Moab City Council held a Special Meeting on the above date. An audio recording is at http://www.utah.gov/pmn/index.html; a video recording is archived at https://www.youtube.com/watch?v=lq3RVv7_MyM.

Mayor Emily Niehaus called the Special Meeting to order at 6:01 p.m. In attendance were Councilmembers Rani Derasary, Karen Guzman-Newton, Tawny Knuteson-Boyd, Mike Duncan and Kalen Jones. City staff in attendance included Manager Joel Linares, Assistant Manager Carly Castle, Attorney Laurie Simonson, Finance Director Ben Billingsley, Communications Director Lisa Church and Recorder Sommar Johnson. There were approximately 60 persons in the audience.

**Truth in Taxation Public Hearing and Public Hearing for Proposed Resolution 22-2021—A Resolution Adopting the Fiscal Year 2021-2022 Budget Motion to Open the Public Hearing:** Councilmember Jones moved to open the public hearing. Councilmember Derasary seconded the motion. The motion passed 5-0 aye with Councilmembers Jones, Duncan, Derasary, Guzman-Newton and Knutson-Boyd voting aye. Mayor Niehaus opened the public hearing at 6:02 p.m.

Mayor Niehaus gave an introduction to the proposed reinstatement of a municipal property tax. She touched on the history of the City’s sales tax revenues and gave some examples of infrastructure needs. She spoke about potential growth of the City’s boundaries through annexation, housing affordability and the City’s revenue stream.

Dwight Johnston: Reapplying a prior tax used 30 years ago feels the same as a new tax. Every year taxes always go up a little bit and it gets painful. I shop at Sam’s Club to get good prices yet [the City is] opposed to big stores because we’re above that and we’re into the environment and renewable energy and we’re going to keep the big stores and the tax dollars out, and then just raise all of our taxes to fund projects that are honestly ridiculous. The government gave you a swimming pool and you can’t even manage that without overspending and it’s a free pool so why would we think that you’ll be able to manage building low-income housing without it being over budget and being on the backs of the taxpayers? The way to get low-income housing is to not raise the taxes on everybody that has the house to not raise the fees to let a contractor up the amount of units you get per acre; that’s how you get affordable housing and so I’m really discouraged with this government and what you propose to spend our money on because you are spending our money and so I hope that you’ll give this some thought and not reintroduce yet another tax because we don’t need it.

Michele Blackburn: I speak on behalf of Moab families and businesses and also for the Robertson Blackburn family which is my personal family. Like our family, most of the founding families’ descendants live in old town Moab so it’s kind of a tight-knit community in old town and many of us have more than one parcel so it seems like our City government is targeting about half of the residents who happen to own a total of 2,841 parcels in order to come up with $3.3 million. City officials will say it’s just the cost of doing business but it feels personal. It’s a small town and despite our limited numbers of residents, our community is supposed to endure, support and hopefully profit from three million visitors a year. Those annual visitors abuse every facet of our infrastructure and the surrounding landscape and they increase the need for City code compliance officers. Many of us living within the City limits are victims of that public
invasion and while we're not the perpetrators, our own representatives are wanting less than 2,500 people to pay more in order to mitigate this impact. I appreciate that you recognize the need that you are attempting to address: that the inner city and its infrastructure has been neglected for decades, particularly our antique water lines. The need to improve water, sewer and drainage infrastructure in old town Moab is completely obvious. A rainy-day fund seems less of a priority when you realize how few people are footing the bill for that cushion. More law enforcement isn't necessarily beneficial to the year-round population, so I think you're barking up the wrong tree. There have to be better avenues for funding relief than targeting a couple of thousand landowners. If the Council is determined to satisfy the City’s $3.3 million wish list please consider looking elsewhere, whether it's grants or some visitor related funds. There just has to be a way to meet these needs without burdening a relatively small number of residents.

Debbie Swasey: Hello and good evening and thank you for letting me have this opportunity to speak. I come to you not only as the Grand County Assessor but also as a citizen of the City of Moab. I ask for your consideration in the ramifications if you pass this tax for this year. If it passes the same folks in the residential areas will be reappraised next year which means their values will increase as it did the ones in district 2 for this year and it will most likely result in a significant increase in their assessed values. I am concerned most for the elderly residents, the lower income, the single parents that live here and our struggling workforce, along with the renters who are going to be hit the hardest. Landlords will pass that increase to renters who will bear the heavy burden with higher rents than they currently pay due in part to the lack of affordable housing. Many may not be able to bear the burden and we as a community will suffer a big loss if they are forced to leave. I don’t pretend to know the answers and I know it’ll be tough for all of you. However, I do hear the effect of raising taxes every day in my job. I have people in my office all the time. I truly believe it’s time to tighten our budgets and figure something else out and work for what's best for our fellow citizens and the part of our community and the people that actually live here. Thank you.

Robert Tupek: My family has lived here for 21 years. We've all heard this rhetoric for years about bringing in more tourism and it's going to pay for everything for us. Well, it's not happening. Our town is slowly being ruined by this. I second what everybody else said. We live here, it's our primary residence and we raised our family here. It's not an overnight rental or a second or third home for us and everybody always overlooks the other ramifications of residual results from a tax increase when so few are bearing the burden. Why are we being the scapegoats and being penalized for the increase in tourism which has caused this? Of course, it's easy to know that search and rescue will need more funding if you have more tourists and you're going to need more police officers but then they overlook the other problem: look at our hospital and our police--there's ads for people for good paying jobs and they can't afford to live here. During a pandemic, when everybody's suffering a little bit, now is the time to institute a property tax on so few? It just doesn't make sense and then you never think of the other ramifications. Businesses will get a property tax and they will pass it on so they raise their prices. People who work in town that lease an office space, their prices will go up. We're already in a tourist town where the locals are penalized for higher gas, water and food--basic necessities of life. Sure, our sidewalks are crumbling and everything and we've heard the rhetoric for years that the tourism will pay for all this stuff. That was a fallacy. The definition of rhetoric is the art of persuasion through communication that we've heard for years and years and appeals to people's emotions.

Maggie Johnston: I personally found the City's presentation to be a little bit misleading. I work in the real estate industry here and I deal every day with the prices in Moab. The City may not affect what things sell for but they certainly affect people's payments. I saw an article from KSL last month that said that the median housing price in Utah increased 30 percent from June,
2020 to June, 2021. I would also like to address the City’s dip in revenue. I understand that was probably a struggle, but I would also like the City to consider that we all had a dip in revenue this year. COVID hit us hard and I think all of us have had to just kind of buckle down and tighten up and that’s exactly what we’re asking the City to do: not to pass their dip in revenue on to all of us.

Helene Rohr: I have a few questions because to me it seems as if it’s definitely a budget issue. Overall, the State of Utah, between 2018 and 2019, received $294 million more in property tax and you just wonder from one year to another, that’s a lot of money that you can do stuff with. In one of your documents, you’re saying that Moab is only one of four other towns in the state of Utah that does not levy a general property tax to pay for City services, so the question I have is do the other cities with a higher tax rate collect as much in sales, transient room and resort community tax as Moab? The tax rate change to zero percent was made in 1992 and the City was able to balance its budget then, obviously because they made the decision of reducing the tax rate to zero percent. Since then, the influx and tourism, especially in the last few years, also significantly increased the amount of sales and use tax the City collects. So, the question here is what has changed so drastically that the City is no longer able to balance its budget, despite the collection of the increased amounts of received portions of sales and use taxes? Despite the COVID travel restrictions, Moab experienced a significant increase in tourism over the previous years. So why is the City considering to increase the property tax rate now when we already have other issues? As one of the main reasons for the consideration of the increase in City property tax, the City mentions the need for more law enforcement. According to census numbers, the population of Moab has grown by approximately 600 people in the last 20 years. Cities with fewer than 10,000 residents report an average of 3.5 officers per thousand inhabitants based on the 600 additional residents it would possibly explain a need for two extra officers. What else is the City in need of? If tourism has the consequences of higher demands for extra law enforcement, would it not make sense to get funded through the collected TRT, which are in direct correlation to the challenge our local law enforcement faces? Could the City Council potentially try a little bit harder to get more money from the state as it was their initiation to get more tourism down to Moab with their fantastic Mighty Five campaign. I also have a few questions in regards to the capital improvements project list. There are a few on here that I’m just not sure about: the 100 south green infrastructure improvement project for $1.9 million; 400 east construction $1.7 million; water tank $3.4 million; 100 West construction $1.2 million; hot spot median parking $6.7 million; Swanny and Lions Park upgrade $300,000—that doesn’t sound like a lot but Lions Park, I believe, was pretty brand new. Overall, it seems to me as if there’s a budget question. Streets are being opened up repeatedly. We could potentially tighten up the budget a little bit more and postpone the tax increase.

Rachel Stenta: Serving the City for 22 years, I know that property tax has been talked about throughout the years. I did want to point out for the public that the previous Council before this Council served on the same Council that eliminated property tax in 1992, and conversations over the past 10 to 15 years were that it was inevitable that property tax was coming back. It’s unfortunate that those members are not here tonight to be able to speak to the public to give some of the reason and logic behind why it was dropped in 1992 and not just lowered instead of taken to a zero assessment. I’ve lived in Moab for 27 years and I served the City as an appointed official for 22 of those years and I appreciate the time and effort the staff and the governing body have put into exploring a property tax. I know firsthand the complexity of the financial demands facing the City. While I support a property tax, I’m here to voice my opinion on the proposed uses of that tax. I am opposed to using local property tax revenue to pay for tourism-related impacts. I feel that using property tax dollars for public safety services would do just that. As we’ve read in the local papers the City and County have both seen substantial increases in sales-
based tax revenue this last year as our visitation increased dramatically during COVID. Of course, as visitation goes up both sales-based tax revenue and demand on City services go up—specifically public safety, among others. Paying for the impact of tourist services with tourist-generated tax dollars makes good fiscal sense. If visitation drops, then revenue drops and City service levels can also drop, reducing a potential budget deficit. I also have some concerns regarding the City's proposal to use property tax for the rainy-day or reserve fund. For years, the City consistently maintained the rainy-day reserve fund of the State-allowed maximum. It's only been recently depleted. For the City's 2022 tentative budget, the State would allow a total of 35 percent of general fund revenue in a rainy-day reserve fund; that would be about $4.4 million. There's already a balance in that rainy-day fund, but I didn't see anything in the information tonight that said what that was. Once that target is reached, would that portion of the property taxation be reduced or reallocated, and if so, to what projects or goals in the last two decades? Visitation to Moab has grown every year. City revenue has also grown every year and consequently City staffing levels have also grown. What hasn't grown is our funding of capital road projects. As you know, real estate prices in Moab are soaring faster than we can track. While primary residents are not taxed at 100 percent of value, commercial properties are. We know that tourist-related businesses have also experienced a dramatic increase in revenue this past COVID year since the City sales tax revenue is collected as a percentage of those sales. But what about the small businesses in town that aren't reliant on the tourism base? They are also assessed at 100 percent of value but may experience little or no increase in revenue during visitation upswings. Businesses like office supply stores, beauty salons, dentists, copy centers will have to increase their prices to pass the property tax on to customers who are largely local residents. My opinion is that if you are asking local residents and businesses to start paying a property tax then those dollars should be dedicated to a resource that our residents and businesses use year-round regardless of tourism, which are the miles of roads our City has and which is the same if we have two million visitors per year or a year-round population of seven thousand, and anyone who has driven on our roads knows that they are in dire need of not only repair but rehabilitation. Enterprise services such as water, sewer and storm water have user fees that can be adjusted to pay for operations, maintenance and infrastructure. Property taxes can't be used for those services, and that is my understanding since the last time I checked state code. It's possible that has changed, but I think they can only be granted loans from the General Fund. Property taxes can't support those services. Roads have no user fees and in fact the highway tax collection and the General Fund cover the street department operations budget with not much to spare. Class C Road and transportation tax covers one major maintenance project per year and several smaller projects, and that's it. In 21 years as purchasing agent, the City completed less than six major road projects and we paid cash for those. By the time the City prioritizes a critical road as a capital project, it ends up being a total rebuild because many of our roads are held together only by crack and chip seal. On July 19, 2019 the City Council approved contracting with RB&G engineering for $24,450 to develop a comprehensive road improvement plan, including working with City staff to create a prioritization and a street rehab maintenance plan for future budgeting needs. This contract order also included the creation of a five- and ten-year capital improvement plan for City streets. What I am requesting as a citizen, is for the Council and Mayor to present that City Street improvement plan to the public in tandem with a proposed property tax and show us how many roads you will rehabilitate for the increased price that you are asking citizens and business owners to pay for living and working in Moab. Thank you for your time and consideration.

Kay Osteen: I have served this County and this area for more than 50 years, giving my time and a lot of it was donated. I have watched over the years how the taxes come up and no one is concerned about those who live here. All I hear is “build this, build that” all for tourism and then put the bill on us who live here. After a while I get the feeling that because I’m a senior citizen,
you'd like to get rid of us. We can't keep paying taxes that are outrageous and not you managing things better. We need help and with the epidemic people can't even get work. Businesses have not gotten back to where they need to be so that we could even pass any of this on to them. You have got to help us out. We can't keep loading everything. There's not that many of us in this town anymore, not young ones, not old ones and everything you do makes people feel they're not wanted. All that you want is to build another condo, another motel and ruin our whole community.

Tamela Johnson: I am a transplant to Moab but my husband and his parents both or all of them have been raised and born here in Moab back to the 1800s, so we have a vested interest in our town. I also am a teacher at HMK and I have been privileged to interview new candidates for teachers and positions and one of the questions we always ask is have you checked into housing to make sure that they can afford what they're being paid with where they're going to live and I know personally someone that came with a budget of $600,000 to find a house for his large family and could not find something for that amount for them. I believe most of you ran on the docket of affordable housing. How is raising taxes achieving that goal for you and for our community? Also, I'm glad I'm not wearing a mask right now because I want you to read my lips: no new taxes. Thank you.

Randy Day: I'm coming from the real estate side of things and if I was to walk into this as a business, first thing I'd look at is how many people are sitting here being paid that really, I don't need. I was here 1972, lived in the Walnut Lane trailer park and loved it--a great spot to grow up. The orchards were full of trees and all of that happened and I'm not going to go into that. But I told you what was going to happen before you ran for mayor: our affordable housing is in crisis and it was 10 years ago and it was 15 years ago and we saw it coming. Yet every time you come to do a development, I speak to the last one I saw on Fourth East where they wanted to do apartments and nobody wanted it. It should have been built; it should be built right now. The one I tried to do over here behind the Wendy's that now they're going up with a building to help with mental health. That's wonderful, but that should have been housing. We've got lots of plots of land that we should have been building housing. You can't develop your own trailer park that the City bought because of the ordinances. You can't do it. I've read the ordinances and I said if you get to do it, guess who's coming to your door. I'm going to do the next one and if you don't let me then we're all going to go to war and you're going to need that attorney over there because this is what's happening if you will build the middle, the top will take care of itself and the bottom will come up. We're paying $400,000 for homes on Walker and Tusher and down next to the sloughs. You call it Matheson Wetlands now, that's a nice name for the sloughs, but it should have been rehabilitated into land to build on. Let's say five percent in this County is private land and the City is even smaller. I've preached an aggressive annexation policy all the way out to blue hill. Take it out there, buy out the county's water and sewer and run it and let's get it's get this thing going. One police department's all we need and that should be a constable and a Sheriff. We don't need all this extra stuff and the tourism was the business we chose in '90 because in '85 there was nothing. I was here, I sold real estate then. I remember, and we need to create more avenues for development to do that. I want to do it, but I've been to this Council and I've been to the County and I know what's happening and I see it now: prices keep going up because there's a lot of demand and no supply. By changing your zoning, you could allow more development to happen and give you the tax increase you need, and I wouldn't have to give my renters an increase because of my taxes. Thank you for your time.

Dan Stenta: I moved to Moab 22 years ago and as many of you know I worked for the City for five years as the City Engineer and have a lot of familiarity with infrastructure projects. I support a property tax because I feel like it’s fiscally irresponsible to throw all our eggs in one
basket and in the time that I worked for the City I advocated at the time to pass a property tax so that we could work on picking away infrastructure projects. That being said, I would like to reiterate Rachel’s opinion that taxes work best when they’re providing the service to the people that are paying the tax. In my 22 years here, I’ve been lucky enough to encounter a need for the police department twice. Once for having an expired registration and the other time I filed a report because there was some vandalism done on my property, which never went anywhere. Every single day, I use the roads in this town. I use our sewer and water system. We use our sidewalks and our parks, so I would like to see the money go towards things that we that live here are going to use. The rainy-day fund is where you’re supposed to put surplus revenue that you brought in. It’s not something to build up as the result of a new tax if you expended it all. I came in to the building department representing a client a couple years ago who had a single lot in the neighborhood up behind here, which is one of the oldest neighborhoods in Moab. The oldest homes, some of them approaching 100 years, are over there in the 200 and 300 North area. This person had a lot there that had been a lot of record for a long time. They needed to get sewer and water service and we were looking at more than $100,000 to rectify all the issues with getting water and sewer service there, fixing the street and doing all that in order for them to build a single-family residence of about a thousand square feet, which is ostensibly what this Council has said that they want to support. At the same time, I would go by every day and see a $1.5 million sewer project that we borrowed money to build that was providing sewer service to the new Worldmark and the Holiday Inn and camp park out there, and there seemed like a huge disconnect between priorities over what we were spending our money on what we were saying we were prioritizing and where the money was actually going. I would like to have some level of confidence that if this tax is implemented, that it should be phased in gradually and there needs to be some belt tightening on the part of the City Council and these projects can’t be Cadillacs, they have to be functional and they have to be done more efficiently than they’re being done.

Kyle Kaiser: I am a rental property owner in town and during the introduction of this I heard some things about the pass-through rate reflecting a 2.4 percent increase to rents. You mentioned that’s about equal with inflation. Most rental property owners are generally going to increase their rent to match inflation over time, just a little bit each year so you don’t hit a tenant with a really big jump. If you keep pace with inflation, which as of July is over five percent, and pass that on to the tenants, along with new property taxes, if someone’s rent is $1,000, you’re increasing the rent by $50 every month--$600 a year. If their rent is $2,000, you’re looking at increasing their total rent budget for the year by $1,200. I just wanted to bring attention to the effects that has because the properties I own have loans and I have to keep pace so it does affect how affordable it is for people who have to rent here, and it also does affect people’s ability to get a mortgage and how much they can purchase on a house. If you buy it outright it doesn’t matter but if you have to apply for a mortgage to purchase a home, the property taxes are included as part of that mortgage and so you have to qualify for that, so it does affect people’s ability to pay for a home. Thank you.

Aaron Davies: This seems very contrary to a stated goal I understand you all have regarding more affordable housing. Increasing property taxes on homes is contrary to affordable housing. This action is making housing more unaffordable. The real is having more houses. It’s real simple economic supply and demand. Demand is high. We can talk about things we’re not happy about regarding why it’s high, but the bottom line is if we can increase the supply, the price will go down. We need to approve projects so that we can increase the housing. It would solve that problem, which by the way will also help the police department. That seems to be the biggest issue--not so much they need to get paid more, but they need to have housing they can afford, along with teachers and other professionals. I think the ‘92-’93 decision to switch to just sales tax has been working. From what I can see, five years before pandemic spending increased sixty
percent, revenue increased almost fifty percent during that time. So, revenue has been increasing, yet spending has outpaced even that enormous increase. If a business had that kind of increase, the owner would be very happy. You talked about capital improvements not being done recently. There have been some, but I would consider them to be more of the fun things people enjoy. Staffing has increased by more than 30 people making over $100,000 a year. That’s quite a bit more than most citizens. I think it’s 50 people are making over $90,000 a year. Staffing went from 60 to 72 people. That’s part of the 60 percent increase in spending. Is that really needed? Maybe that’s where the tough decisions need to be made. I've been on a teeny little town council in Castle Valley and even there I knew it was hard to make budget choices. It’s the hard work but that’s what people volunteer for when they decide to sit up here and I appreciate it’s a hard job but that’s where I think the effort needs to be made. You’ve given the presentation of where the money could be spent, but there’s no obligation for that money to be spent on anything that you have said. The public has to trust that you’ll do what you have said. Since decisions have not been made in the last few years for these capital improvement projects, yet spending has happened, then I wonder if is that really going to happen. It comes to a philosophy of government: should government be big or small? The Moab City government has grown hugely in the last few years. This is not a little town. A $13 million budget is a budget bigger than cities that are near 20,000 people. I understand there are some reasons why. Ultimately, I’m just asking you to make the tough decisions, cutting back on the expenses and choosing these things that you say are important, choosing those things now rather than asking us as taxpayers to pay more money. It’s going to hurt a lot of people. There are ways to make decisions that can benefit us without raising taxes. Three years in a row we’ll have tax increases: last year the recreation tax, this year and of course next year, as it’s been pointed out. That’s three years in a row overlapping with the pandemic. That’s not right. Thank you.

Paige Holland: I am a lifelong resident and own property. We’ve had rentals in this town for over 45 years. I’m confused on some of the numbers that were tossed out. First of all, this 74 percent would be collected from property taxes from second homes. Does that mean that 74 of the housing in the City is owned by second home owners? That needs a little clarification. I have no choice but to raise rent. I do my best to keep my rents at a level that people can afford and I’m shocked at the levels of rents coming in, pushing up to $1,800 to $2,000 for modest homes. I do my best to keep renters for the long term and to have a have a social contract with them, that we’re going to do our best by you. But you can’t expect property owners to absorb these taxes. You’re impacting every renter in town. Do I get a rebate if I rent to people who are 65 and older or veterans? Is there any mechanism for the renters? If somebody owns one acre or more of land, it is going to be taxed at 100 percent? That pretty much guarantees that every family that has been in town for decades or generations is looking at a hundred percent valuation, as opposed to the 55 percent. It pressures people to carve up land even though every single visioning process that we’ve had for a master plan shows that people in this town and county value the open spaces. Why do we even put money into those visioning processes? Because they don’t really affect any of the zoning laws or any of the policies that I’ve seen in the City or the County, when it comes to housing. I think you need to get a lot more creative on where you can come up with money. What about a toll road on Kane creek or Sand Flats? You own the land. What about the police car that’s sitting at Denny’s all the time? Put a flashing light and an empty police car so you don’t have to pay the officers. It just sends the same signal: we enforce laws. I think the impact fees collected for the new hotels (owned by non-local corporations) aren’t enough for the impacts that the hotels are bringing. You’re just looking for more development down the road which will make up the difference with impact fees that are still too low. Where is the sense in this? We have people in this room making a hundred grand or more, $90,000 or more. I am beginning to wonder what we’re really paying for. If we’re paying that kind of money,
we need people who have minds who can really work on this and not just find an easy revenue source. How many of you have ever owned a private business? If we’re not making that revenue, we can’t spend it. I think you need to tighten the budget. Counter that TRT campaign promoting the Mighty Five. How about “Moab enforces the laws” or “We expect visitors to behave”? Let’s promote art events. They have a lot less impact than RZRs. There are other ways to creatively solve these problems besides the low-hanging fruit, which is taxing local residents. Thank you.

Mona Horowitz: In the nearly 30 years that I have lived in Moab, I have noticed that no matter what citizens want here, it doesn’t matter. The Council will do exactly what it wants. Take the bike skills park for example: it’s for our children, I heard, but the children ride the streets of Moab to their friends’, their schools, and to anonymous park. I doubt that you’ll hear any of them say that they want to go to the bike skill park. Now it’s on the budget. Over the years, everything the locals enjoy here has disappeared. The biggest loss, in my opinion, is the Saturday farmer’s market. Locals are treated as second-class citizens. Tourists come first. That’s wrong. This is our town, not theirs. Stop treating us like children, as if you know best. And maybe some of you do, but on all major issues, especially the property tax, the citizens should have a vote. If you raise my taxes, I’ll raise the cost of my house, and pretty soon you won’t be able to afford it. You’re all very young, I see. Yes, I am 96. I don’t know how that happened. Listen to the citizens, the ones that hold this community together, the ones that voted for you, before Moab is lost forever to the lure of the almighty dollar. Thank you, that was fun.

Cricket Green: I have more questions than answers. We're talking about how bad we did in COVID. How much money did you get in disaster relief, and where did that go? And then we rebounded and had our busiest months ever. I know sales taxes are up. Every business owner that I've talked to this year said they're outdoing their numbers. That means City revenue went up. Maybe we need this tax because we're spending money where we don't need to be. How much did a lobbyist cost? I met with an engineering company hired by the City to create a pocket community at the end of Center Street. They already have access off Rosetree Lane. I asked if Rosetree residents were involved and they said they want to force it down East Center. I was told it was to build something for Community Rebuilds and Moab City hired that engineering firm. We're spending money where we don't need to be. We should be spending money on things that help our citizens: our infrastructure, and less on our wages. I worked for so many years for a title company before I ever made $30,000. You make a lot of money for a lot less work than I've done over the years, and what gets me is every time is I brought up the fact that you're considering adding property tax. I have been called chicken little, and evidently, I'm not chicken little anymore. Thank you.

Saina: I have three topics that kind of piggyback on everything else. The first one is buy local. That's going to be kind of hard; it's easier to do it by Amazon with free shipping. The next one is the high school; I was here in the early '80s and they graduated anywhere between 80 and 100 students. They're still graduating between 80 and 100 kids, so the locals are not growing in number. Tourism is growing and we're paying for that. The third one is Walmart. I'm not saying I want Walmart here and I'm not saying I don't want it here, but the mistake that Saint George made was they refused to let Walmart come into their community and so Walmart went to the other side of the County and put a Walmart in. It was so successful they ended up putting another Walmart in on the other side of the County. Walmart does its research; they know where their customers come from. They would not want to put one in Moab unless they've tracked us. We've been tracked. Thanks.

Eric Wolfe: I'm new here. I've spent the past 20 years traveling around the country working on public infrastructure projects and doing defense projects to keep the nation safe. In those travels
I have witnessed many of our most beautiful small towns become gentrified. Californication, availabilification—whatever you want to call it. What you're proposing to do by putting a burden on the residences and 100 percent local businesses here is the first step in that process. Once you go down that road it can't be reversed. You will destroy what this town is. I wanted to be here for 20 years. I came here to settle. I started at search and rescue. I've done it before and I don't even want to be paid for that. I don't even need to be paid a third of what I got paid in the private sector to do what I do, which this town desperately needs. You're going to get new people; the question is what kind of people do you want? Do you want people who want to come here and help build community, or do you want to get people who come here bullying around the locals with out-of-state money to buy second homes? Taxing locals to fund search and rescue to protect those houses you build, your water infrastructure, your communications, your power infrastructure, those structures that people are using to profit and export the wealth of this community. One thing that I’ve witnessed in a lot of the small communities I’ve been in is the ones that went south didn't institute an Airbnb tax quick enough. Institute an Airbnb tax. Tax the people that aren't here year-round who are utilizing your infrastructure. Since I’ve gotten here, I’ve been displaced twice within seven months. If you think that raising property tax is not going to affect renters, or is not going to be passed along: it will. There is no housing shortage in Moab; there never has been. Here, there is an excess of greed and these are the people who come in with out-of-state money and develop and export the wealth. I came here to live and work and I'm camping. Thank you.

Pam Steele: I’ve lived here for a long time. I do have a small business here. I was raised here; we've raised our kids here. I guess I'm living under a hole because I had no idea the salaries that the Council was making. My dad was on Council many years ago and it was not even a drop in the bucket. My family doesn't support a new tax. Every year it's something: the recreation tax was supposed to go to arts and recreation and that went into the general fund. You give money here and there but I don't understand where the mismanagement of funds come in. I know it's expensive to live here. I've lived here for over 60 years, but it's not that expensive. There are so many things I honestly think we can tighten our budget. We can sharpen our pencils. I agree we can get creative about the tourism tax. We don't need to spend all the money to get tourists; they're here. We don't need to send Europeans brochures about Moab; they know. I work in a hotel all summer--they're here. You go to City Market and half the people don't even speak English. We can get creative with the budget. I know you can do it, you're smart. I know most of you. Please, no new taxes. All of my family is in support of no new taxes. You say that renters are not going to get hurt but that's not true. I own a small preschool. I try to keep it affordable; some of you have had your kids in my preschool. If my taxes go up, I have to pass that on. Rick and I, together with four jobs, do not make what you make sitting here today. Please don't raise taxes. We just came through a pandemic. People in Moab are getting back on their feet. I know you can do it. I have faith in you. There's been a lot of people who say you've lost their trust in Moab. I'm beginning to wonder, but I know you can do it. Let other people help you if you can't figure it out.

Rory Paxman: I hope that you would just talk to some of the local citizens and just listen to what they're trying to say. I know there are people who don't think locals own a hotel and my kids go to school here. I love this community and I have devoted all my time to this community, but I want you to know that when we were trying to build our hotel, we tried to build the infrastructure up because we could see that there were problems coming. We put in a brand new sewer system and it sat out there by Aarchway Inn for years. They didn't listen to us, they wouldn't let us do it but now you paid for the new sewer plant and I appreciate you, but I do not want this tax. I've got three renters that are not going to like it when I send them the bill. I've already told them I'm going to have to raise their rent. I'm glad it's you, and I did eight years and
I'm done, so thank you for stepping up to the plate.

Trish West: I've lived here since 1962. My husband used to come to these meetings regularly as the police chief. I remember when budget time came, he didn't know if he could get a hundred dollars for these guys. Every year he fretted and stood and fought with the Council to support his officers. When I hear the salaries that you are making, I just wonder what happened? I consoled myself by saying they've come to realize that to have a good working City and they've got to pay good people good money. They've come around and they figured it out so all those years that those guys that were doing the police work who were doing good jobs, you know they were kind of overlooked, but they kind of laid the groundwork, and I think we can thank Winder for really shining the light on how poorly paid the police department was. Unfortunately, he took the money and ran and he left us here with a mess. It started people saying everybody needs to be making what Winder makes. And the City [Manager] left for San Juan County. Having the history I have with this community and the Council, and the processes of the mayors that have left--you got too big for your britches and we're being asked to pay for it. We had to grow to get to a certain point. That's how kids learn. This community just took a giant step and we weren't ready for it. You have to go back to the basics and figure it out. We're paying you the big bucks for smart people. Quit using consultants to get this figured out. Listen to the people who live here and want to stay here and raise their families. We don't need someone from Park City or Boulder telling us what Moab needs. I'm tired of not being considered part of this community just because I haven't been here every week or I don't write letters to the editor. I live here, pay taxes, shop in the stores and I try to buy local. I am sad for Moab. Eat a little humble pie. Maybe an across-the-board cut might be warranted for some positions. I don't know how many managers and directors there are on your staff; I know with title comes prestige, but I don't see the output. Thank you for your time.

Lisa Carter: What I keep hearing is about proportionality. I know that the business community will pay 59 percent of the tax, but when you look at what some of us make as far as a living wage in this town, this is questionable. I don't mind paying taxes and I wouldn't be against taxes. I pay for services for schools; I don't have kids, but I believe in schools. I don't mind paying taxes for the services and the resources that I use but it needs to be proportional. I'm one of 5,400 people, not one of two to three million. What is the proportionality? Maybe this whole country is stuck in a tax system that does not tax the people who are making the most money from our resources and from our services. They make a lot of money, so proportionally they may be paying 59 percent but when you look at what I have to live on as a homeowner, it's a lot different. I don't make money off of my water or anything that I grow food from. I don't make money off the air I create. I work for the federal government and I know how tight it is for agencies to have to work, but part of it is the federal government does not collect enough taxes from the people that use and gain the most from our services and our resources. Maybe we need to rethink this but proportionality comes to mind, when I see what proportion of my wages would go to this versus the proportion of somebody who makes huge profits off the tourist industry. Tourism has brought jobs, but not jobs that are sustainable. Thank you.

Kya Marienfeld: I chair the Moab City Planning Commission, and while that's not coloring my comments tonight, I think it probably does provide a perspective on the things I see as the bigger needs for funding and infrastructure right now. I know there's a lot of criticism and I can't speak to salaries and staffing. I do think more disclosure and transparency is warranted because it's taxpayer money that's paying salaries. It's a time when it's uncomfortable but there's a broader look that needs to be taken. I do think however there are huge needs in the realm of staffing and resources. I know there was a previous comment that we need to make it easier to build affordable housing. I see the need every other week planning commission meetings and
then in the interim that the planning staff and public works are trying to do the most with less. When it comes to a lot of the departments, I think there’s a huge need to devote more resources to that. I’m not someone who’s going to stand here and be opposed to a property tax in general. I think the timing is really unfortunate. There are a lot of things that past Councils unfortunately passed on down the road that you all are saddled with right now. It’s gotten to a critical point. Maybe the County should consider lowering the tax that they’re assessing because they had over $5 million more than what they expected last year. Spread things out a little bit so that the City can take a small bit from the property tax pool in a way that isn’t as impactful on residents that live within the City. There are things we desperately need and whatever money is being collected from that tax needs to go to directly to resident services. I agree completely about infrastructure and probably collecting a tax for infrastructure only from the outset, that’s something that everyone probably agrees on and I think it would be an easy way to make sure that we’re doing the most that we can with the least. What is the biggest discount in a property tax that can be given to residents? Is the 45 percent that’s currently proposed the biggest you can possibly give? If you could give a 100 percent discount to residents and still levy a property tax, I think that would satisfy everyone. Thanks.

Dan Vink: I work for a large corporation here in town and I’ve hired many people over the last seven years and I struggle to bring people in because of the cost of living. my company powers seven states in the area and I’ll hire them in and they leave due to the cost of living and we pay pretty well but there’s a lot of other places out there that are more affordable to raise their families and so I do oppose increasing property taxes. You do hurt people trying to come in and make a decent wage and raise their family and it’s really tough. Thank you for your time.

Justin Cosenza: My wife and I are the owners of Moab Diner. I oppose the increase of this property tax because it’s very clear that you want to push out tourism and it’s our only industry. You want to bring in new industry, which is great. My views on tourism are different than yours, but I do agree that the diversification of Moab’s and Grand County's economies would benefit everybody in the long run. However, you need to make Moab inviting for these new industries, especially if you’re trying to push out the only industry we have. If you look at the current climate in Moab, there is a housing crisis, as everybody’s mentioned, that has led to a depleted workforce. I can’t hire people and that has increased wage cost so it's expensive to do business in town. We don’t have enough workers for the businesses we have right now, and then increasing the property tax only makes Moab less inviting for new industries. I believe a vote for this increase only further shows that you have no plans to diversify our economy and only want to use taxation to make up for the loss of tourism income as you try to push them out. I think we just need to make it inviting for people to come here. It's expensive to do business here, it's expensive to live here. You have job openings you can't fill because they don't have houses so I just think we need to have a plan for the future and just taxing the locals and the businesses isn't the way to do it. Thank you.

Randy Martin: I moved to Moab 22 years ago. My first thought is about the infrastructure bill that’s before the U.S. Congress right now. My understanding is this property tax increase is to pay for two things: one is police, two is infrastructure. With a $1 trillion infrastructure bill before Congress, some of this money hopefully will find its way to Moab. Should we be looking at a tax increase at this time, if some of this infrastructure bill money is going to find its way to Moab? My second thought is in regards to the police. I saw a job posting for a safety specialist. So, I went to the City website’s organizational chart to see if this was a new position or if it was an existing position. It looked to me like it’s a new position. No? Okay. Number three: if the County has a $5 million windfall, can some of that money be used to offset a property tax increase? Thank you for your time.
Lonnie Campbell: I had a bunch of numbers to bring tonight but about five o'clock last night I got a text that the budget was amended for the previous year and the numbers I had are now changed, so that kind of led me to this: if we can't get our budget from last year figured out, why are we asking for more money for the following year? We need to have budgets that we can look through and see what's going on. I spent all weekend going through last year's budget. There are so many things that just glare at you as not being accounted for properly. I don't think it's fair to ask for more money if you can't show us where you've spent money. To change a budget that we're talking about within 24 hours--is that correct, did you upload a different budget? It's not fair to ask for proposed taxes for items that are not really transparent.

Paige Holland: Contrary to what most people in this town think, there are businesses who are in no way related to tourism. My husband's business has been here since 1972 and earlier. It's a holdover from the mining business, but it's a going concern and it brings in a lot of tax revenue to this City. Taxing businesses at a hundred percent just because you think that it's somehow related to the tourists and therefore that you're going to get revenue from the tourists because of that, is in error. There are plenty of businesses--Pam's daycare, for instance--that affect every one of our families who bring children to her daycare. That is an unfair tax when you just consider that point. Thank you.

Justin Cosenza: The total salaries and wages in the budget that was uploaded in April was $3.8 million. Now the salaries and wages are $5.6 million.

Motion to Close the Public Hearing: Councilmember Jones moved to close the public hearing. Councilmember Duncan seconded the motion. The motion passed 5-0 aye with Councilmembers Jones, Duncan, Derasary, Guzman-Newton and Knutson-Boyd voting aye. Mayor Niehaus closed the public hearing at 7:40 p.m.

Adjournment: Councilmember Jones moved to adjourn. Councilmember Guzman-Newton seconded the motion. The vote to adjourn was unanimous and Mayor Niehaus adjourned the meeting at 7:40 p.m.

APPROVED: __________________   ATTEST: ___________________
Emily S. Niehaus, Mayor      Sommar Johnson, City Recorder