

Attention

CITY OF BIRMINGHAM TAXPAYERS

Those of you who attended the Commission Meeting of Monday, February 27, 1961, concerning the rare issue of purchasing an existing and currently operating Parking Facility for a Parking Facility, may have been understandably confused.

The Commission had under consideration the purchase, substantially with Taxpayers' funds, of the Parking Facility from the present owners and operators—the Wabeek-Jacobson interests.

Two options were involved:

Option #1—Provided for the purchase of the area owned solely by the Wabeek-Jacobson interests for the sum of \$600,000.

Option #2—Provided for the purchase of the same land as in option #1, conditioned, however, upon the acquisition of additional land by the city, the purchase price being only \$400,000.

Please read options #1 and #2 again. The figures are not a printer's error, but they do conjure up a fantasy. Here, right before your eyes is a proposition where you can get more for \$400,000 than you can for \$600,000. The mystery of this phenomenon of the options was not revealed at the meeting as to who drafted these options, who approved them, and at what time and date they were conceived. Wouldn't you think such action governing a mere \$400,000 or \$600,000 of the Taxpayers' money should be a matter of record?

It was established, however, that not sufficient Taxpayer Funds are available at this time to pay out either option in its entirety, but our not-to-be-denied City Commission decided unanimously to commit the Taxpayers to the popular "spend now and pay later" plan to accept option #2. Our elected representatives and employees make the commitment for us—the question is, will they be around if the contract goes into default?

We, the Taxpayers, now own a ready-made, existing Parking Facility; are now "in business"; and all we have to do is pay back the money the Commission obligated us for to remove this identical property from our Tax Rolls. In other words, we just traded an asset-producing tax revenue for a Tax-Financed liability.

It was found difficult, in fact impossible, to get Commissioners Renfrew and Ingraham to guarantee that their rosy projected revenue estimates would definitely liquidate this obligation at maturity or even before. However, according to them, that would be no problem. Apparently, all that would be necessary would be to raise the parking rates or the taxes. Perhaps they are aware of the current financing problem of the Mackinac Bridge Authority, and therefore are not positive the same condition may not develop with this latest parking facility. They probably feel that discretion, at this phase of their valorous representations, better suits their position.

The Merchants of Birmingham should appreciate the financial burden you are relieving them of, by providing them with supervised and maintained Parking Facilities, and relieving them, too, of validating parking tickets of their customers—usually Taxpayers. The City should do very well, too, for it does not have to pay either any Federal Income Tax, nor any Property Tax.

At least, and at last, your alert Commission, Mayor and City Manager have finally achieved for us, the Taxpayer, the popular conception, in its present hysteria, that "you can spend yourself out of debt". No doubt about it, government can spend itself out of anything, at the Taxpayer's expense. Wabeek-Jacobson interests should be commended for being old-fashioned enough to take our cash and relieve themselves of what was an investment and burden.

It has proven to be good business in other areas—some right here in Birmingham—to provide ample parking facilities on tax-producing revenue property free-of-charge to their customers. Your Commission has chosen to subsidize local business with substantial Taxpayers' money. Rather than use it in the real "Public" interest — namely, reduce the school tax.

But this is what we vote for, isn't it? It has been a privilege to bring these facts to your attention, and hope you will pursue your interest in better government.

This Message Paid For In The Public Interest By
COMMITTEE FOR CONSTITUTIONAL GOVERNMENT

William F. Thomas, Chairman