

Good evening, thanks for allowing me the opportunity to speak to you. I am representing The Committee to Promote Growth and Economic Development in Richmond County, a group of concerned parents who support a referendum on November's ballot that would increase sales tax in the county by a quarter-percent and lead to the construction of a new recreation complex. We thought this would be a great forum to address some questions and concerns that have come up in the past month or so.

As background, everyone should know that the idea of a proposed sports complex is not a new one, and it didn't originate only in Rockingham. One of seven recommendations included in the 2004 Richmond County Civic Index was to "establish a venue for regional, state-wide and Southeastern United States youth sports tournaments." The concept for this project was carried forward as a goal in Richmond County's 2013 Strategic Plan.

City and county leaders both view this project as a county-wide economic development opportunity. The proposed quarter-percent increase will be applied throughout Richmond County and paid by residents and visitors alike. One question that has come up is why should county residents pay for a facility owned and operated by the City of Rockingham? From a practical standpoint, a single entity must be responsible for borrowing the money to build the complex, and then the subsequent ownership, operation and maintenance of it. The City is the logical choice since it already operates the largest recreation program in the county and has a proven track record of hosting regional and state-wide youth sports tournaments. Also, the site for the new complex on Old Aberdeen Road is centrally located in the county and is owned by the City, free and clear, at a cost of \$889,000. None of the funds will be used to reimburse the City for the money already spent. Everyone also should know that Rockingham essentially runs a county-wide recreation department now; its numbers show that about 60 percent of the children who participate annually in Rockingham's program live outside the city limits, including many from Hamlet and Ellerbe. For these reasons, it makes sense for the new complex to be owned and operated by the City of Rockingham.

There also have been questions about how many phases will be part of the construction. A link to the site plan can be found on our Website – [www.voteeyesforparksandrec.com](http://www.voteeyesforparksandrec.com). All the improvements shown there will be built immediately if the referendum is approved.

According to figures provided by the city, the preliminary cost estimate for the complex is about \$12 million. The exact figure won't be known until construction drawings are prepared and the project actually goes out for bid. Having this done comes with a significant cost, so the City plans to see if the referendum passes before proceeding, as is the case with any large construction project.

How will the money generated from the sales tax increase be spent? According to city and county officials, the hope and expectation is for the County Commissioners to allocate a portion of this revenue to pay for a large share of the debt service on the complex. Richmond County and the City of Rockingham likely would enter into an agreement that allows for this, along with specifying the City is responsible for borrowing the money and overseeing construction. None of the funds from the sales tax is intended for recurring costs associated with the operations and maintenance of the new facility. The City will be responsible for those.

How long the tax increase will be in effect is wholly within the discretion of the Board of Commissioners. The referendum does not mention a specific end date, so the increase would be there until it is rescinded by a majority vote of the County Commissioners. The city expects its loan for construction to be a 20-year term, so people should figure the quarter-percent increase to last at least this long.

There is an economic development aspect to the new complex, as well, because of tourism. The plan is to build a first-class, state-of-the-art facility capable of hosting a variety of youth sports tournaments. These events draw visitors to Richmond County, and these visitors spend money by staying in our hotels, eating in our restaurants and shopping in our stores. All this is a boost to the County's economy. And if we'd like more options among our hotels and restaurants, this would seem to be a great way to create a demand, which might lead to new development, new tax base and new jobs. Now, is any of this guaranteed? Absolutely not. Very little, if anything, is guaranteed when it comes to economic development. There really is only one guarantee – if we, the people of Richmond County, aren't willing to make investments in our own community, then no one else will.

Another point about economic development concerns quality of life. The recruitment of new businesses and industry is a highly competitive process that concerns many factors. Anything we can do to set Richmond County apart from our competitors in the process might give us an advantage. Already, the County and City have spent millions of dollars improving and expanding water and wastewater infrastructure, developing industrial parks, offering shell buildings and other financial incentives. We also have seen extensive highway improvements here over the past 15 years that would be the envy of most counties our size. And our school system received \$25 million in bond proceeds back in 2005. So the county has made significant investments in several key factors in recruitment and is competitive with most other communities.

As far as the future of the recreation departments in Hamlet and Ellerbe, that's really up to the folks who live there and their elected officials. Nothing in the referendum would prevent them from continuing their programs. I will say the folks at the City of Rockingham have said some consolidation is possible. If the referendum passes, its rec programs certainly could accommodate additional participation, and as part of this, the \$10 surcharge those from outside of city will be eliminated.

Taxes aren't always popular, but they are necessary for providing public facilities and services. From our perspective, the proposed sales tax increase is the fairest and least painful option for funding the new complex. To put it in actual dollar terms, the increase would be 25 cents for every \$100 spent, or \$2.50 for every \$1000. We believe this is a nominal tax for each individual, but collectively, it would have a very significant and positive impact on Richmond County. Thank you.

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From the Members of:

THE COMMITTEE TO PROMOTE GROWTH AND ECONOMIC DEVELOPMENT IN RICHMOND COUNTY

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