

BGR

We report to you.

Questions for Council Candidates District C

NEW ORLEANS

Candidates' Views
on Important Issues
Facing City Hall

CANDIDATE

Q&A

BGR

ELECTION SERIES

PART 6 OF 7
OCTOBER 14, 2017 ELECTION

2017 CANDIDATE Q&A

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1.

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

**Kristin
Gisleson
Palmer**

Yes, I support a pay raise increase and would support an increase in funding directed at the hiring and retention of officers. Furthermore, funds should ensure that advancement testing is administered every 2 years, not 5. Officers need a clear path towards career advancement.

**Nadine
Ramsey**

NOPD is fully funded now, but I would support additional funding for specific programs such as the pathway for youth and to increase recruitment classes.

2.

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

**Kristin
Gisleson
Palmer**

Since I left office in 2014, the city's revenue has increased \$100 million. I believe funds can be re-allocated from within the existing budget.

**Nadine
Ramsey**

I would support exploring various options.

3.

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

**Kristin
Gisleson
Palmer**

I would support quarterly reports from NOPD to the city council that highlight the progress being made in regards to recruitment and hiring. In addition, I would encourage a third party background check to accelerate the hiring process.

**Nadine
Ramsey**

NOPD regularly reports to the council. Additionally, I would encourage the use of community meetings with the chief, as well as increased accountability through documentation of the use of police officer time and other essential performance measures.

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

**Kristin
Gisleson
Palmer**

In general, I am willing to consider all proposals for reform, and specifically BGR’s proposals.

**Nadine
Ramsey**

We must look at all available options to balance the various interests involved with a focus on protecting employees and the city.

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

**Kristin
Gisleson
Palmer**

The city should sit with a group of leaders from city government, employees, and civic leaders to see how the entire system is being funded and whether it's being applied equitably. I would like to see how New Orleans compares to other cities of similar size to see if we are in line with benefits, salaries and cost of living.

**Nadine
Ramsey**

We should look at best practices around the country for similar jurisdictions concerning competitive salaries and benefits.

7.

What level of funding will you pursue for street maintenance?

**Kristin
Gisleson
Palmer**

I support the necessary level of funding that is required for street maintenance.

**Nadine
Ramsey**

I will pursue adequate funding for street maintenance. We have \$2 billion in FEMA money to repair interior streets, and can plan for what will be needed to finish out what (already completed) studies tell us needs to be done.

8.

How do you intend to achieve this level of funding?

**Kristin
Gisleson
Palmer**

I would redirect existing revenue streams or rededicate local taxes - specifically, sources connected to street use, such as traffic camera tickets, parking tickets and vehicle sales taxes.

**Nadine
Ramsey**

We can look at various measures, e.g. additional FEMA or other federal money, a bond, etc.

9.

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?

**Kristin
Gisleson
Palmer**

In light of recent events, the public has no confidence in S&WB's ability to properly manage their system. I cannot support a stormwater fee until management of the department is reviewed by an independent commission of engineers, hydrologists, and other experts.

Furthermore, any fee will have to be connected to green infrastructure initiatives.

**Nadine
Ramsey**

That's one mechanism to consider, but there may be other mechanisms available, and as chair of the environmental committee, I would encourage the city to explore all options and to be creative.

BACKGROUND

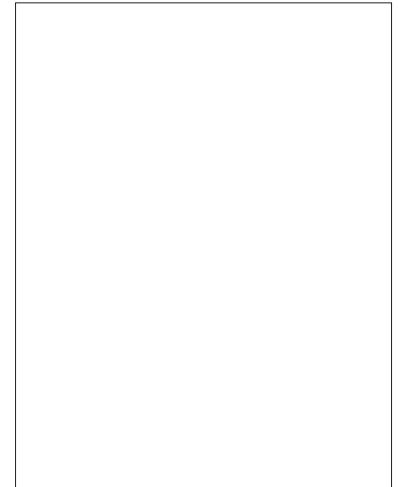
A 2015 BGR report found that only one-fourth of local tax revenue is available to City government for broad municipal purposes.* The remainder is dedicated to specific municipal purposes or to other entities. These dedications limit the City government's ability to provide basic services and infrastructure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

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**Kristin
Gisleson
Palmer**

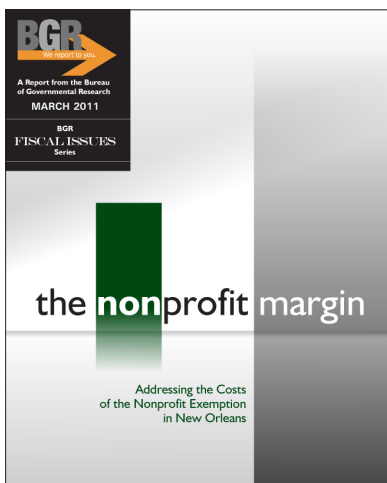
I believe the city should conduct a comprehensive re-evaluation of local tax dedications to ensure they are meeting the current needs of government.

**Nadine
Ramsey**

[Candidate did not answer this question.]

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.



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-

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/>.

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.

**Kristin
Gisleson
Palmer**

Yes, I'm in favor of reviewing the nonprofit exemption in the state constitution.

**Nadine
Ramsey**

This is a complex and delicate issue, and should be considered carefully.

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

**Kristin
Gisleson
Palmer**

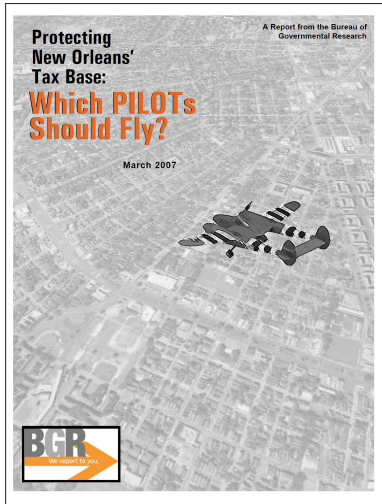
I believe blight reduction programs can bring more properties into commerce and expand the tax base. I have over 20 years of neighborhood revitalization experience and currently redevelop blighted properties through my private business. My expertise can be applied on a larger scale through advocacy on the city council.

**Nadine
Ramsey**

Bringing in more businesses, with more and better jobs, is the best way to expand the tax base.

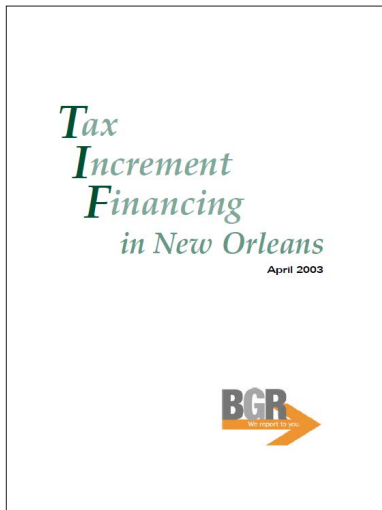
BACKGROUND

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.



- 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 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:



* 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.

**Kristin
Gisleson
Palmer**

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

**Nadine
Ramsey**

I do support these basic principles.

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

**Kristin
Gisleson
Palmer**

I believe the City should consider a tax subsidy only if it can demonstrate that it is strategic, necessary, efficient, effective and fair.

**Nadine
Ramsey**

We can prevent unnecessary subsidies by subjecting proposals to vigorous scrutiny and oversight.

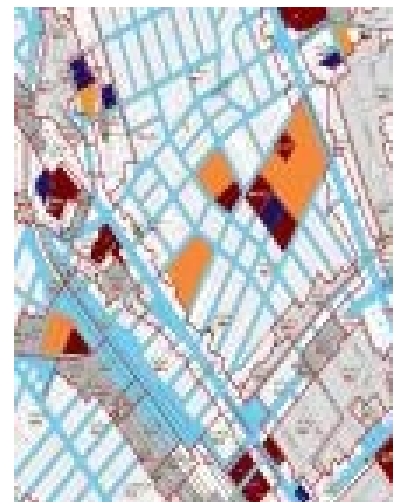
BACKGROUND

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?

**Kristin
Gisleson
Palmer**

When an issue comes before the City, I would review what the plan states for this proposal and hold them accountable for complying with the Land Use Plan.

**Nadine
Ramsey**

We always ensure that proposals correspond to the Land Use Plan and the Master Plan overall.



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