

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

May 3, 1999

LB 382

of it: Dear Senator Chambers: Now that LB 382 has advanced to General File, it is appropriate for me to clarify my position concerning the proposed convention center for Omaha. I have always been against increasing property taxes and using property taxes for the convention center/arena. I believe that the proposed "turnback" tax concept is a useful financing tool, but general obligation or revenue bonds should not be used for a facility whose goal is only to facilitate conventioners from other states. The low income district that I represent would rather see their tax dollars spent on improving city infrastructure, parenthesis, streets and sanitary sewers, close parenthesis, and promoting economic development with job creation. Reducing our 15 to 23 percent unemployment rate is critical. This is the highest unemployment in Nebraska! During 1998, the city administration eliminated two neighborhood swimming pools in my city council district while continuing to pour money into the existing city auditorium. This facility lost over \$1 million in 1998. I repeat that, with reference to the city auditorium, "this facility lost over \$1 million in 1998". Continuing the last paragraph of his letter: If the people who use the proposed convention center would pay for it, it would be a true "turnback" financing mechanism. However, we should avoid using any other financial assistance involving public funds while there are numerous other higher priorities that city...that cry out for resolution. That's from Omaha City Council President Frank Brown, who happens to be my representative on the City Council, and I concur with his letter 100 percent. And this shows that there is not uniform and unanimous support for this boondoggle. By him putting the slash between convention center/arena indicates that there might still be, in some people's mind, the idea that somehow that arena is going to be able to latch on to this scheme that we're talking about and tailgate its way into some state financing. I think Senator Landis' comment at the beginning of my opening, when I asked him the question, would put that to rest. Now the amendment that I had offered was to make some grammatical changes which I did not really expect to be accepted. But, in the process of discussing that matter, some substantive questions were raised, and because I'm on a reconsider motion, I won't trouble Senator Landis but I think I can ask Senator Coordsen a question back on these general obligation bonds.