

BGR

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Questions for Council Candidates

District A

NEW ORLEANS

Candidates' Views
on Important Issues
Facing City Hall

CANDIDATE



Q&A

BGR

ELECTION SERIES

PART 4 OF 7
OCTOBER 14, 2017 ELECTION

2017 CANDIDATE Q&A

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BGR acknowledges Chevron for its donation in support of this Candidate Q&A series.

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The Bureau of Governmental Research is a private, non-profit, independent research organization dedicated to informed public policy making and the effective use of public resources for the improvement of government in the New Orleans metropolitan area.

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Report photography and design by BGR staff

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1.

Would you seek an increase in funding for NOPD? Why or why not?

Aylin Acikalin Maklansky

Yes. Public safety is a top priority and the Council must make sure that the NOPD has the ability to purchase the necessary and appropriate equipment and technology to work smarter not harder and to ensure the pay for all positions is competitive with regional compensation packages. If the revenue estimating conference supports increases in NOPD funding, those revenues should be applied to the NOPD personnel budget. However, the Council should also simultaneously consider significant increases to workforce development and targeted intervention with known individuals at risk of committing or being a victim of crime.

Joseph “Joe” Giarrusso, III

Yes. Funding is needed for a significant pay raise to boost retention, recruitment, and to enlarge the force as well as to fund other priorities such as technology and ensure proactive measures such as community policing.

Tilman Hardy

No, I would not support more funding for the NOPD. I believe we can eliminate waste and make the NOPD run more efficiently to save costs and lives.

Daniel “Dan” Ring

Given that the increase in base pay for police officers is in place at this time, I would not seek an increase of funding at this time. I believe by focusing on the current staffing as a community police force will be able to allow us to more effectively utilize our officers in the field. I would seek, with the new mayor’s backing, a review of the budget that the previous administration has left us.

By looking at the overall budget we should be able to better analyze how much funding we have and will need to continue to strengthen our force. Throwing money on the issue is not the magic answer. We will need to continuously focus on departmental needs. While we don’t want to become a police “state” environment, we do need to make sure that funding is directed to keep our officers as well as our citizens safe.

“Drew” Ward

I believe the funding for NOPD is actually sufficient and that the problem is not the amount of revenues dedicated to NOPD, but the misspending of those revenues on things not supporting NOPD’s mission. The current administration has been terrible about spending constitutionally dedicated funds on other things. This needs to stop.

That alone will help improve the department’s fiscal outlook but what is truly needed is a change in the way the department is managed and a shift in spending priorities. Currently we spend far too much on vehicles for instance. We maintain a fleet of more than one police car for every officer and even then allow officers to take their patrol vehicles home when not on duty, even if they live well outside of Orleans Parish. This creates an unnecessary budgetary burden that provides no benefit to the city in terms of policing potential. A better option would be to maintain a central motorpool with officers checking out their patrol vehicles at the beginning of their shifts and turning them back in at the end. With three shifts per day, this means we could buy or lease only a single vehicle used by three officers. As to the department’s take-home-vehicle policy, ... it’s a benefit we have no reason to be providing ...

Toyia Washington-Kendrick

No, I would not seek an increase in funding for NOPD, because we can use the budget that is already given to help support the NOPD; ensuring that they manage the department proactively and with diligence.

2. What funding strategies would you support to pay for the future needs of NOPD?

Aylin Acikalin Maklansky

A millage to triage public safety-for every new millage dollar for NOPD, a dollar must be spent on workforce development and mental health and substance abuse treatment.

Some asserted the 2016 NOPD millage failed because it was tied to funding the city's pension obligations to firefighters. The 2016 millage would've raised \$26.6 million for 450 officers over 4 years. 200 officers over the next 4 years is more realistic based on recruiting trends. The same millage at 200 officers leaves \$14.7 million for workforce development and mental health/ substance abuse treatment.

In 2000, 3,000 youth (ages 13-21) were employed through the summer workforce program. Between 2012 and 2016, 570 to 2,000 youth were employed in the program at costs from \$800,000 to \$1.3 million. In 2016, the Cowen Institute identified 6,820 opportunity youth (ages 16-24). The City should double down on its investment in youth training and spend \$5 million on youth workforce training.

The remaining \$9.7 million can be used to start 8 community health centers over 4 years to provide Counseling, Assessment/Advocacy, Resources and Early Intervention to children with emotional, mental and behavioral health challenges; to assist abuse victims and individuals with developmental disabilities (based on a public-private model in Plaquemines).

Joseph "Joe" Giarrusso, III

I believe that necessary funding can be found within the city's existing revenue structure without the need for additional taxes. Moreover, I support increasing the number of exempt properties on the tax rolls so the City is collecting its fair share and collection of any other available tax or fee.

Tilman Hardy

I believe that the NOPD should leverage existing resources and relationships to earn more potential partner agencies and trust with members of the community.

Daniel "Dan" Ring

Strategies that fund community policing need to be explored. By focusing on school involvement initiatives, real time police statistics and the use of social media and by gathering benefits by being immersed into the neighborhoods the NOPD will be able to both minimize cost and maximize efficiencies.

These proven strategies in varied places, ranging from Albuquerque to New York, show that they are not beneficial to a certain area of the country or a certain demographic.

"Drew" Ward

Ensuring that all NOPD revenues are spent on NOPD and not on landscaping, NOLA4life, or any of the other nonsensical wasteful things the mayor has gotten away with illegally spending police funding on.

Toyia Washington-Kendrick

I would support the elimination of the Consent Decree. We can use those funds to put back into the everyday operations of the NOPD. These funds can be used to implement departmental programming, to support our NOPD and citizens. We can use civilians because they are vested in our community which would help bring a level of trust, rapport, and buy-in, which creates a voice for the voiceless.

3. How would you hold the NOPD accountable for achieving its departmental goals?

Aylin Acikalin Maklansky

I will work with the Chair of the Criminal Justice Committee to codify quarterly reporting requirements to that Committee on the attrition rate, retention rate and recruitment efforts as well as evidence based metrics for measuring performance and coordinated policing with other law enforcement agencies in New Orleans, the State and adjacent parishes.

Joseph “Joe” Giarrusso, III

The first step is to develop a single public safety plan with participation from the city government and the criminal justice system. This plan should include clear goals and quantifiable metrics as to upgraded management, manpower in patrols and specific units, investigation clearances and response times. In addition, I support an “integrated and strategic planning process for all criminal justice agencies” as set forth in the Forward New Orleans 2018 Platform.

Tilman Hardy

I believe the most important goal is the safety and comfort of citizens. We must reduce crime with no excuses.

Daniel “Dan” Ring

Having managed varied environments from restaurants to operations departments departmental goals are sometimes judged on metrics. Measurements however do not always show some of the human involvement one puts into their work. Processes such as self-evaluations which are now the norm in a lot of environments show how the employee, in this case the NOPD officer, feels about his or her performance. By gauging their evaluation combined with the officer in charge allows a more fluid discussion time come review periods.

This self accountability allows for a better performance. Simply put, hold the person responsible at the individual level and move them out if they cannot perform there. Not being able to perform at that level would show an inability to solidly operate at a unit level.

“Drew” Ward

I would institute a zero-tolerance policy for any infractions on the part of our police officers including failure to respond to any violations of law they witness (think of the many times you’ve likely seen an NOPD car present when someone ran a red light or did something otherwise illegal that was simply ignored rather than pursued.)

We must hold our police officers to a higher standard and cannot continue to tolerate the laziness, corruption, and ineptitude that has defined the NOPD for decades.

Toya Washington-Kendrick

The NOPD has a new data driven approach to police management known as MAX. MAX can now act as a holistic accountability piece. The community and the NOPD can hold each other accountable. This accountability puts citizen groups in the position to be a part of MAX meetings. This will keep the community abreast of what is happening with the NOPD. With the citizens’ involvement, information from MAX meetings can be disseminated by the participating citizens. The info would be shared through: neighborhood meetings and their web pages, social media, and city and police websites; this will help to foster and build a level of trust with the citizens and the NOPD to help develop a safe and healthy way of living.

BACKGROUND

The mission of the Bureau of Governmental Research is to provide independent research to support informed public policy making and the effective use of public resources. BGR recognizes that each candidate enters the race with a vision for improving City government and delivering more effective services to citizens.



ON EFFECTIVE GOVERNMENT, BGR ASKED THE CANDIDATES:

- 4. Please give three examples of how the City should improve its use of existing public resources to achieve more effective City government.**

4.

Please give three examples of how the City should improve its use of existing public resources to achieve more effective City government.

Aylin Acikalin Maklansky

1. Investments in In-service Workforce Development: I would reinstitute workforce training programs in the Department of Public Works that existed in the mid-1990s. The Department provided workforce training for the reentry population who would often go onto better jobs in the private construction industry. This would create a multiplier impact to decrease poverty, reduce recidivism, and create efficiencies and institutional knowledge within the department and ultimately reduce the costs associated with outsourcing.
2. Streamline permitting and design review process: increasing efficiencies in the permitting process will get properties back in commerce and increase the property and sales tax revenues.
3. More efficient tax collection and auditing: I would add an expenditure review to the quarterly revenue estimating conference to make sure the City is on track with expenditures. If any department or office shows a 1% or more increase in efficiency (i.e. 1% reduction in expenditures), that department will be rewarded with, e.g. additional vacation days or immediate cash bonus.

Joseph “Joe” Giarrusso, III

1. The first job of government is to make citizens safe. Therefore, we need to make safety the top priority of the city budget.
2. Work with Mayor’s office on establishing best practices for Department of Public Works and Sewerage and Water Board for drainage and ensure coordination between departments in timely repairing streets.
3. Ensure city contractors are paid timely.

Tilman Hardy

First, I believe that citizen engagement and education is lacking. Government should use technology, from apps to on-line learning sessions, to organize, educate, and mobilize citizens to earn consensus before council votes. Second, leverage existing human capital. City council and department directors should be more available to neighborhood and civic groups, to communicate more effectively with citizens. Last, I believe we should adopt international standards, in example, the most current residential energy code--ours is from 2009, now 8 years behind.

Daniel “Dan” Ring

The 311 system is a great idea, if run well. I will call for a total review of the 311 system. See what is working and what is not. That which is not working will be either revamped in the system if no other backup exists or removed if there is another department that can take on that task.

Next is the NORD. By focusing on the youth services we provide we make ourselves a more community based government. We allow ourselves to be more supportive of our youth and this leads, traditionally along with better education, to lower crime rates.

Lastly the city should expand our drain process through the DPW and Sewage and Water Board. By making people clean their own storm drains, like they are part of the homeowner’s property, is disingenuous of the city. We should work within those departments’ budgets to fund this action.

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4.
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Please give three examples of how the City should improve its use of existing public resources to achieve more effective City government.

**“Drew”
Ward**

1. ... We have a fiscal responsibility to right-size our government which means shrinking both its physical footprint and aligning its workforce to one suitable for delivering efficient government services but no larger than it needs to necessarily be for that purpose. ...
2. In addition to a bloated bureaucracy and far too many workers, our city government occupies far too much real estate and to make matters worse, occupies real estate that is amongst the most valuable in the region and yet also is amongst the least accessible in the city. In order to deliver the maximum value to tax payers, we should sell our current downtown government campus and use the likely \$2-3 billion that would bring in to retire existing debt. This would have the added benefit of increasing our city’s tax base by moving this exempted property back onto the tax rolls A new, smaller, and cheaper centralized government centre should be constructed on existing city-owned real estate near Tulane & Broad, an area more centralized, more accessible, and with room for parking, etcetera. ...
3. ... We should overhaul our human resources system to standardize job functions across departments and divisions so that non-specific personnel can be shared and/or transferred as needed where needed. ...

**Toyia
Washington-
Kendrick**

- Make resources known to citizens by easy, convenient, accessible means to all (radio, tv, and internet).
- Use educational workshops that are geared to citizens to inform them on existing resources and their uses. Have participating citizens complete evaluations to help refine the existing resources and their uses for our citizens.
- Have monthly informational town hall meetings with each neighborhood organization in the district. Participants will include City Council Member and the Police Captain from the Police station in the particular district and the neighborhood organization.

5.

To what extent would you support changes to the City’s pension plan to better manage its risks and costs? Please be specific.

Aylin Acikalin Maklansky

A Council member should always be scrutinizing every expenditure. Where reforms can be implemented, it should be done in a way that is respectful of the bargained for benefits. If the City seeks to renegotiate its existing pension agreements to reduce cost in the long term, it must be willing to make a fair offer. City employees often get much lower wages or have stagnant wages during their tenure compared to the private sector with the expectation that their pension will be greater than the private sector may offer. Wages and salaries may need to be raised at the front end to offset losses from renegotiated pension benefits. I am willing to consider all the proposed pension reforms on a prospective basis and on an equal basis for employees of all boards and commissions. We also have to be cognizant of the rising cost of living, especially with regard to housing. Any pension reforms should consider the impact on housing affordability in line with the findings of the recent Affordable Housing Impact Study.

Joseph “Joe” Giarrusso, III

If the City can manage risk by thoughtful, considered investing, it should pursue that option.

Tilman Hardy

I would support changes to the pension plan that keep portfolio costs and risks low and the returns high, at minimum, aligning with national benchmarks as stated in the BGR report.

Daniel “Dan” Ring

I would offer full support to a change in the pension plan if two things were ultimately accomplished. Those two things are the benefit to the pension holder and the cost to the taxpayer. I would recommend removal of one of the deputy mayor positions and put in its place a plan manager. That manager would be tasked as an adviser to both the city and the plan holders, meeting to discuss cost changes and benefit plans. By one person focusing, it limits the bureaucratic nightmares that current processes incur.

“Drew” Ward

I would encourage the council to replace all of our existing disparate pension systems with a single new one giving us a fresh start unencumbered by the waste and fraud of our existing pension programmes. It would offer a simple 3 1/3% per year benefit, vested after 10 years with employees required to cover 3/4 of the funding costs from their own paychecks and the city providing the remaining 1/4 and with none of the absurd 13th month or other policies of our existing pension plans so that the pension funding would be self-sustaining and budgeted so as to ensure full funding for retirees and to also ensure no ballooning of costs for future taxpayers.

Toyia Washington-Kendrick

I would support changes to the city pension plan to the extent that it saves us money and doesn’t produce higher and/or more taxes for the citizens of New Orleans.

6. How would you advise the City to rethink the total compensation package (salary and benefits) offered to new and existing employees?

Aylin Acikalin Maklansky

The City of New Orleans should be nationally competitive in its salaries and benefits. By cultivating and retaining local talent, and attracting talent, the City will benefit. The recent public works and sewerage and water board crisis goes to show that cutting back, reducing inhouse staffing leads to a death spiral and ultimately poor quality systems. With a \$1 billion budget, a City this size should be able to adequately compensate its people and provide necessary services. I would consider reducing salaries and pension benefits at the highest levels to allow more lower level positions to be funded. This would ensure that there is an adequate staffing to create institutional knowledge and continuity.

Joseph “Joe” Giarrusso, III

As someone who respects the rule of law, for those who already have a property right in benefits, it seems difficult to unilaterally curtail benefits for those whose benefits have vested. It also seems unequitable to change the rules for those who are on the cusp of vesting. Further, wages of city workers have been lagging until recently and, for many in public safety who may have shorter careers, those wages may remain lagging. Of course, the City should study ways to ensure the long-term viability of compensation packages so that we may recruit and retain great employees and simultaneously maintain and expand top priorities in the City.

Tilman Hardy

I would propose that we eliminate any waste, streamlining systems for more efficiency and effectiveness. Large government means micromanagement in areas that we don't need it.

Daniel “Dan” Ring

If the city does need to rethink the total compensation plan, I would advise to focus on non-monetary benefits that are lifestyle driven. This shows a potential employee our desire for their betterment of quality of life while still being able to afford to accept the monetary piece of it. Things such as daycare options, parking, gym privileges can sub out for monetary compensation especially for younger workers.

“Drew” Ward

As we should require of any employer, the city must provide basic benefits in the form of fully funded health care, retirement, educational benefits, etcetera. We should find an efficient and cost-effective means of exiting our existing pension plans and encumbrances by either offering employees enrolled within these plans the opportunity to transition into the new system or allowing these systems to remain in place but divesting them off to their own management with the city buying its way out of those future risky expenses.

It is further possible to provide added value to existing and future employees as well as extending this value to our residents and taxpayers by working with other government agencies to establish one single uniform system employing an economy of scale approach with this potentially being made even more efficient and cost-effective by opening the systems to participation by private employers.

Toyia Washington-Kendrick

I would be adamant about first going over the compensation package line by line ensuring all interested stakeholders have a clear, concise and consistent knowledge of the package. Then create a comprehensive policy using elements that already exist if they are beneficial to the employee but don't put the City at a deficit.

7.

What level of funding will you pursue for street maintenance?

Aylin Acikalin Maklansky

As one of BGR’s reports noted, the City estimates it needs \$30 - 35 million to provide routine maintenance of all streets. Neither the report nor the Pavement Assessment Survey sets forth the basis of that estimate. In the mid-1990s, the Department spent approximately \$10 million (mostly bond money) for street maintenance-- \$3-5 million was an open contract to replace sections of the street and do minor overlay repairs in each district and the remainder for major streets working toward minor interior streets. Given inflation and changes in materials costs, the required cost could be anywhere between \$20 - 35 million. Even though there will be significant road repairs to hurricane damaged streets (\$350 million in 2018), we still have to do interim repairs to the existing streets that are not covered by the FEMA repairs.

Joseph “Joe” Giarrusso, III

Street maintenance is one of those safety priorities. As shown on page 2 of the May 17 BGR report, the City receives \$8.5 million in dedicated revenue for the streets. That money was not spent on street maintenance for several years, according to the report. The dedicated funds need to be spent specifically on streets. In addition, the City estimates the streets cost \$30-\$35 million/year to maintain. Using the dedicated \$8.5 million reduces the \$30-\$35 million estimate to \$21.5-\$26.5 million. To make up that gap, as shown on Table 3 of the May 17 report, the City collected about \$52 million in fees associated with street-related charges. The BGR report argues that those funds should be tied back to street and infrastructure repair. Third, with expected general fund revenue increases of \$25 million, we need to safeguard that money for top City priorities.

Tilman Hardy

I would pursue the \$3.1 billion gap plus the necessary funding for drainage upgrades necessary for a sustainable city.

Daniel “Dan” Ring

I would simply go for every piece of funding for street maintenance available whether it be federal grant monies or a millage at the city level. Our streets, especially in Districts A & B, are in desperate need of repair and by being aggressive to any plan out there via federal level funding can go a long way to attack the issue.

“Drew” Ward

Our level of street maintenance funding should have always been kept at a level sufficient to maintain existing infrastructure at optimal levels whilst also covering replacement and improvement costs within the established life-cycles.

Toya Washington-Kendrick

Right now we have a budget that we can make work without asking our citizens to brunt the additional expenses. I will pursue the level of funding that is needed to the penny not extra if the budget doesn’t support the need. I will ensure that the money that is already allocated be used for the purposes it is intended for. There would be an intentional and stringent checks and balances for this budget. The Gatekeeper for this will have monthly meetings to include a comprehensive break down of what monies have been used, what they were used for, and a monthly fieldtrip to ensure the levels of work being completed. While on these fieldtrips questions will be purposefully asked and workers must explain what we are seeing and making sure it correlates with the paperwork that is being presented.

8.

How do you intend to achieve this level of funding?

**Aylin
Acikalin
Maklansky**

The funding can be provided through a combination of reallocating the dedicated street millage, bonding and traffic camera fines.

**Joseph “Joe”
Giarrusso, III**

Please see response to Question 7.

**Tilman
Hardy**

If done properly, I believe the City of New Orleans could earn this money back from increased property values, lower insurance rates, and exporting our learned engineering technology as technical assistance to other municipalities.

**Daniel “Dan”
Ring**

[Candidate combined his answer with #7 above.]

**“Drew”
Ward**

The first step would be to stop wasting money on repairs of streets and such that reached the end of their design life-cycle including filling potholes on streets already slated for replacement. The second step would be to pursue an aggressive programme of replacing our existing infrastructure, most of which is not a good fit for our environment or soil conditions, with modern modular systems designed specifically for our local needs and that preclude the need to constantly tear up one system to replace or repair another. This can be accomplished through use of modular paving systems atop utility corridors – established proven approaches ideal for use in New Orleans.

**Toyia
Washington-
Kendrick**

If funding is needed I would visit the homestead exemptions for the entire city. This will be a large task but very necessary and could be very beneficially to the budget.

9.
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Should the City and S&WB continue to develop a proposal for a stormwater fee? If yes, how should they structure the fee? If no, how do you propose they address the drainage system's financial needs?

**“Drew”
Ward**

The SWB simply should not exist and must be eliminated along with every one of the other 200 or so independent unelected appointed boards and commissions. SWB's functions should simply be rolled into those of DPW. This would allow considerable cost savings given that over 30% of the SWB budget goes toward executive and administrative salaries. Cost savings will offset the need for such a stormwater fee in the first place not to mention, SWB's own budget documents have generally shown an average \$100 million per year surplus for well over a decade. This was the case even before our current council and mayor chose to double residents' bills.

**Toyia
Washington-
Kendrick**

No, we should not propose a storm water fee. I think we should use the resources we have to make the needed provisions. I think we should hold everyone accountable for their responsibilities as it relates to the City drainage system. We should make sure parks and parkways are cleaning the drains on a consistent basis. We should use the money we have to fix and/or purchase Turbines. We should always have a contingency plan, in this case several. We should always make our drainage system and water pumps a priority in a transparent manner ensuring that all stakeholders are aware of the state of affairs in our city.

BACKGROUND

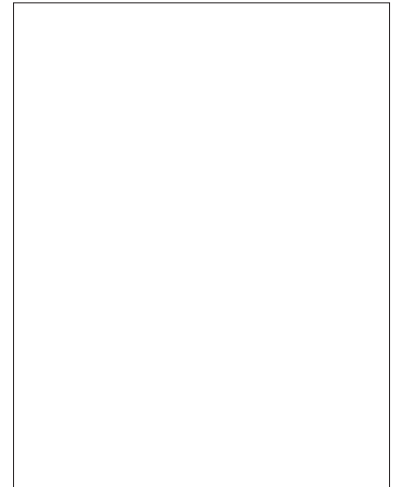
A 2015 BGR report found that only one-fourth of local tax revenue is available to City government for broad municipal purposes.* The remainder is dedicated to specific municipal purposes or to other entities. These dedications limit the City government's ability to provide basic services and infrastructure and meet pressing obligations.

The tax dedications were approved in piecemeal fashion, often at the state level, over the course of many years with little planning and accountability. The allocation of resources that evolved from this ad hoc process has not been re-evaluated in the context of changing conditions and current needs.

BGR's report called for a review of current taxes in New Orleans to identify those that are ripe for rededication to basic municipal needs. BGR specifically called on the mayor to take the lead in pursuing all appropriate changes to local tax dedications. The City should conduct a comprehensive re-evaluation of tax dedications and develop a broad plan to address community priori-

ties. All taxes, except those for the most basic infrastructure and services, should be placed on the table for possible rededication. The City should evaluate all such taxes, not in terms of each taxing body's ambitions, but in the larger context of the community's priorities. Ultimately, the mayor should present a program for funding and executing the plan. But there is a role for the City Council here too, working collaboratively with the mayor.

* BGR, *The \$1 Billion Question: Do the Tax Dedications in New Orleans Make Sense?*, November 2015, available at <http://www.bgr.org/reports/rethinking-tax-dedications-in-new-orleans/>.



ON LOCAL TAX DEDICATIONS, BGR ASKED THE CANDIDATES:

10. What changes to local tax dedications, if any, would you advise the City to pursue? Please be specific.

10. What changes to local tax dedications, if any, would you advise the City to pursue? Please be specific.

Aylin Acikalin Maklansky

For years, the City of New Orleans has been asking the Legislature to reallocate some of the tourism dollars as discussed in BGR’s \$1 Billion Dollar Question report for receiving its fair share of tourism dollars. I pledge to continue that fight. Most if not all changes to tax dedications require either a vote of the people or state legislation. I am open to considering rededications based on the revenue estimates and would like to see a three year plan for comprehensive municipal fiscal reform including property taxes, hotel/motel taxes and fees on the table for consideration.

Joseph “Joe” Giarrusso, III

The BGR’s Billion Dollar Question report examined several taxes. The propriety of dedications should be examined by government stakeholders to work on developing possibilities for rededicating money to help fund the budget without levying new taxes. Feasibility and pragmatism, however, will be essential in this process. First, for at least the Convention Center rededication, the legislature needs to be involved. That is no small feat. Recently proposed legislation would have rededicated more money to New Orleans streets but ultimately died in the legislature. Second, there are no assurances that any surplus would come to New Orleans. The State could decide to take any surplus to plug its large budget gap. Finally, there are other practical issues as well. Forward New Orleans calls for ensuring that “dedicated funding by the Convention Center Authority is used responsibly and strategically.” Perhaps, the City and the Convention Center could work cooperatively on establishing a framework for additional partnerships. Also, the report suggests potentially rededicating RTA money because ridership is down. However, if the City is going to work on delivering better transit to its citizens to ensure shorter ride times, then the RTA dedication should be considered as a means for achieving that goal.

Tilman Hardy

I would invest more in community-based development, after school activities, and workforce training.

Daniel “Dan” Ring

I would simply re-assess what is out there and bring it down to the basic municipal level needs. We don’t have the room for too many more millages for services we are not providing.

“Drew” Ward

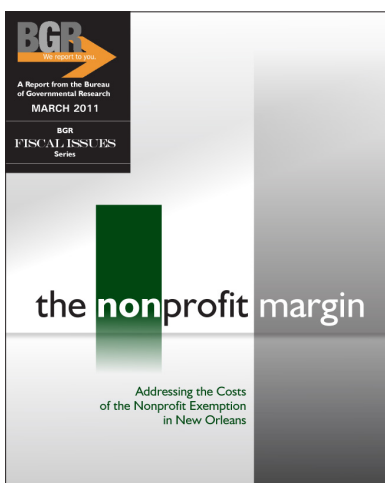
As stated above, I would pursue the sale of most existing city real estate and relocation of services to a new smaller cheaper unified government campus. The revenues from that sale would be used to retire the city’s existing debt with the Board of Liquidation & City Debt disbanded along with it. From there, I would simply require that dedications be used only for what they are supposed to be used for with no exceptions.

Toya Washington-Kendrick

At this time I would keep it as is but ensuring the citizens that we would go over the tax dedication line by line and have open dialogue with them explaining what is encompassed and how it affects them.

BACKGROUND

BGR has published numerous reports exploring the costs of ad valorem property tax exemptions. In 2011, BGR estimated that 60% of property value is off the tax roll.* Of the exempt property, slightly more than half is owned by governments and one-third is owned by nonprofit organizations. The balance is mostly homestead-exempt property, with a small amount of tax-exempt industrial property.



age rate could be cut by 44 mills, or nearly one-third of the total rate levied at that time.

Louisiana's constitution exempts an unusually wide range of nonprofit-owned properties. In its 2011 report and again in March 2016, BGR pointed out that Louisiana is significantly out of step with national norms.** Its exemption provisions are overly broad, not necessarily tied to public benefits, and do not require that nonprofit property actually be used for an exempt purpose. In March 2017, BGR prepared a template for constitutional revisions to address these concerns and provided it to state legislators.***

* BGR, *The Nonprofit Margin: Addressing the Costs of the Nonprofit Exemption in New Orleans*, March 2011, available at <http://www.bgr.org/reports/addressing-the-high-cost-of-nonprofit-exemptions/>.

** BGR, *It's Time for Common Sense on Nonprofit Exemptions*, March 1, 2016, available at <http://www.bgr.org/reports/fixing-louisianas-costly-and-unusual-nonprofit-exemptions/>.

*** Letter from BGR to the Louisiana State Legislature, March 7, 2017, available at <http://www.bgr.org/reports/aligning-louisianas-nonprofit-property-tax-exemption-with-national-norms/>.

Exemptions deprive local government of revenue and drive up the taxes on non-exempt residences and businesses. In 2011, BGR prepared illustrative scenarios of those impacts. One scenario indicated that, as a result of the nonprofit exemption, tax-recipient bodies in Orleans Parish had to forego more than \$125 million in annual revenue. In a revenue-neutral scenario, the mill-

ON TAX EXEMPTIONS AND THE TAX BASE, BGR ASKED THE CANDIDATES:

11. Do you support the BGR template for reform of the nonprofit exemption in the state constitution? If there are points with which you disagree, please state what they are and explain the approach you would take.

12. What measures would you propose to protect and expand the tax base?

11. Do you support the BGR template for reform of the nonprofit exemption in the state constitution? If there are points with which you disagree, please state what they are and explain the approach you would take.

Aylin Acikalin Maklansky

No. Nonprofit institutions are providing valuable services to the community. In District A, we have Tulane University, Loyola University, Delgado, and parts of Xavier. These universities and colleges employ hundreds of people. Tulane police patrol the area beyond the campus when NOPD cannot and Tulane maintenance crews provide sanitation services where the City's is lacking. Those are just two minor issues. Many of the churches provide extensive resources in their communities that the City does not but should provide. If there are instances of a nonprofit abusing its status, I would fully cooperate with the Internal Revenue Service to investigate their nonprofit status.

Joseph "Joe" Giarrusso, III

According to the proposed 2018 City Budget, sales tax revenue is expected to be a little over \$220 million whereas property tax revenue is close to \$142 million. That is upside down and regressive. According to BGR letter of March 7, 2017, BGR found that "the number of parcels owned by nonprofits had grown rapidly, increasing by 60% between 1996-2011." Given the overbreadth of the exemptions, putting the most obvious examples back on the tax rolls such as "property that is sitting idle, held for future investment, or even used for a related commercial purpose" make the most sense.

Tilman Hardy

Yes, I will support the BGR template for reform of the nonprofit exemption in the state constitution, specifically where the non-profits are conducting business on site not related to the public mission.

Daniel "Dan" Ring I fully support the BGR platform.

"Drew" Ward

I would like to see us get rid of all exemptions of any kind across the board. I believe there is a constitutional case for the city being able to sue the state to get them out of the local taxation game altogether given that all local governmental functions are today funded and paid for at the local level versus much of this handled at the state level when the current state constitution was written. With not just taxation for local government but also regulation of taxation devolved to the local level, the city would no longer find itself bound by the whims of the legislature nor would it have its hands tied in terms of someone else giving away its ability to tax itself.

Toyia Washington-Kendrick

I support the BGR template. I am really impressed with it.

12. What measures would you propose to protect and expand the tax base?

**Aylin
Acikalin
Maklansky**

The only way to grow and sustain a tax base is to have more participants-- more business to provide jobs, more population growth, more and better employment. As a Council member my efforts will be concentrated on raising the employment for unemployed and underemployed, encouraging appropriate commercial developments and getting blighted properties back in commerce. This will be accomplished by ensuring transparent guidelines and rules for development, encouraging workforce development that align with needs and compliance with the DBE participation goals.

**Joseph "Joe"
Giarrusso, III**

It is shocking and disturbing that the City collects more in sales tax than property tax. Putting exempt properties on the rolls make sense. Additionally, where sales tax is not being properly collected, the possibility of contracting to collect local sales tax should be explored. Moreover, where dedicated money is not spent for its intended purpose (like the streets), this should be corrected to avoid looking for other funding sources. We should also be looking at ways to be more resilient and increase efficiencies, which will reduce spending.

**Tilman
Hardy**

I will lead and participate in discussions that lead to a more educated citizenry.

**Daniel "Dan"
Ring**

The tax base will be protected and expanded as needed. I will take legislative steps to protect and expand these taxes. We need to strike a balance between what we are charging citizens and what we are providing them.

**"Drew"
Ward**

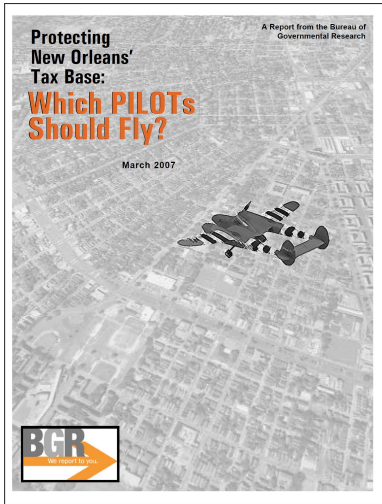
See above. Eliminate all tax exemptions across the board. This will encourage nonprofits, churches, schools, and governments to sell property they don't need due to its finally costing them money to hold onto it. This would not only expand our limited real estate market's options but would also eliminate this situation we currently have in which over 65% of our tax base is not taxable.

**Toyia
Washington-
Kendrick**

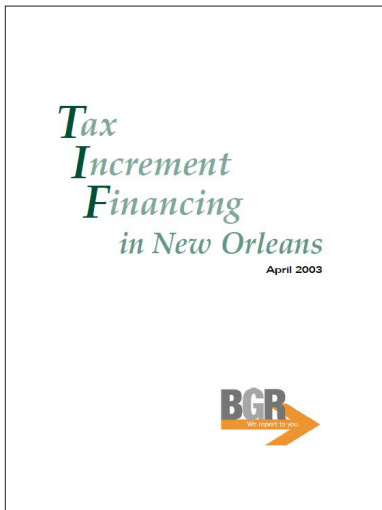
I will continue to advocate for what we see as right and working with our tax base. Those things that are working we can expand on them and make them more beneficial to our city and citizens.

BACKGROUND

In analyzing economic development tax subsidies, BGR adopts the premise that property taxes are a cost of doing business and property ownership. They should be levied in a fair manner. Having said that, BGR recognizes that there may be instances in which tax subsidies are both necessary and beneficial.



BGR has called for the City and other economic development entities to take a rigorous approach to reviewing subsidy requests. It is not enough for a project to show it will enhance tax revenues or create jobs. The City should consider a tax subsidy only if it can demonstrate that the subsidy is strategic, necessary, efficient, effective and fair. As more fully discussed in BGR reports on payments in lieu of taxes (PILOT)* and tax increment financing (TIF),** this means:



- The project receiving the subsidy advances the priorities set forth in New Orleans' economic development strategic plan.
- Independent market studies and financial analysis demonstrate that the market will not produce a desirable outcome for the site, therefore making a public subsidy necessary.
- Efficient subsidies provide only the minimum needed for the project to proceed. In addition, they should not compensate for basic financial weaknesses in a developer or a transaction (e.g., inadequate equity investment) or a lack of demand for a service or product.
- Effective subsidies produce a significant positive ratio of benefits to costs, as supported by a rigorous cost-benefit analysis.
- Subsidies should not create unfair impacts on local competitors or the surrounding neighborhood.

* BGR, *Protecting New Orleans' Tax Base: Which PILOTS Should Fly?* March 2007, available at <http://www.bgr.org/reports/protecting-new-orleans-tax-base/>.

** BGR, *Tax Increment Financing in New Orleans*, April 2003, available at <http://www.bgr.org/reports/tax-increment-financing-in-new-orleans/>.

ON ECONOMIC DEVELOPMENT TAX SUBSIDIES, BGR ASKED THE CANDIDATES:

13. Do you agree with the basic principles for economic development tax subsidies identified by BGR? If there are points with which you disagree, please state what they are and explain the approach you would take.

14. As a council member, how would you prevent unnecessary subsidies?

13. Do you agree with the basic principles for economic development tax subsidies identified by BGR? If there are points with which you disagree, please state what they are and explain the approach you would take.

Aylin Acikalin Maklansky

I have spent the last three and half years with the District C, D and E Councilmembers trying to bring economic opportunities to the City of New Orleans. Warranted or not, our reputation in the development community is not good. Our city planning, design review, and permitting process is painstakingly slow. This past week's debacle with the street flooding and allegations of corruption and mismanagement does not inspire confidence for business and investors. Certainly the City of New Orleans should not be giving away property or tax revenues without a substantial need, as is required by the Louisiana Constitution. Yet, when there is little access to local capital, we must look outside our city to investors and investors do not want risk. To avert risk, the City has to put some skin in the game. It does not have to be through a direct subsidy. There can be creative ways to assure investors.

Joseph "Joe" Giarrusso, III

This question asks about tax increment financing ("TIF") and payment in lieu of taxes ("PILOT"). The awarding of a TIF or PILOT needs to be conducted with great care. The most self-evident issue with the subsidies is that they become automatic for any project and decrease the tax burden for one entity as opposed to another. However, where TIFs or PILOTs are given, the process should build in appropriate safeguards to protect the City and those awarded contracts in connection with a project.

Tilman Hardy

Yes, I agree to the basic principles for economic development tax subsidies identified by BGR.

Daniel "Dan" Ring Again this is a platform that I fully support.

"Drew" Ward

No. I don't believe we need to be subsidizing anyone at all. If a company can't or is unwilling to function within our local marketplace by funding their own operations from their own revenues, then they shouldn't be in business and we don't need them in New Orleans.

Toyia Washington-Kendrick

Yes, I agree with these basic principles. If these basic principles are incorporated with reliability and validity it can enhance our economic development in a major way.

14. As a council member, how would you prevent unnecessary subsidies?

**Aylin
Acikalin
Maklansky**

Subsidies can be reduced by creating a business friendly environment to minimize risk for investors. In the national and international development community, New Orleans is known as a high risk area. Only in recent years with significant work by entities like the City Council, the Economic Development Office, New Orleans Business Alliance and the Downtown Development District, retailers and investors are starting to look at New Orleans as a place to do business. I would streamline the planning, design review and permitting process to be more consumer/business friendly. The City of Lafayette, for example, takes a proactive role to provide a wide range of development assistance to owners and developers in order to speed value-enhancing development. Lafayette's Downtown Development Authority assists with locating incentives, data studies, ordinances and codes to launch Downtown development and even provides free, conceptual design services for owners and developers Downtown all for a budget under \$ 1 million. This type of service for underdeveloped areas of New Orleans would be a great benefit to the community. It would allow small business to engage in an otherwise daunting process. I would open up access to local capital through innovative approaches such as leveraging Community Reinvestment Act funding to provide micro-financing.

**Joseph "Joe"
Giarrusso, III**

I would make sure that any such tax subsidy is fully and independently studied to make sure it effectively achieves its intended purpose.

**Tilman
Hardy**

As a council member I will be present during economic development committee meetings to ensure that subsidies are distributed equitably to priority sectors.

**Daniel "Dan"
Ring**

I will work within my legislative limits to prevent unnecessary subsidies.

**"Drew"
Ward**

I just wouldn't have any.

**Toyia
Washington-
Kendrick**

I would make sure I know the budget line by line. I would be very intentional and conscious of what is needed to make our city function on the highest level while ensuring the quality of life that the citizens of New Orleans want, need and deserve.

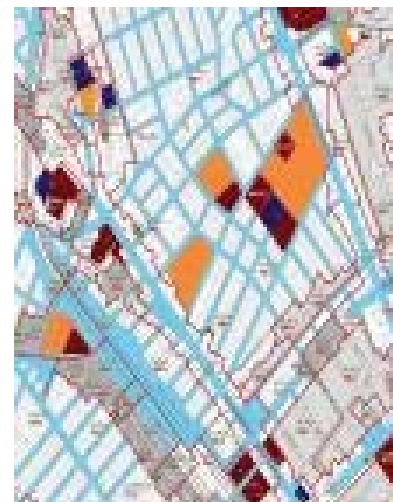
BACKGROUND

In 2008, voters approved a City charter amendment that, among other things, set forth the general contents of the City’s Master Plan and gave it the force of law.* The “force of law” basically means that certain laws and land use decisions must conform to the plan. However, it is not all-encompassing.

As BGR observed in a 2015 report, only actions that have a direct impact on the physical development of the city must be consistent with the Master Plan.** These include the City’s capital improvement plan, its capital budget, public projects, zoning laws, and land use actions, such as zoning map amendments, subdivisions or conditional uses. And land use actions must be consistent with only one element of the Master Plan: the land use element, which the Master Plan calls the Land Use Plan. Other elements of the Master Plan provide only a non-binding guide for City decision-makers on land use actions.

The Land Use Plan, by contrast, is not merely a guide. The City’s charter requires every land use action to “further, or at least not interfere with, the goals, poli-

cies and guidelines” in the Land Use Plan and to be “compatible with the proposed future land uses, densities and intensities” in the plan. This means that land use actions in general must be consistent with the Land Use Plan, or at the very least be neutral with regard to it.



Correctly interpreting and applying the Land Use Plan is critical to ensure clarity and predictability for public officials, developers and residents.

* For an analysis of the proposed charter amendment, see BGR, *On the Ballot: November 2008*, available at <http://www.bgr.org/reports/on-the-ballot-november-2008/>.

** BGR, *It’s the Law: Land Use Decision Making and the Master Plan*, October 28, 2015, available at <http://www.bgr.org/reports/its-the-law-land-use-decision-making-and-the-master-plan/>.

ON LAND USE PLANNING, BGR ASKED THE CANDIDATES:

15. As a council member, what would you do to ensure that you are complying with the force of law in the context of the Land Use Plan?

15. As a council member, what would you do to ensure that you are complying with the force of law in the context of the Land Use Plan?

**Aylin
Acikalin
Maklansky**

I will provide reasoning for land use decisions that outlines how the decision aligns with the Land Use Plan.

**Joseph “Joe”
Giarrusso, III**

While every issue needs to be studied carefully, an automatic reversal of the City Planning Committee (“CPC”) is not warranted. We need to respect the force of law in the context of the Land Use Plan to ensure proper and established protocols are followed.

**Tilman
Hardy**

As a council person I will make certain that all citizens and developers have equal access to an equitable, efficient planning process. I will continue making the process and the master plan more accessible, transparent, and user friendly, using technology and tapping community and civic groups.

**Daniel “Dan”
Ring**

I would make sure any action I take is measured against the force of law in the Master Plan. Since however it is not all-encompassing I will take those allowances to expand the land use process to where it benefits the city and its residents. I will not allow large money stakeholders to navigate through but I will give my efforts to move development and use forward within the master plan.

**“Drew”
Ward**

I would throw out that entire asinine master plan and convoluted CZO and start over from scratch.

**Toyia
Washington-
Kendrick**

I would know the City Charter inside out ensuring that I am in compliance and know what level of power I have as it relates to making decisions about the Land Use Plan or any other plan. I also would be very versed on the Land Use Plan in order to make informed decisions about it.



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