



TAXPAYERS RESEARCH COUNCIL

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City Council Candidate Questions

Candidate: John Fitch

All answers will be unedited.

1. One major community complaint is the conditions of city streets. How would you raise needed funds to tackle the issue?

Current economic conditions make it difficult to raise funds locally for street repairs that are desperately needed.

Continuing competition for State and Federal funding also is becoming more difficult. Not only are the surfaces of streets in poor condition, but the utilities under the streets are outdated. Over 50% of our waterlines are more than 60 years old, their intended lifetime. Storm sewer and sanitary sewer conditions are the same. There can be no dispute that our public works department has been a revolving door for several years now. Engineers hired don't stay with the city for more than two (2) years.

This situation has created a great distraction to the engineering department's ability to design projects that deliver the maximum value for dollars spent to repair streets. I have been in the construction business for over 25 years, fixing streets. I know that on some city projects we could get double or more value for the dollars we are spending. This efficiency would be a 100% return on dollars we are currently spending.

I know that this doesn't exactly answer your question about raising funds, but it does get you closer to the community complaint.

State and Federal funding is more about rebuilding than it is about repairing. I do see evidence that progress is being made rebuilding many streets in Sioux City.

We need to stay aggressive and be aware of ways to get the best value for our money.

2. Some cities have had success and others have failed with privatizing various city services. Do you promote privatization and is there an example of what you would privatize?

I think that Sioux City has had both success and failures in privatizing city services.

I completely support privatization when the outcome is a savings to the user. I think that our garbage collection has been a success. Both a benefit to the user and our money stays in the community.

I'm not as comfortable saying that about our sewage treatment. I won't yet say that it is a failure but the debate is building.

I would not be in favor of privatizing some city services, police, fire, or snow removal to name a few.

I do feel that the city competes with private business in some services and should not.

3. The city hires many consultants for a variety of projects. Do you support increasing or decreasing the use of consultants for city projects?

In many cases the use of consultants is a good choice. If a consultant is necessary and you can get some value for the money spent than yes I am in favor.

Sioux City is full of very intelligent, professional, and sensible business people that would gladly give good advice on many subjects that we have paid consultants to provide. The Taxpayers Research Council might be a good example of this.

In many cases the city council make decisions on topics they have no expertise in. They rely on city staff recommendations that sometimes staff may have little knowledge of. Rather than ask for some local expert advice they may hire a consultant. I do not agree with this practice in many cases.

4. The Taxpayers Research Council recently proposed a local economic development policy which creates a scoring system to create better efficiency in determining the positives and negatives of economic development deals. The policy can be found online at www.siouxlandtrc.org. Do you support or oppose the idea and what ways can Sioux City promote growth and be efficient with taxpayer dollars?

Economic Development is probably the most important issue that Sioux City needs to concentrate its efforts towards.

I do support the idea that a sound policy be developed and that we be efficient with taxpayer dollars.

I do not feel that the TRC policy goes far enough and at the same time I don't want the policy to be so black and white that it leaves no flexibility.

We compete with two other states with advantages that we may or may not be able to compete with.

But win or lose Sioux City was better off when "Gateway" was in the Siouxland AREA, and no one in Sioux City benefited when a wind-generating plant opted to locate in Kansas.

The TRC policy doesn't deal with some of the following topics:

- Is the business sustainable?
- Does it compete with existing local business?
- Will the business promote the need for added goods and services?
- How much money we have to deal with?

The TRC example guidelines list three (3) different deals that have been made in recent years.

I am happy that these businesses exist here but at the same time have some concerns with each example given.

Northwest Airlines

A business of this type can relocate to anywhere with very little effort. They probably took the best deal they were offered and would not hesitate to look again when their obligation is fulfilled.

In the meantime they drive traffic to our downtown and their employees promote our city. I would score this business the highest of the three examples.

- 250 employees (maybe \$7 million annual payroll?)
- Utilization of a great downtown building
- No competition with existing local business

Beck Theatres

I don't feel like I want my tax dollars used to make mortgage loans.

I would score this deal second of the three examples. However, I don't think I would ever have agreed with it in the first place.

Stoney Creek Hospitality Corporation

Sioux City has a huge investment in Stoney Creek. Most taxpayers will never know how much.

Economic developments should attract businesses to grow or new ones to move into the area.

The Tyson Center could be an example. It was the economic development that attracted Stoney Creek. I can't think of one new business that will move to Sioux City because of Stoney Creek.

- Salary levels are low.
- Jobs created are low.
- Blight clean-up has been ongoing for years with private money.
- Infrastructure utilization would not have been different for whatever purpose this property would have served.
- Tax dollars give an unfair advantage to a new competing business.

It wasn't too many years ago Sioux City was worried about the downtown Hilton. The Clarion bought the property and has worked hard to manage this business back to life. I hope I'm wrong but this great economic deal will probably result in another empty downtown building.

If there was a gap in the hospitality business it was filled by the Hilton Garden Inn. For the city to interfere and create more competition was nothing more than a dirty rotten deal. The city was wrong to invest tax dollars in this project.

To conclude, I have to assume that Sioux City's economic development department has a budget. I also understand that they might not have a menu of potential customers, but when the right customer comes along hopefully they haven't wasted their resources making bank loans to theaters or clearing the way for 50 low-paying jobs.

If the city were making some good economic deals I don't think the Tax Research Council would be concerned about creating a score card.