

QUESTION NO. CC1

Shall Carson City, Nevada be authorized to impose an additional sales tax of up to ¼ of 1 percent pursuant to NRS Chapter 377A to finance the design, construction, and maintenance of a library and public plaza park in the downtown on lands donated by the Hop and Mae Adams Foundation?

YES NO

EXPLANATION

The question seeks approval for the imposition of an additional sales tax of up to ¼ of 1 percent pursuant to NRS Chapter 377A. A “Yes” vote would authorize, but not require, a new sales tax to be collected and used to pay the principal of and interest on general obligation bonds additionally secured by pledged revenues payable from the sales tax increase to be issued by the City to finance the project. The project, the Knowledge and Discovery Center library, would include traditional book access and reading areas for children, youth, teens and adults. Also included in the project are a technology and business support center, computer tools, arts and culture areas, meeting and conference rooms, library associated retail areas, a community auditorium and a public plaza park.

ARGUMENT ADVOCATING PASSAGE

By voting yes on CC-1, you are expressing civic pride, making a statement Carson City is a community that has priorities befitting a state capital and values itself, family, education, strong businesses and a desirable quality of life.

A yes vote will build more than a traditional library. The project includes an inviting town square with an all-seasons plaza surrounding a state-of-the-art library with 105 high-tech computers, work, study and meeting rooms, a 180-seat auditorium and over 12,000 square feet of space for youth and teens.

For a penny on every \$4 you spend, a revitalized capital city will become a reality. The sales tax does not apply to essentials such as food or medicine. Tourists and visitors will also contribute when they purchase local goods.

How will the project benefit businesses and the economy? New and existing businesses will be supported through mentoring in writing business plans, developing marketing strategies, and networking for funding, customers and investors. Specialized business data bases will be available for research and specific information. With these tools, local and new companies will be better equipped to protect and produce jobs, and generate dollars for the community.

How will the project benefit our seniors? Seniors will find a quiet place to read, study, meet friends and continue life-long learning. Assistance with housing, legal, tax and Medicare questions, instruction in new technology and a diverse lecture series will be available at no cost.

How will the project benefit our youth? The library will be a safe, family-friendly place that offers after school and weekend programs such as online help with homework, children's story time and bi-lingual activities. Everyone will have access to the latest technology: computers, eBooks, and digital media. Students can make movies, create video games, produce music, and learn new job expertise in graphic design, broadcast-media, and math and science. The library will partner with the school district to equip our children with the high-level skills necessary to compete for well-paying jobs.

Why invest now? Construction costs and interest rates are low, and our unemployment numbers are high. Over 200 construction jobs will be needed for this project. Donated land makes this a once-in-a-lifetime opportunity to create a signature downtown center, that will show civic pride to the kind of businesses we want in Carson City—those who pay a good wage and value skilled workers.

Vote yes. Make an investment in Carson City's future.

The above argument was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 295.121.

ARGUMENT OPPOSING PASSAGE

A NO vote retains our Sales Tax Advantage over Reno retailers.

This project is a risk the City should avoid at this time! The City lacks the funds to pay for this project if the sales tax revenues fall short. The City may be forced to close the library, lay off staff, or file bankruptcy.

An important consideration is the rapidly changing world of electronic media. Can we ensure that this project remains viable for the life of the tax – 30 years? With the technology of e-books, smart phones, tablets, the Internet, and devices that have not been invented or marketed yet, we no longer need to physically go to a library for our information. Additionally, this project duplicates the Carson City School District's efforts to provide every student with a computer. Why would we want to pay twice?

Nationally, library projects have failed to generate sustainable economic development for communities. Since the inception of this project over four years ago, the promoters have failed to provide the public a plan showing how economic development will be achieved in

Carson City.

The promoters of this measure state this project can be operated with the same money currently budgeted, yet this facility is three times larger than the current library. What services will be cut and what tax increases will occur, to operate and maintain the new library and plaza when reality sets in?

Current bond debt per resident is about \$3,900. This project will increase debt to almost \$4,500 for every man, woman, and child in Carson City. Adding debt to Carson City when we have no reserves is fiscally irresponsible. A major fire, flood, or emergency would find the City with no financial ability to pay for response.

There is no public plan for the use of the existing library complex. Recently, a large investment was made at the library that would be wasted if it is moved.

The proposed project will fail to enhance the quality of life in Carson City. It will, however, mortgage our children's and grandchildren's future.

VOTE NO ON QUESTION 1.

The above argument was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 295.121.

REBUTTAL TO ARGUMENT OPPOSING PASSAGE

The library/plaza is an investment in our future and will act as an economic engine, encouraging people to live, work and shop in Carson City. There is solid proof in cities such as Seattle, Cheyenne, San Antonio and Durango that libraries support businesses, generate tax dollars and establish a vibrant commercial market.

Our current library technology has the necessary foundations to meet the needs of the planned facility. Our successful grant history demonstrates we are prepared to keep pace with new innovations for our community and schools.

Library services have expanded dramatically with the advent of technology, resulting in over 500,000 items checked out last year in our community library. Recent technology investments, use of space and new energy efficiencies allow us to operate a library 3 times the size of our current facility without increasing the operating budget.

Opponents raise the fear of bankruptcy in their sky-is-falling outlook. Using conservative projections, independent bond advisors have determined the sales tax revenue is sufficient for the bonded amount.

Replace fear with action to build a better future and assure opportunities for our children and grandchildren, so they will want to live and work in Carson City.
Vote yes for our future.

The above rebuttal was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 295.121.

REBUTTAL TO ARGUMENT ADVOCATING PASSAGE

Vote NO on CC-1. This measure could bankrupt Carson City.

Is a new library an investment or a gamble? Based on the history of Carson City's prior projects, it is a risk we cannot afford.

All the services proposed are not new. They are already provided at the Senior Center, the Boys and Girls Club, NNDA, the BRIC, the Brewery Arts Center, Community Center, Pony Express Pavilion, the schools, the college and the existing library. Are we to believe these programs will be replaced by the new library?

Do you want to spend more than \$28 million (plus interest) to duplicate all these existing services? The short-term gain in construction will not offset the large long-term debt. It is not a smart investment.

Vote NO. Save Carson City's future.

The above rebuttal was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 295.121.

DESCRIPTION OF ANTICIPATED FINANCIAL EFFECT

The sales tax increase would last for up to 30 years. The average annual cost of this sales tax increase is expected to be \$25 per household or roughly \$12.50 for a typical payer of sales tax in the State based on estimated \$9,646 of taxable purchases using U.S. Census and IRS data for Carson City. If the tax is levied, Carson City expects to issue general obligation bonds additionally secured by pledged revenues payable from the sales tax increase and pledging the City's full faith and credit. Following the levy of the tax, additional expenses are expected to be incurred to pay for the maintenance of the City's facilities financed with the additional levy.

Maintenance expenses of the Knowledge and Discovery Center library and public plaza park are currently expected to be paid from the Carson City general fund, as are the maintenance expenses of the existing library, and may be augmented by the proceeds of this additional sales tax as determined by the Carson City Board of Supervisors.

DESCRIPTION OF ANTICIPATED ENVIRONMENTAL IMPACTS

The Knowledge and Discovery Center library and public plaza park would be constructed on property that is currently paved and used for parking. The environmental impacts created by the project would be those associated with normal construction activities. No impacts to drainage or waterways are expected from the project.