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# ◆ The TAX TIMES ◆

Volume 13, Issue 9

Tax News and Views in Plain English

July, 1998

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## BCTA Now on the Internet !

We've talked about it for years. Now as use of the internet has become more universal as a method of communication, ***we've done something about it !*** Thanks to Rob Miller, Dave Nelson, Frank Bennett and others, we have our own WebSite up and running.

**[www.bctaxpayers.org](http://www.bctaxpayers.org)**

***TRY IT !*** Parts of the opening screen are shown below. It was professionally designed to be both attractive, functional, and completely interactive.

**WHAT IS THE PURPOSE OF THIS ?** Very simple. First, we wanted a method of communication with our members and others allowing instant posting of comments of taxpayer interest. You can use it as a bulletin board allowing communication between each other. We intend to seek comments on current issues, such as we recently did on the proposal to sell the city parking ramps. We will be able to post recent taxpayer information for your consideration and seek comments from you accordingly. The possibilities are endless.

We acknowledge that at present, we are still doing some setting up and use may be a bit awkward. With your patience and assistance, we know the results will be worth the effort, and will prove to be a valuable asset to our organization and it's members. Thank you.

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## BROWN COUNTY TAXPAYERS ASSOCIATION

**This is the home page of The Brown County Taxpayers Association. We invite your comments, criticisms, and reactions.**

### WHAT'S NEW ?

HOME - WHAT'S NEW - CONTENTS - FEEDBACK

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**TRY IT !      [www.bctaxpayers.org](http://www.bctaxpayers.org)      USE IT !**

**The BROWN COUNTY TAXPAYERS ASSOCIATION**

## Results from Parking Facility - Downtown Development Survey.

### *What our Readers Think.*

In the June "TAX TIMES" we enclosed a survey form asking our readers to give us their opinions on the downtown Green Bay parking facilities, and proposals to sell them to a private organization. We also asked for comments and suggestions on the future of the downtown area, giving consideration to space limitations imposed by the rivers and other existing factors.

We received a tremendous response, indicating much concern from our membership as to the direction of future downtown development. Following is what you told us!

The first questions asked how much you actually used the parking ramps and meters. Roughly 70% of the respondents claim to use them often or at least occasionally. One indication of this is that those who use these facilities the most were the ones that are most concerned and took the time to complete the survey.

The next question asked if you thought the cost of parking in downtown Green Bay to be reasonable, and 84% agreed that it was. However, when asked if you would support a fee increase, 70% of the respondents said no.

Of the 30% of the respondents who would support an increase in parking fees, 60% said 20% while 23% thought 50% would be reasonable. Others opted for less than 20% and one party thought 100% would be acceptable. The suggested increases in both the ramps and metered parking both had about the same response.

The next question asked, "Based on published information, to you generally favor or oppose the proposals to sell or lease the Green Bay parking facilities? We gave some of the

valid reasons for supporting this proposal, and also some of the questions which came to mind which could cause problems. More than 81% of you said they were opposed, or about 4 to 1 against.

Other questions asked where, "Do you feel that downtown parking at a minimal cost is necessary to encourage private development?" **YES-82%, NO-18%** "Should downtown merchants to more to provide inexpensive and convenient parking for their customers?" **YES-67%, NO-33%.**

We then asked, "Do you agree that downtown development is an important use of tax dollars?" The response was an overwhelming **YES! 84 to 16%.**

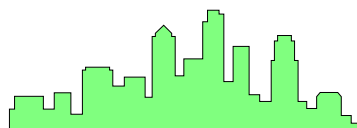
If yes, how should this money be spent? We asked that a number of options be ranked, and the order of importance in which you placed them is as follows:

- 1 - Riverfront beautification, walkways, etc.**
- 2 - More emphasis on convention center, including hotels and parking.**
- 3 - Parking ramps.**
- 4 - Green areas.**
- 5 - Tourist attractions, (aquarium, other exhibits.)**
- 6 - Subsidize downtown parking.**
- 7 - Purchase property for future development.**
- 8 - Loans to private developers.**
- 9 - Government offices.**

We will acknowledge that this was not an entirely scientific survey, and not intentionally designed towards specific answers or viewpoints. We thought it important to give our membership and readers a chance to express their thoughts on downtown development as this will likely be a focus of attention for many years to come.

We want to thank everyone who responded. The large number of surveys which were returned indicates that this is an important taxpayer issue, and the BCTA will keep it on its agenda.

To complete our survey, we also asked "How best could private development be encouraged to the downtown area?", and for additional comments and suggestions on the subject. Some of your responses follow.



**“How best could private development be encouraged to the downtown area?”**

Following, (in no particular order or emphasis), are some of the comments we received in answer to the above question.

*“They must be presented with reasons why their business could benefit by being in downtown Green Bay.”*

**“Believe parking fees need to be set high enough to adequately fund the parking enterprise.”**

**“FREE PARKING”**

*“Creative and comprehensive vision with resources to support it and talent to sell it.”*

**“Make it attractive for a large employer to locate his business in the downtown area.”**

*“Make downtown a nightlife area, not retail. -Include housing, banking, gov’t offices, etc.”*

**“Provide adequate parking, planning and aesthetics.”**

*“Small loans.”*

**“Having the city cooperate and work with engineering and design.”**

*“Government’s main function should be infrastructure. - Business organizations should support other incentives to private development.”*

**“Encourage more out of town developers & business to consider the area.”**

*“We need good shopping (check out Fox Valley Mall!)”*

**“First, ask existing businesses what support they need to assure they thrive; Jointly sponsor more things like Artfest to get the public used to coming; provide start-up tax breaks.”**

*“Merchants could help by giving say 1-hour parking credit with purchases”*,

**“TIF, more ramp parking, subsidized rates.”**

*“A shopping mall more like Wal-Mart & super store markets.”*

**“Encourage employers like WPS & Schreiber to maintain downtown offices and others to strongly consider.”**

*“Provide easy access and low-cost parking. Stop subsidizing low-income housing development in the near-downtown area.”*

**“Anything to make more user friendly - should be as attractive to business as outlying areas.”**

*“Downtown traffic pattern somewhat confusing with one way streets, etc. Easier to stay away.”*

**“Have conception that the Parking Utility believes all downtown business and attractions exist only for their benefit. Should be the other way around; they are there to provide a service for customers.”**

*“Make area accessible, safe, and attractive.”*

**“As a suburban homeowner, there is very little that the downtown offers me, as most of what I need can be found in outlying communities—without being penalized for shopping by having to pay a parking fee.”**

*“Something that eventually pays for itself and turns a profit, like Bay Beach.”*

**“Not sure, but new development should be subjected to the same rules as existing businesses.”**

*“Clean up the river.”*

**“Get the chamber and convention center out of politics.”**

*“Give people a good reason to come downtown. Get government workers their own parking ramp away from shopping areas.”*

**“Through a plan that coordinates private business activities. An attraction to bring people downtown would be helpful.”**

*“Public improvements and land discounts by the city to developers.”*

**“By controlling city government spending so that more of our tax dollars can be used downtown improvements.”**

*“Have someone tear down all the old buildings and start over - I don’t believe downtown will ever be what it once was.”*

**“Real simple - Reduce Green Bay’s property taxes.”**

*“Adequate reasonable park-*

*ing. I know people who REFUSE to shop downtown because of parking costs. Look at what Appleton is doing!”*

**“Tax incentives.”**

*“Meter parking only convenient way to visit city or county offices, you never know how much time you will spend there and difficult to avoid fines - could be more user friendly.”*

**“More convenient parking.”**

*“TIF’s, perhaps reduced parking fees, less red tape, lower taxes”, “Pedestrian and bicycle lanes.”*

**“Try to encourage more middle and upper class to live downtown.”**

*“Paying too much with our taxes already - we’re overloaded!”*

**“Offer free parking to downtown users.”**

*“Clean, safe & exciting with near downtown neighborhoods that way too.”*

**“Sell the lots but not the meters. That would create competition and keep the cost of lot parking reasonable.”**

*“Establish free bus passes to be issued by downtown merchants.”*

We sincerely thank everyone who took the time to complete and return our survey. It is interesting that there is a wide range of views represented. We are also pleased to note that there has been some recent dialog between downtown merchants, and the company bidding to purchase the parking facilities from the city. Hopefully all points of view and suggestions will be duly considered with a mutually beneficial solution resolved for all parties involved.

We also asked for comments and suggestions, and some of those received appear on the following page. The BCTA intends to follow this as an important taxpayer issue, and again, thank you for your responses.

**“Ere you consult your fancy, consult your purse.” . . . Benjamin Franklin**

We asked for additional comments on our recent "parking facility survey" but did not ask the respondents to identify themselves. We received the following, which are presented in no particular order or emphasis.

**"I feel it is extremely important to give business a reason why they should locate downtown and not in the suburbs. With the negative city council to deal with I find it surprising any business would consider locating in downtown Green Bay."**

*"I believe parking fees need to be set high enough to adequately fund the parking enterprise."*

**"A high perceived cost of parking downtown will cause me to use malls where parking is free. This might not be rational, but it is how I act."**

*"Discontinue the downtown shopping mall and change that into your new convention center."*

**"I think a large 20% + increase in the cost of parking will kill business downtown."**

*"People in Green Bay are spoiled with the low cost & close proximity for parking. However, to pay more for what is currently downtown will not work as we need more living, entertainment, retail, restaurants, etc.."*

**"The available parking space at the downtown Brown County Library is a disservice & a disgrace to the city!"**

*"Increasing parking costs would surely happen from privatization — this is absolutely the wrong move now. Look at it in 5 years after all the re-development & shoppers habits change,"*

**"This survey should be directed to monthly parkers. Downtown Green Bay is not a retail center and never will be. Focus should be on Govt. buildings, finance and corp. offices."**

*"Downtown must be handled carefully, as more people move to the outskirts - There is a chance the downtown could die for a want of retail business - Very many people now say, 'Why go downtown? Avoid the hassle!'"*

**"Green areas, riverfront**

**beautification, and walkways are nice, but they don't attract people into the city, government buildings are nice, but they don't add to the tax roles. Aquariums and fountains are aesthetically pleasing, but offer little incentive for one with a shopping list. In most major cities of America, you will find quality hotels, top rated restaurants, upper scale department stores, etc. For those who must make some of the most important decisions ever faced by Green Bay, I would simple ask that their economic development plan have at its central core incentives to draw people into the city, a few amenities which makes life fun and worthwhile. The plan must take into account that, beyond the necessities of life, individuals do have disposable income. Whether that money is spent in Green Bay or elsewhere depend upon what the City of Green Bay has to offer."**

*"Riverfront beautification. etc., is like putting a dress on a hog. We need to clean up the water. Each year there are thousands of tons of fertilizers and other contaminants dumped into the river, and this must be stopped!"*

**"Paying for parking discourages use of downtown - The sale to a private business is a terrible idea! The city should build another ramp."**

*"Despite what the local media and project pushers would like us to believe, Green Bay is not the center of the universe. It is a very nice but still rather small community which can't be everything to everybody. Also, geographically challenged."*

**"Become so hard on criminals that they will not want to be in Green Bay. More people would consider using downtown."**

*"I'm afraid private ownership of parking utilities and increase in fees for parking will force people to free parking malls. Let's go at this very cautiously!"*

**"Develop and utilize waterfront! Check out SanAntonio,, See**

**what they did with a ditch!"**

*"As long as Green Bay's taxes are as high as they are, it insures growth in the surrounding communities.."*

**"I work for an organization with offices in the outskirts and downtown. I hear complaints from employees at the downtown location about parking problems and the cost of parking."**

*"The city should not sell or lease down parking lots/ramps. It should be their responsibility to provide easy access and parking to encourage uses of the downtown area rather than go elsewhere where there is ample free parking."*

**"I think a discussion with many choices is best to decide the direction."**

Again we thank all of you who responded. There were certainly some valid views and suggestions offered, and we urge our city officials to give careful consideration to their decisions regarding the downtown area of Green Bay. It is obvious from the comments we have received that there is a wide divergence of opinion present.

Although it would be difficult to draw any conclusions from our survey, it certainly appears that rates and facilities as they now exist are for the most part satisfactory, and that very careful consideration must be given before proposed changes are made.

There are many opinions out as to what shape the downtown should take in the future. Riverfront preservation, attractive settings, ample parking and access, and completion of the convention center and supporting establishments seem to predominate in our survey. Long range planning seems more important than short-term fixes. Important decisions will likely be made involving private funding and it will be necessary for complete honesty and disclosure by our elected officials.

**DO WE REALLY NEED THIS?** Printed below is a flow chart illustrating the proposed structure of the National Tobacco Smoking Reduction Act prepared by the Senate Commerce Committee on May 1, 1998. This bill was recently defeated in the senate. Although designed to produce

as much as **\$860 Billion** in revenue during the next 25 years, it was questioned whether it would curb smoking or simply be another level of taxation feeding the federal bureaucracy . As much as 30% would go to attorney fees in various states. Would you agree there are better ways to control smoking?

## A CLOSER LOOK AT THE ARENA AND CONVENTION CENTER FINANCING PLAN.

The most widely-published graph of the arena and convention center financing plan draws the viewer's attention to the abundance of "excess revenue" available for the project. This "excess revenue" results from escalating the debt service payments at three percent per year over approximately thirty years while projected room tax revenues grow at three and one-half percent each year. A closer look at the debt service plan, using the data released at MECCA's April 16, 1998 briefing for public officials, discloses that the planned debt service does not begin serious principal reduction until Year 19 of the plan. (See above.)

The proposed financial plan, assuming construction bids come in no higher than presently estimated, will require total debt

service payments of \$113.9 million. Of this \$51.1 million will be for principal and interest costs would be \$62 million.

Negotiating a \$500,000 annual payment for principal reduction from the facility operators and/or users would significantly improve the looks of the debt service plan shown above. Additional principal payments of \$500,000 each year could reduce total interest costs by nearly \$10 million and also increase the owners' equity position another \$10 million by the 20th year of the project. The additional principal payments would reduce the remaining principal to an amount more consistent with conventional project financing at the twenty-year point as well reducing the financing period by a few years.

MC

(Note) The above chart appears in color on the BCTA website, [www.BCTAxpayers.org](http://www.BCTAxpayers.org).

## Big Tobacco or Big Lawyer Fees.

According to a June 1 poll, 80% of Minnesotans think Big Law is being paid too much for its work on their recently settled tobacco suit. Instead of using state attorneys already on their payroll to sue the tobacco companies, they and other states (including Wisconsin) hire private attorneys offering them a percentage of the take if the case is won.

Seven states have offered 25% of the take, and others range from 10% to as high as 30%. Florida has estimated the fees in their states settlement reportedly amounted to \$100,000 per hour while attorneys in Texas are asking \$92,000 per hour. We realize there are two sides to this but just who is benefiting the most from these settlements?

"Politics makes strange bed-fellows." Charles D. Warner

## Is This The Time For A Tax Cut?

What better time to cut taxes than now, some analysts argue, when the U.S. is enjoying peace, prosperity and economic growth? Just to bring tax revenues as a share of GDP back to what they were when President Clinton took office would require an across-the-board cut of 23 %.

Revenues were 19 percent of GDP in the first quarter of 1993—but have increased approximately 1/10 of a percent of GDP every single quarter since then. This is equivalent of a tax increase of \$8 billion every 3 months for the last 5 years.

The list goes on. Of course, there are always those who say the time for a tax cut is when the economy is bad, in order to stimulate consumption. What ever happened to reducing the national debt?

## Mike Riley Attends World Taxpayers Conference.

Mike Riley of Taxpayers Network, Inc., recently attended the World Taxpayers Conference, hosted by the Canadian Taxpayers Federation in Whistler, B.C.

Groups from Australia, France, Holland, Germany, Finland, Hungary, Japan and Sweden were represented as well as Canada and the USA. It was agreed by those in attendance that governments and taxes in most countries are growing unabated and unrestricted.

Some of his other observations from the meeting were: High taxation and overregulation in British Columbia has driven out investors. Canada's liberal govt. has raised taxes 27 times since 1993, and Canada is now one of the most indebted countries in the world. Governments will not be able to regulate cyberspace. Despite tax limitation measures, government growth in California is virtually unabated. Their public employee retirement system has \$300 billion in assets, and is the largest source of capital in the world. Other items of interest were that Sweden's top marginal income tax is 59.7%, and that the French Taxpayers Association was attacked by the French Govt. and audited by their IRS equivalent after they focused on the high salaries paid to French legislators. The Canadian Govt. took their social security money and loaned it to various provinces at below-market rates.

Mike said he had an opportunity to address the group about the US Social Security System, and suggested Americans could do three things for improving the system: #1, Raise holy hell. #2, Educate the Public about the Chilean model for restructuring Social Security, and #3, Support HR-2929, The INDIVIDUAL SOCIAL SECURITY RETIREMENT ACCOUNTS ACT.

Mike will be in attendance at our July 16 BCTA meeting, and we are sure he will be glad to answer questions on the World Taxpayers Conference as well as his support for Individual Social Security Retirement Accounts.

"Politics is perhaps the only profession for which no preparation is thought necessary."

. . . **Robert Louis Stevenson**

"There is no such thing as a nonpolitical speech by a politician."

. . . **Richard M. Nixon**

"There is no right of privacy in the Constitution."

. . . **Judge Robert H. Bork**

"Nothing can bring you peace but yourself. Nothing can bring you peace but the triumph of principles."

. . . **Ralph Waldo Emerson**

## Hidden Costs of Kyoto Treaty Turn Up.

In the June "TAX TIMES" we reported on the Federation of Wisconsin Taxpayers Organizations concern with the possible cost of the Kyoto Global Climate Treaty on Wisconsin taxpayers. As time goes on, the cost keeps rising.

In March, a member of the President's Council of Economic Advisors, claimed the agreement would cost the average American family no more than \$110 annually.

However, WEFA, Inc., a responsible economic forecasting firm has estimated the cost for an average American family at \$2,700 per year. A difference of \$2,590.

During debate last year over particle and ozone standards, the EPA estimated a cost estimate of \$8.5 billion, but finally admitted the true cost was \$46 billion - after the regulations took effect.

Although the president has proposed a so-called "free-market" solution to reducing greenhouse gases, some analysts say his proposed international "cap and trade" program is no more than a stealth tax that would permanently limit U. S. economic growth, and present a major technological revolution in the energy sector. This cap could cost America trillions of dollars in the next century, and the implications of this treaty could be as disastrous as global warming.

**National Center for Policy Analysis, From TNI**

## JUNE MEETING NOTES

Meeting held June 18, 1998 at the DAYS INN. State Senator Rob Cowles provided an update of events in Madison. He reported that about 700 more state prisoners are being moved out-of-state to reduce overcrowding. The Department of Transportation is attempting to add \$2.7 million of engineering costs to the \$18 million limit already appropriated for highway improvements around the new Milwaukee Brewers' stadium. The DOT argues that "engineering costs don't count." Senator Cowles opposes this logic as a matter of principle. He noted that the City of Milwaukee has other similar problems and would welcome the same kind of relief. "Then, where do you stop?" he asked.

In the area of education, Senator Cowles reported that the Qualified Economic Offer (QEO) is under fire from WEAC. State aid for school construction is mushrooming. He feels that the QEO must be maintained and that state aid for school construction must be contained in order to avoid state tax increases.

Brown County Supervisor Pat Collins spoke in behalf of eliminating the residency requirement for all county employees. Senator Cowles observed that his constituents had overwhelmingly supported the residency requirement in the last referendum on this issue, providing very clear direction for his votes in Madison. The directors questioned the idea of unilaterally conceding a negotiable item in the bargaining process.

Current information concerning the arena/convention center financing plan was reviewed. The directors agreed, as the BCTA has not established an official position on the present financing proposal for the arena and convention center projects, that this issue should be addressed at the July meeting.

The next BCTA meeting is scheduled for Thursday, July 16, 1998 at the DAYS-INN, Downtown. (Details on back page of this "TAX TIMES")

**David Nelson - Secretary**

## BCTA Meeting & Events Schedule

**Thursday - July 16, 1998 - DAYS INN - Downtown**  
**12:00 Noon - Monthly Business Meeting**  
**(Discussion of Arena and Convention Center financing Plan - Downtown parking and redevelopment - other unfinished business)**

Mike Riley from Taxpayers Network will report on the World Taxpayers Conference and "FREED FROM FICA", a new approach to the Social Security system.

**Thursday - August 20, 1998 - DAYS INN - Downtown**  
**12:00 Noon - Monthly Business Meeting**

*All members of the BCTA, their guests, and other interested persons are invited to attend and participate in these open meetings. Phone 432-1900, 499-0768, or 336-6410 for information.*

**All meetings will be at the DAYS INN - Downtown (East Room) at 12:00 Noon. Price, \$6.50, payable at door.**

### NEXT BCTA MEETING SCHEDULED FOR JULY 16.

We know it's summer, and not much is happening except talking about the weather. **NOT TRUE!** We have a lot of unfinished business, and would like to see all of our directors plus anyone else who wants to participate at our meeting. Besides, Mike Riley from Taxpayers Network promises to give all those in attendance a copy of "**FREED FROM FICA**", a new look at Social Security. Interesting reading for business and future retirees.

"Never smarten up a chump."

. . . W. C. Fields

"I would rather see the United States respected rather than loved by other nations." . . . Henry Cabot Lodge

Views and material in this newsletter do not necessarily reflect the position of the Brown County Taxpayers Association. Comments and material for publication from our readers is always welcome.

## The TAX TIMES

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