

**CITY OF GAUTIER
Business Item #1
Fact Sheet**

Council Meeting: January 7, 2014
Title: Resolution of support requesting the introduction and passage of a bill entitled "Citizens for Economic Development Act" (CEDA)

Introduced by:
Contact Person/Telephone: City Manager 497-8017

Summary Explanation: Approval of resolution of support requesting the introduction and passage of a bill entitled "Citizens for Economic Development Act" (CEDA). This bill would allow the citizens of a municipality the option of voting on the imposition of a local sales tax of no more than 1% on goods currently taxed at 7%. The monies collected by the municipality are forwarded to the state and then returned to the municipality to undertake and complete citizen approved projects

EXHIBITS FOR REVIEW

Resolution	<input checked="" type="checkbox"/>
Ordinance	<input type="checkbox"/>
Contract	<input type="checkbox"/>
Minutes	<input type="checkbox"/>
Plan Maps	<input type="checkbox"/>
Order	<input type="checkbox"/>
Other	<input type="checkbox"/>
Submittal Authorization	City Manager

Staff Recommendation:
Approval

Motion Made by:													
Gollott	<input type="checkbox"/>	Martin	<input type="checkbox"/>	Jones	<input type="checkbox"/>	Guillotte	<input type="checkbox"/>	Vaughan	<input type="checkbox"/>	Anderson	<input type="checkbox"/>	Colledge	<input type="checkbox"/>

Second Made by:													
Gollott	<input type="checkbox"/>	Martin	<input type="checkbox"/>	Jones	<input type="checkbox"/>	Guillotte	<input type="checkbox"/>	Vaughan	<input type="checkbox"/>	Anderson	<input type="checkbox"/>	Colledge	<input type="checkbox"/>

Voted as follows:		Ayes	Nays	Abstained	Absent
Mayor	Gollott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
At Large	Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ward 1	Jones	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ward 2	Guillotte	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ward 3	Vaughan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ward 4	Anderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ward 5	Colledge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

RESOLUTION NUMBER 000-2014

Resolution of the Mayor and Councilmembers of the City of Gautier, requesting the introduction and passage of a bill entitled “Citizens for Economic Development Act” (CEDA). Specifically, we are requesting that the Mississippi Legislature pass this bill and the Governor sign it into law. This bill would allow citizens of a municipality the option of voting on the imposition of a local sales tax. The purpose of this legislation is to locally fund, without impacting the state general fund budget, the implementation and completion of special projects which would enhance the quality of life of local citizens and improve economic development opportunities for the municipality as well as the state. Accordingly, we submit the following in support thereof:

WHEREAS, economic development occurs where infrastructure and municipal services can be provided easily, efficiently, and at a reasonable cost;

WHEREAS, municipal services provide drinking water, utilities, sewer disposal, police and fire protection, maintenance of roads and many other services to local businesses and industries which provide jobs and employment to local citizens;

WHEREAS, good infrastructure is essential to economic development and job creation;

WHEREAS, many municipalities in Mississippi don’t have access to adequate capital and the municipalities do not have sufficient statutory authority or enough debt capacity to borrow money for essential and costly public projects, many of which are directly tied to economic development and quality of life;

WHEREAS, the use of an optional sales tax could save municipalities substantial amounts of taxpayer money on bond project interest payments because projects could be paid off in a shorter period of time;

WHEREAS, a municipal project funded by the provisions of the Citizens for Economic Development Act (CEDA) would represent the vote and approval of the local citizens;

WHEREAS, the details of each project approved by voters under the Citizens for Economic Development Act (CEDA) would be specifically set forth and the local sales tax funding such project would immediately cease upon the final debt payment; and

WHEREAS, other states in our region have enacted similar laws as the Citizens for Economic Development Act (CEDA) to provide their local constituents with an opportunity to fund essential economic development projects;

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCILMEMBERS OF THE CITY OF GAUTIER, WE REQUEST THE INTRODUCTION AND PASSAGE OF A BILL ENTITLED "CITIZENS FOR ECONOMIC DEVELOPMENT ACT" (CEDA). SPECIFICALLY, WE ARE REQUESTING THAT THE MISSISSIPPI LEGISLATURE PASS THIS BILL AND THE GOVERNOR SIGN IT INTO LAW. THIS GENERAL ENABLING LEGISLATION WILL BE AVAILABLE TO ANY MUNICIPALITY AND WILL REQUIRE THE VOTERS OF SUCH LOCALITY TO APPROVE ANY SPECIAL PROJECTS FUNDED THEREUNDER WHICH WILL ENHANCE THE QUALITY OF LIFE OF THE CITIZENS AND IMPROVE ECONOMIC DEVELOPMENT OPPORTUNITIES FOR THE MUNICIPALITY AS WELL AS THE STATE WITH THE FOLLOWING CHARACTERISTICS:

- I. AN "UP-FRONT" (60% VOTE FOR PASSAGE) REFERENDUM IN ORDER FOR THE TAX TO BE LEVEID
- II. A SALES TAX OF NO MORE THAN 1% ON GOODS CURRENTLY TAXED AT 7%. TAX MONIES COLLEDCTED BY THE MUNICIPALITY ARE FORWARDED TO THE STATE AND THEN RETURNED TO THE MUNICIPALITY TO UNDERTAKE AND COMPLETE CITIZEN APPROVED PROJECTS
- II. THE TAX CEASES AND IS DISCONTINUED IMMEDIATELY UPON RETIREMENT OF PROJECT INDEBTEDNESS. CEDA IS PROJECT SPECIFIC AND TIME LIMITED

Motion was made by **BLANK**, seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

Adopted this the _____ day of _____, 2014

ATTEST: CITY OF GAUTIER, MISSISSIPPI