**  
December 19, 2007

For More Information:  
Elaine Watkins-Miller, 515-281-5651  
elaine.watkins-miller@iowa.gov

**Majority of Iowa School Districts Report Declining Enrollment**

**DES MOINES, Iowa** – Enrollment at Iowa’s public school districts this year is 480,609, a decline of 1,975 students or about 0.4 percent compared to last year, according to the official certified enrollment recently released by the Iowa Department of Education (DE).

This fall, 241 or 66 percent of the Iowa’s 364 school districts reported a decrease in certified enrollment. Certified enrollment is an annual report of enrolled resident students. The count is used in the formula that determines state funding for public school districts. The certified enrollment count is taken on the first day of October every year. Official numbers are confirmed by the Iowa Department of Education in December.

The public school districts with the largest decreases compared to last year are:

**Number Decrease of Students**

School District	2007 Enrollment	Number of Students
DAVENPORT	16,237	-255
OTTUMWA	4,571	-197
SIOUX CITY	13,898	-151
WATERLOO	10,814	-142
COUNCIL BLUFFS	9,297	-111

**Percent Decrease of Students**

School District	2007 Enrollment	Percent Change
NORTH KOSSUTH	310	-17%
CLEARFIELD	89	-14%
LUVERNE	78	-14%
MALVERN	305	-13%
SENTRAL	178	-11%

Several districts across the state showed enrollment increases. There were 121 or 33 percent of districts reporting an increase in enrollment. Two districts in the state reported no change in enrollment.

The districts reporting the largest increases over last year are:

**Number Increase of Students**

School District	2007 Enrollment	Number of Students
IOWA CITY	11,718	450
WAUKEE	5,488	413
ANKENY	7,703	348
SOUTHEAST POLK	5,775	250
JOHNSTON	5,637	241

**Percent Increase of Students**

School District	2007 Enrollment	Percent Change
ROCK VALLEY	586	9%
WAUKEE	5,488	8%
DALLAS CENTER-GRIMES	1,775	8%
VAN METER	598	7%
UNDERWOOD	761	6%

The full certified enrollment count report may be found on the Iowa Department of Education website at <http://www.iowa.gov/educate> (click on "PK-12 Finance & Data," then "School Finance," then "Certified Enrollment," and scroll down to *2007-08 Certified Enrollment Summary by District*). The direct link is:

[http://www.iowa.gov/educate/index2.php?option=com\\_docman&task=doc\\_view&gid=4508&Itemid=77](http://www.iowa.gov/educate/index2.php?option=com_docman&task=doc_view&gid=4508&Itemid=77)

4.

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*The Iowa Department of Education works with the State of Iowa Board of Education to provide oversight, supervision and support for the state education system, which includes public elementary and secondary schools, nonpublic schools that receive state accreditation, area education agencies, community colleges and teacher preparation programs. The department is committed to high levels of learning, achievement and performance for all students, so they will become successful members of their community and the workforce.*

# Davenport Promise

December 13, 2007

Community Development Committee

# Presenter's Role

- Mayor placed item on Council agenda
- Not a spokesman or leader of Promise Exploratory Committee
  - Resource to the Committee
  - Committee is broad based, been researching & refining concept since Spring
- October 4 Memo Local Option Sales Tax Pro / Con

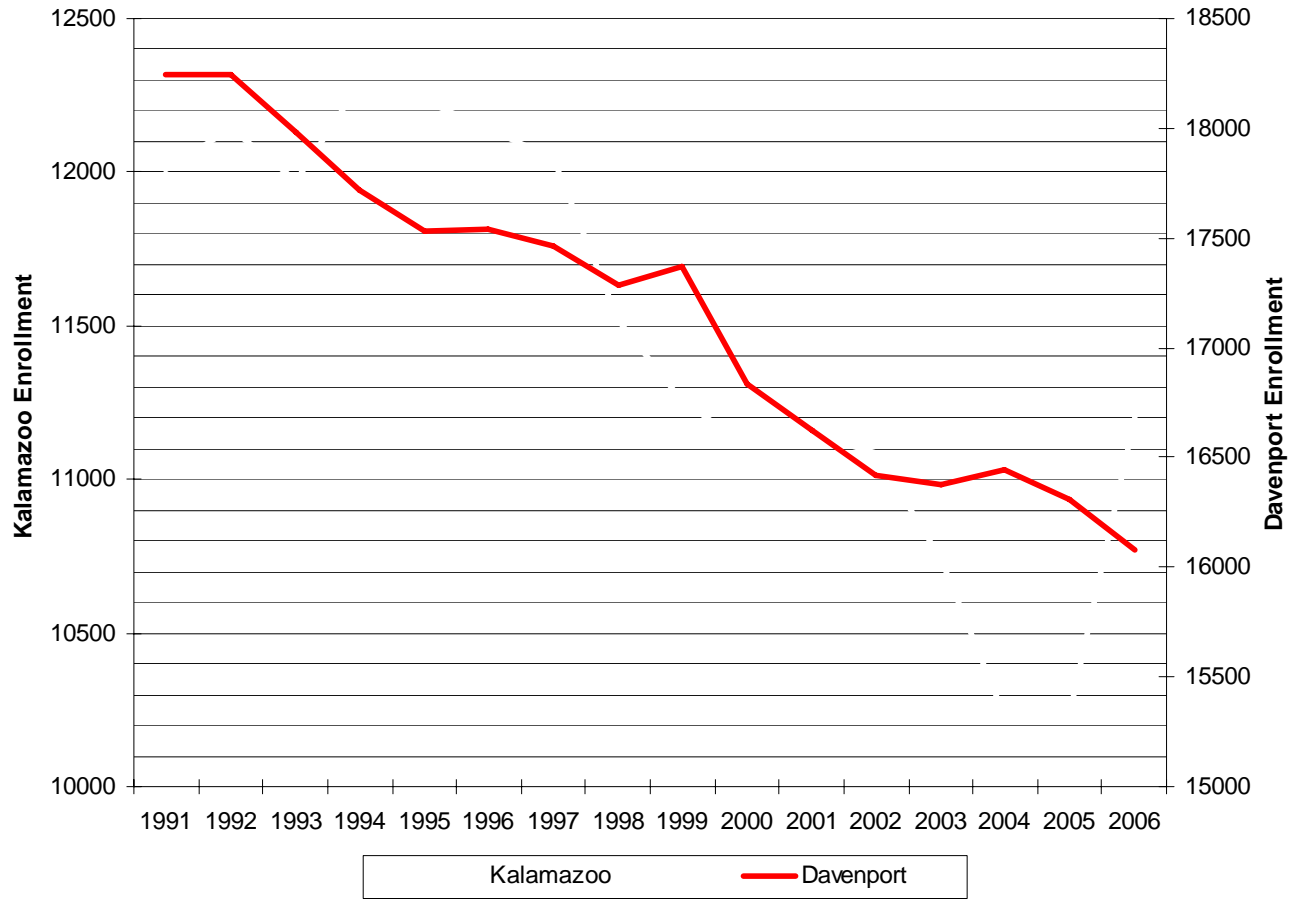
# Focus On Jobs

In a global marketplace and free market economy, nothing matters more than the quality of a community's / region's workforce

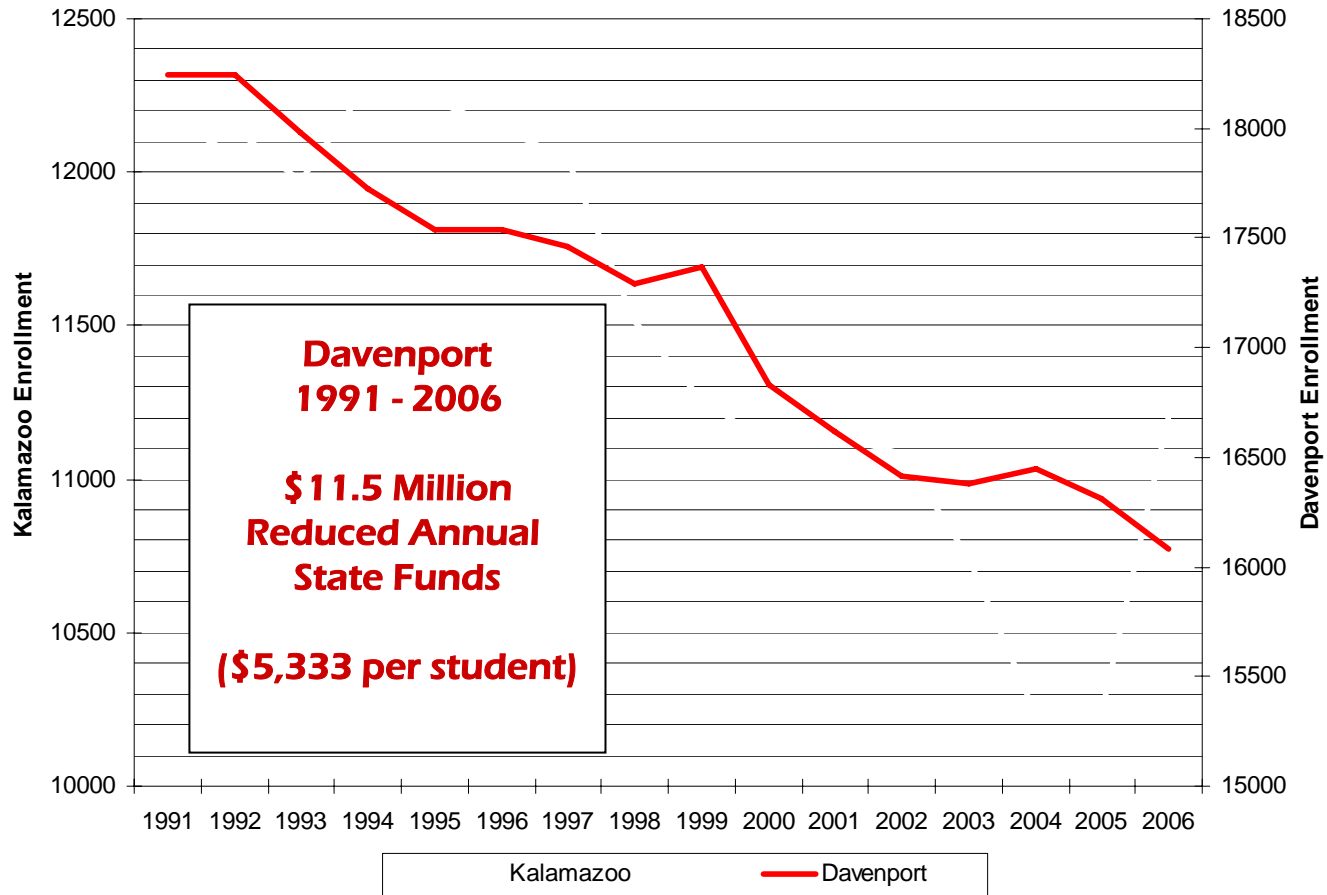
# Four Troubling Trends

- Student Enrollment Decline
- Erosion of Davenport Family Income Relative to State Average
- Labor Pool Education / Experience Decline
- Aging Population

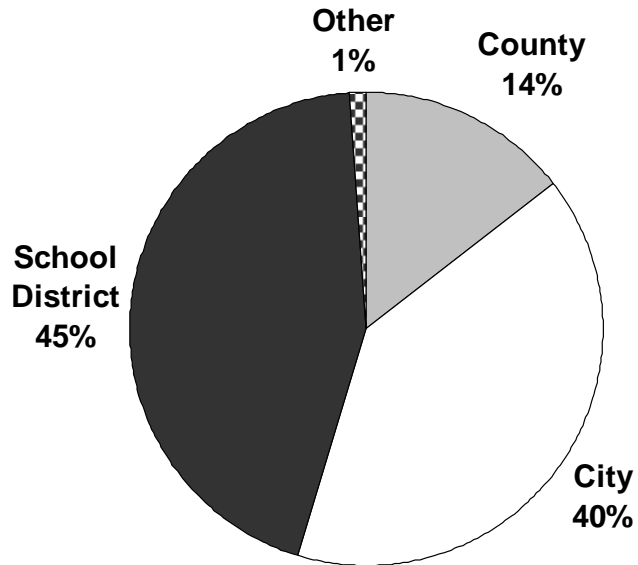
# Student Enrollment Decline



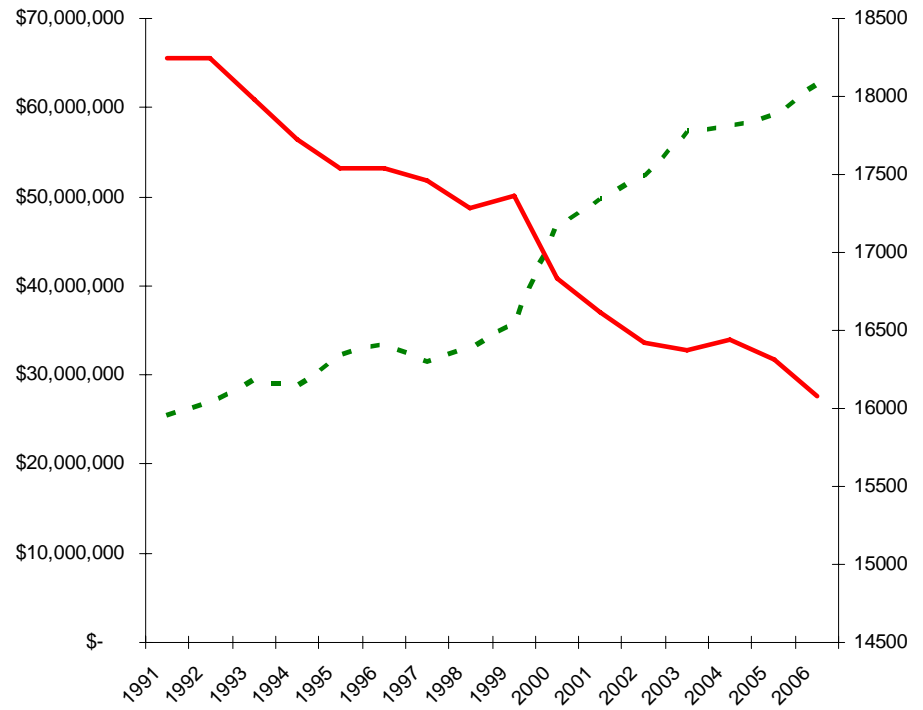
# Loss of State Revenue



# Enrollment & Local Taxes



Local Property Taxes



Local School Taxes

Enrollment

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# Comparative Davenport Family Income

24% Davenport Children Below Poverty

56% Davenport School District Qualify for  
Federal Lunch Assistance

“Full value per capita at \$54,572 is satisfactory;  
*however, Moody’s notes that the 2000 census  
data indicates that wealth levels have fallen  
behind state averages...*”

Sources:  
US Census  
Davenport School District  
Moody’s 2/5/07 rating report

# Aging Population & Workforce Challenges

- Workforce Challenges

- By 2014, 67% of QC companies will have 41% - 51% of their workforce ready to retire

similar demographics nationally create significant opportunity to gain business / population growth with highly skilled workforce

- Jobs Requiring More Education

- 66% of current jobs require post secondary education / training

- Top 10 growing Iowa occupations all require post – secondary education

- Aging Population

- Iowa 2<sup>nd</sup> in nation % residents 85 or older

- Iowa 3<sup>rd</sup> in nation % residents 75 and older

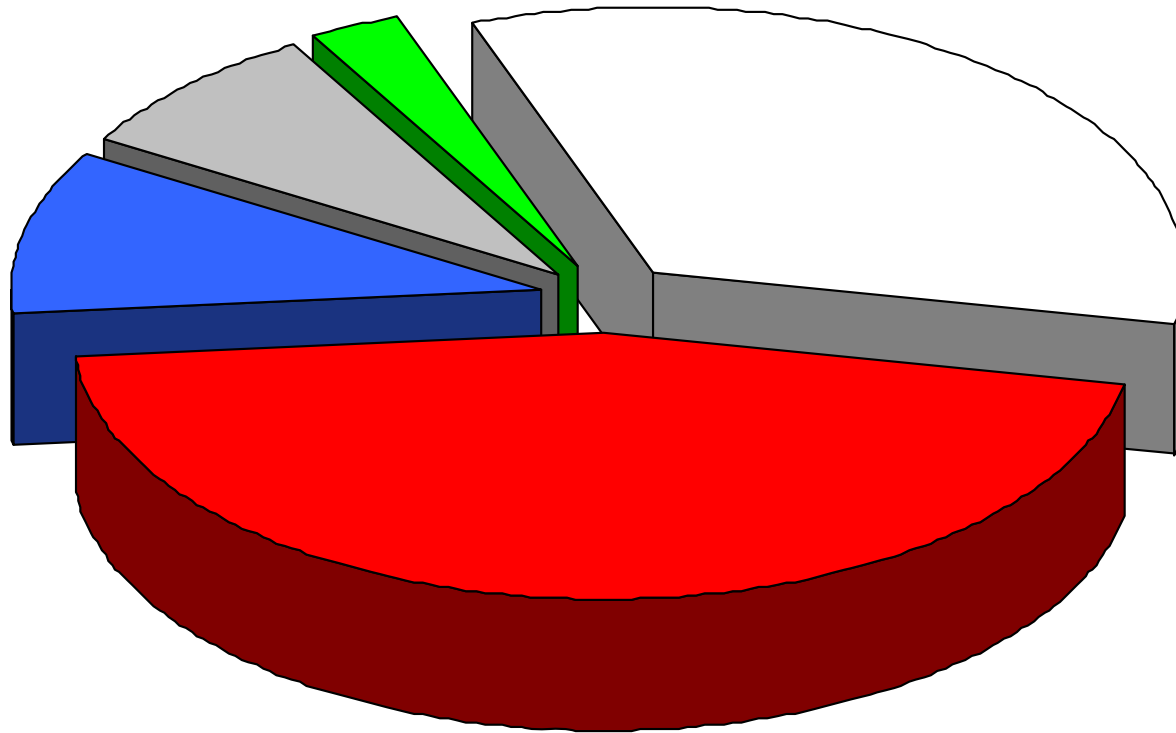
- Iowa 4<sup>th</sup> in nation % residents 60 and older

# Four Troubling Trends

- Student Enrollment Decline
- Erosion of Davenport Family Income Relative to State Average
- Labor Pool Education / Experience Decline
- Aging Population

# Concerns of QC Citizens

2007 Community Vitality Scan



- Various (each less than 3%)
- Income/Employment/Education
- Crime
- Health Insurance
- Taxes

# Davenport Opportunities

- Locational Attributes
  - Transportation, Water, Proximity to Markets, etc.
- Quality of Life / Affordability
  - “Most Livable” Small City, Top Tier Most Affordable, etc.
- Public Education
  - Iowa Public Education Consistently In Top Five
- Comparatively Low Taxes
  - Third Lowest Effective Debt Service Levy, Mid Range Total Levy
- Capacity For Economic Growth
  - Infill, Revitalization & Green Field Sites Available

Essential idea of Davenport Promise  
is to utilize our advantages to  
address our challenges

Building investment and population  
through workforce development

# History of Davenport Innovation

- Charter City
  - incorporated before state existed
- First Rail Bridge Across River
- Largest City In Nation Without Flood Wall
  
- First National Bank
  - first bank to open under National Banking Act of 1863
- First Chiropractic Adjustment – Palmer
- WOC
  - second licensed radio station

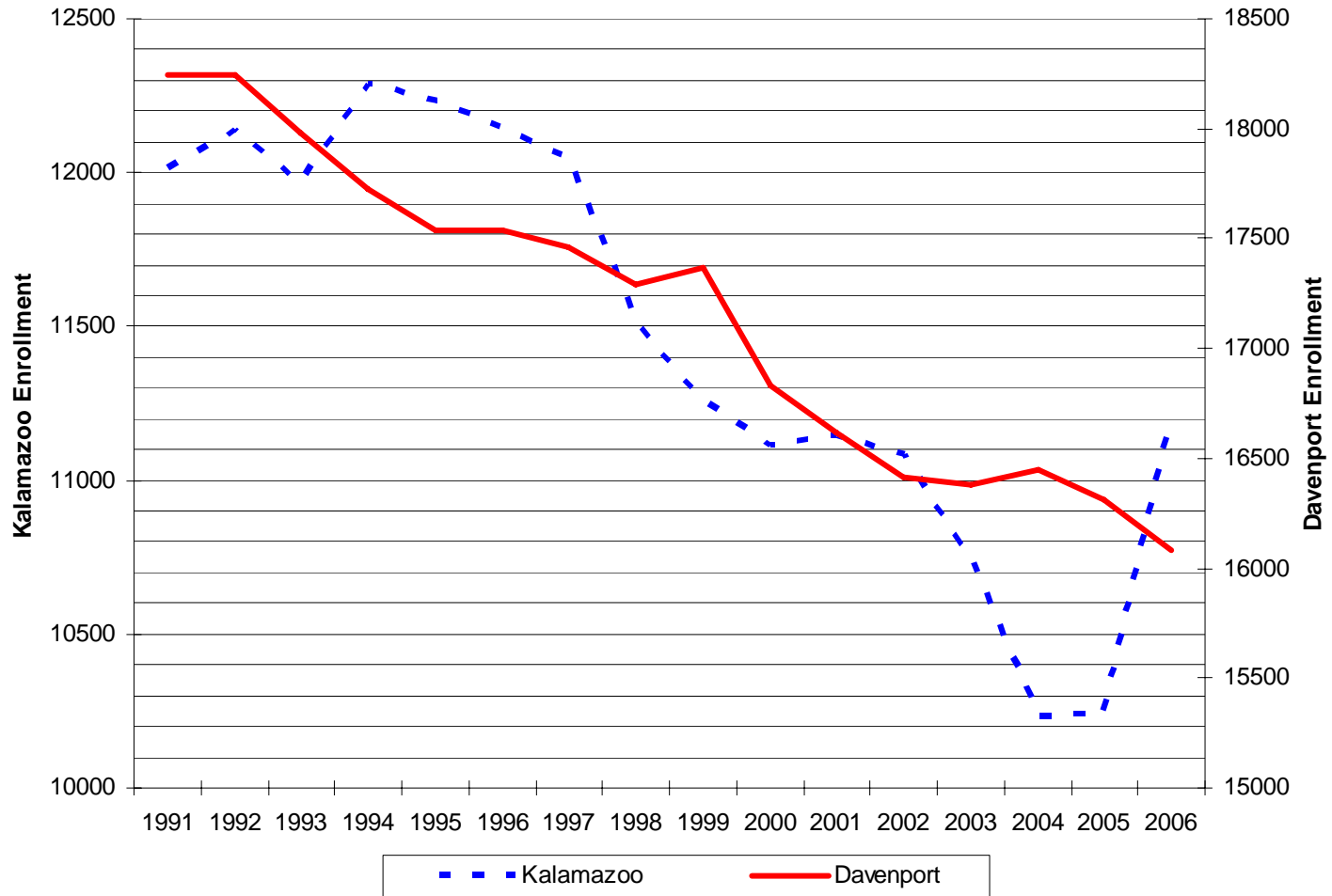
# History of Davenport Innovation

- Bettendorf Company
  - world's largest metal wheel works
- Cresent
  - first macaroni manufacturer in U.S.
- Victor
  - created film standard adopted by Kodak
- Newcomb Loom
  - first “home sized” loom
- Happy Joes
  - first pizza / ice cream restaurant combo
- Mac-Roh Sales & Manufacturing
  - invented commercial bread slicing !

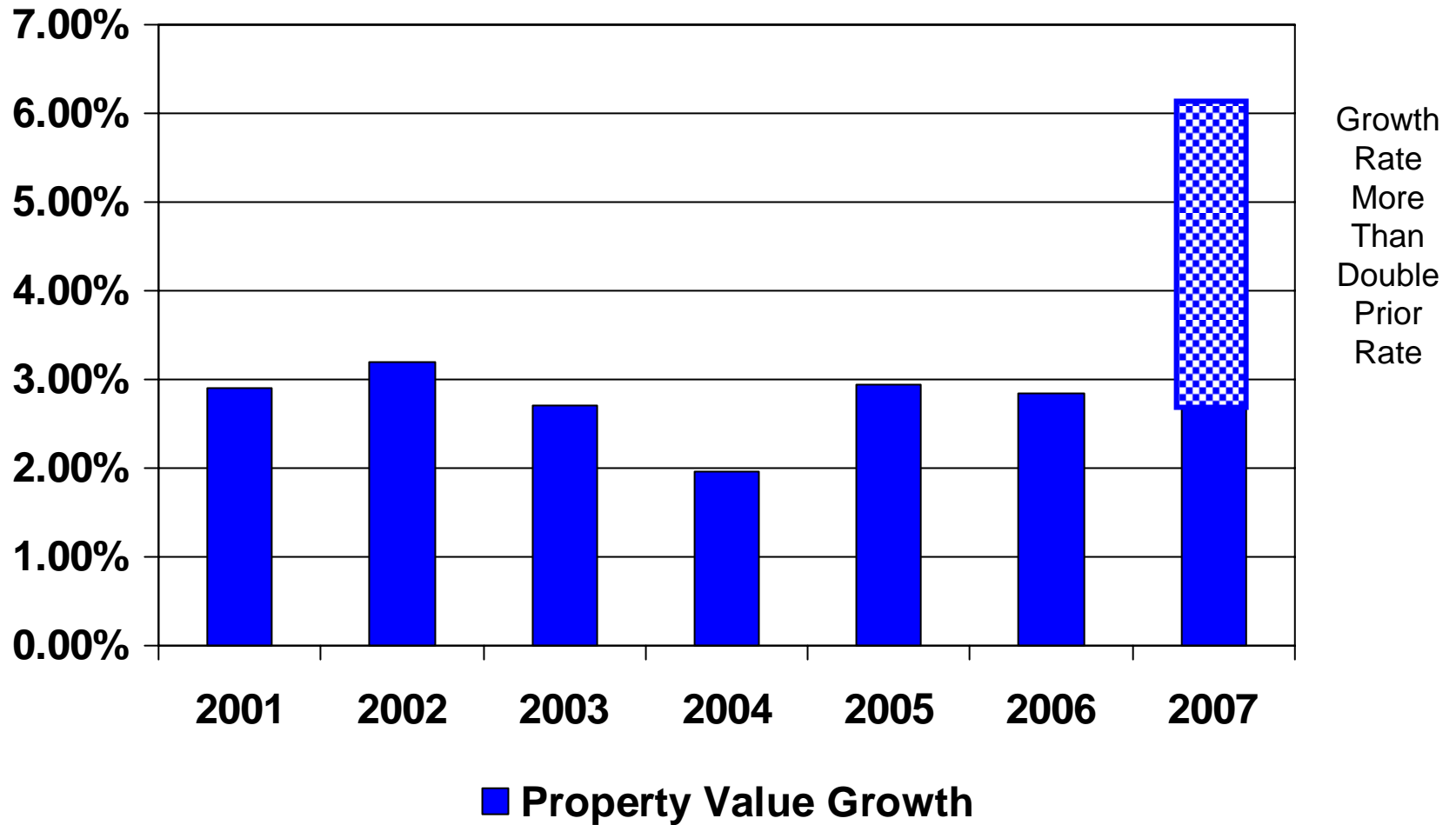
# Davenport Promise

- City Property Tax Cap For Low/Moderate Income Senior or Disabled Homeowners
- Additional Police Officers & Firefighters
- College Tuition, Vocational Training or Post-Military Homestead Credit For All Davenport Students Class 2008+
- Eligibility Tied To Davenport Residency

# Kalamazoo / Davenport Enrollment



# Kalamazoo Property Value



# KZ / DP Similarities & Differences

- Similarities
  - Somewhat Similar Communities (not exactly similar)
  - College Tuition Component
  - Breakthrough Growth Strategy Through Community Involvement
- Differences
  - QC Economy In Better Shape Than Michigan
  - Private / Public Funding Balance
  - Davenport Program More Comprehensive
    - Vocational Training
    - Returning Veteran Homestead Grant
    - Additional Public Safety Personnel
    - Senior / Disabled Fixed Income City Tax Cap
    - Community Service Requirement

# Common Misconceptions

- Not A City Program
  - Potential city funding source, limited to Davenport residents, but not created by or (likely?) administered by City
- Not A School Program
  - Local schools will benefit, but it is not a program of Davenport School District or any other school
- Not A New Tax
  - Reallocation – that can only be approved by citizens – of existing City local option sales tax
- Not A Cure All
  - Potentially extraordinary program without peer in nation, but plenty of work on community revitalization and growth remains

# LOST Pro & Con - Con

- Remove substantial, diversified & growing revenue source from City budget
  - \$13M +/- four year phasing
  - reallocation to thousands of Davenport citizens
- Will require revenue / expense adjustments
- Property value increase may not be universally welcomed
  - fixed income homeowner tax cap to address this concern
- Potential to lose competitive advantage if similar program adopted by others
  - variants of program already being adopted by others

# LOST Pro & Con - Pro

- LOST is a viable funding source
- LOST is an existing tax, not a new tax
- LOST is sufficient as a major funding source
- LOST is a diversified, sustainable, growing source (tied to population growth)

# LOST Pro & Con – Pro cont.

- Council has ability to shape program specifically for Davenport
- Reallocation would require strategic shift toward policies oriented toward revitalization and growth
- LOST funding source can be directed to Davenport residents only
- LOST reallocation can be decided only by Davenport citizens

# The Promise & Local Taxes

- **No Property Tax Increase Possible**
  - only Council can increase property taxes
  - 150 year history of capital projects without LOST
  - cities typically fund capital projects through overall tax base & growth
  - FY09 budget adopted prior to referendum (\$5.2M +/- CIP impact FY09)
- **Moderate Property Tax Increase Modeling**
  - maintain current CIP w/ \$55 - \$76 median homeowner increase (3 – 5 years)
  - lower combined city and school tax rate possible by 2014 if Davenport Promise 25% as successful as Kalamazoo Promise
  - ultimately, a Council decision
- **Goal – Moderation / Reduction of Property Taxes Through Population & Investment Growth**
  - 10% incremental tax base growth pays for program
  - debt service levy vs. operating levy
  - tax base growth pays for operating service improvements

# 2008 / 2009 Council “To Do”

(if resolution passes)

- Define Promise Program Rules
  - Draft Initial Guidelines
  - Refined / Published Prior To Vote
- Build Community Partnerships
  - Assemble Funding Partners
  - Develop National Economic Development Marketing Plan
  - Develop School Readiness Program / Plan
  - Community Foundation Selection / Creation
  - Commission Independent Review ?
- Davenport Promise Program Committee?

# Community To Do

Become Informed

Become Involved

Decide

# Agenda Item

- Does Not Endorse / Approve Promise
  - Places Davenport Promise on “Radar Screen”
  - City Cannot Advocate For / Against Referendum
- Does Place Item On Ballot
  - Establishes Timeline For Community Review  
Late April – Early May
  - Lets Citizens Decide