



COUNCIL

Revenue ideas to offset the Administration's proposed 25% property tax increase

When faced with the proposed 25% property tax increase, I called upon my constituents to think of ways to increase revenue and reduce waste. Below you will find several different ideas we had to help balance New Castle County's FY2010 budget. Most of these would require State approval to go into effect. New Castle County will need your assistance to contact your State Senators and Representatives and ask them to make these ideas a reality. Let's be honest, any property tax increase imposed onto businesses will just be passed onto consumers. This is why I believe user fees should be used moreso than property tax increases.

Kent County currently imposes a county tax specifically for libraries. However, not everyone uses the library system and basically it is just another property tax increase. This is why I think it should be turned into a user fee. There are over 300,000 library card holders. If we were to charge \$25 dollars for a library card registration (more for out of state registrants), it could possibly generate over \$7.5 million to help compensate the \$13.8 million projected library expenditures, which does not include capital costs. Library cards could be good for one (1) year. Currently, the library card includes free DVD rentals. We had previously brought up charging for DVD rentals. The Library Advisory Board argued that DVDs are educational and it was voted down. Since there would be a user fee for a library card, I feel easier about not charging for DVD usage. Library users also have access to our Internet service. I feel \$25 per year for these uses are justifiable.

Delaware State Parks are generally funded through various rates, fees and charges. New Castle County Parks (only Regional, i.e. Glasgow, Delcastle; and District, i.e. Powell Ford, Banning;) should follow in the same footsteps. One potential estimate of the number of park users is through the number of households. The Census Bureau indicated there are 212,000 households in 2007. Assuming that 1 out of 3 households use these types of parks and we were to require a \$10 park pass (more for out of state registrants), it could generate \$700,000 to \$900,000 additional revenue for the County. This is being conservative since the sports teams and pavilion rentals are not being incorporated in this number. We would have to hire someone to police the parks for permits and issue tickets. However, a part-time seasonal employee could do the job. It could also help alleviate the vandalism and trash complaints.

While on the topic of parks, let's discuss Neighborhood Parks. I have proposed to several of my neighborhoods the option of receiving mowing and clean-up funds directly to their active civic association. This would cut our costs and possibly help our neighborhoods gain some insight on the costs to mow their parks. I had asked for the mowing work orders for the 32 neighborhood parks in my district. It cost an average of \$1,510 to mow each park annually. If we gave 75% of that to the Civic Associations, there would be an average savings of \$378 per park. There are 213 neighborhood parks in New Castle County. That equals approximately \$80,000 in savings.

It is time to update our Land Use fees. The impact fees currently being charged to developers are out of date. According to the UDC, impact fees are one (1) time payments used to fund system improvements (i.e. Libraries, Fire & Rescue, Emergency Medical Services, Law Enforcement, Parks and special facilities, and County Facilities for residential) needed to

accommodate development. There are several different approaches to calculating impact fees. The bottom line is, developers are not being charged according to today's standards and it is time these fees were updated.

The Department of Land Use is also in charge of registering rental properties. There is currently no charge in registering your rental property. There are inspections taking place specifically Rental Code related and New Castle County is incurring these costs. It is time for the landlords to compensate for these expenses. There are 33,400 registered rental properties in New Castle County. If we charged \$25 per rental property (\$1,500 for rental communities), this could possibly generate an additional \$800,000 for New Castle County.

The City of Wilmington has a vacant property registration program. The purpose of this program is to hold the property owners of these vacant properties accountable for the condition and their effect on the surrounding properties. If we were to follow the City of Wilmington's standard, registration fees would be anywhere from \$500 to \$5,000 annually. Currently, there are 77 open vacant properties on record with the Department of Land Use's Code Enforcement Division. Charging these annual fees can create from \$38,500 to \$385,000 additional revenue annually. I am sure there are more than we are aware. If this law is created and enforced, more vacant properties will be brought to our attention and more revenue will be generated.

New Castle County recently put the Delcastle Golf Course out to bid. It is time to utilize a private/public industry for Carousel Park. We would keep the programs that are money makers and allow an outside firm to run their operations. It is believed that almost \$1M could be saved in doing so. New Castle County is also paying to run the Police Athletic League (PAL). It is time to wean ourselves out of the PAL program. Allowing the PAL to take over the daily operations (including all educational and recreational programs) could save New Castle County approximately \$1.2M annually. It is time to get back to basics. Let the teachers teach and have the non-profits pick up the slack. I would hope New Castle County Police would commit to donate 40 hours annually to the PAL and give back to the community.

During the Row Offices Budget Hearing, it was brought to Council's attention that the Sheriff's office provides documents to the Attorney General's office. It is State mandated that we provide the documents free-of-charge. We have provided 8,000 documents to the Attorney General's Office. Normally, the Sheriff's office would charge the public, \$40 for a copy of such documents. If we could charge the Attorney General's office, the Sheriff's Department could create \$320,000 additional revenue for the County.

In 2005, I did bring to the County and City of Wilmington's attention about our sludge problem. I offered a solution that would be environmental friendly and falls under the Kyoto treaty. The sludge product is manufactured through a bio-thermal technology. Without getting too technical, the sludge is cleaned and the metals are taken out. It is turned into a product similar to coal, but cleaner, and could be sold to Delmarva Power as additional revenue. Additionally, the methane gas released from the manufacturing of the product could also be piped off to Delmarva Power for additional revenue. Since we share the expenses with the City of Wilmington, we would have to share the revenue.

When County Executive Coons announced the first tax increase, I offered several ideas to save money. Instead of putting money into the Farmland Preservation Fund, New Castle County should institute TDRs (transfer of development rights). This allows the farmers and developers

to work together. This can also be used for any new buildings New Castle County would like to build, like a Southern Library or EMS Station.

In 2007, the State of Delaware mandated Dog Control onto the counties. It cost us \$1M to hire Kent County SPCA to perform dog control in New Castle County. The State of Delaware, however, collects the dog licensing fees. If New Castle County is responsible for dog control, we should now collect the dog licensing fees. According the Department of Natural Resources (DNREC) website, there were 16,529 dog licenses sold in the State of Delaware. Since New Castle County accounts for 54% of the households in the State, we could collect anywhere from \$25,000 to \$50,000 from the fees. This will offset our costs to provide dog control in New Castle County, even if it is a little.

New Castle County's website is a popular tool among our residents, businesses and visitors. It is estimated that we get 134,397,167 hits annually on our website. People utilize it to obtain Land Use information or to get acclimated with the programs Community Services offer. Why not allow businesses to advertise on New Castle County's website? We can charge for space. I think it's an inventive way to create revenue and have already sponsored legislation to get the ball rolling.

New Castle County hired Public Financial Management from Philadelphia to provide statistics on several proposals to the State Legislature on possible revenue generators that required State action to become a reality. I believe several were incredibly innovative and deserve more attention. For instance, the City of Wilmington and Dewey Beach are able to collect a lodging tax. If New Castle County would be allowed the same, it could possibly create \$1.9 to \$5.2 million annually. This would mainly be imposed on visitors. New Castle County receives a 911 surcharge through residential customers. Since more customers are opting to use cell phones instead of land lines, New Castle County should also impose a surcharge on cell phones to help cover the cost of emergency services. If adopted, the 911 Cell Phone Surcharge could result in an estimated \$1.3 million to \$2.6 million annually. Lastly, Public Safety is one of the biggest expenses to New Castle County but there are not many chances for cost recovery. One idea the Administration had was to add a surcharge onto traffic violations issued by New Castle County Police. If we would be allowed to do this by State law, it could add \$250,000 to \$600,000 annually.

If you include the aforementioned revenue generators with the County Executive's proposed cuts in salaries and services, it could balance the budget! I would also like to propose this be Revenue determined. If New Castle County starts to operate back in the black, these fees can be reduced. Hopefully the General Assembly would allow New Castle County to do this under Title 9. Please contact your State Senator and Representative and tell them you want to see these proposals enacted. [Click here to find your State Legislators](#)