

Dear Fellow Memphians:

Our city is at a crossroads. Steadily, we are losing population and businesses because crime is too high, public schools are struggling, and our property tax rate is higher than any other city in Tennessee.

In the areas of crime, education, and property taxes, our city needs dramatic change and we must do something within reason to stop the hemorrhaging. I'll explain:

1. Crime

Blue Crush is a program developed six years ago, which assigns police officers on "details" to areas of town hit hardest by crime based on data. From 2007 - 2011, the most serious crimes were reduced by 26.5%, due in part because we paid our police officers overtime to run Blue Crush details.

For some unknown reason, Blue Crush overtime was taken away from the Memphis Police Department in July 2011 without notice to the public, the Crime Commission, and the City Council. As a result, Blue Crush details were reduced by 60 - 70% and serious crimes have increased in the last year by 10%.

For a detailed review of the changes made to Blue Crush, please see the three page summary I drafted and the documents I have uncovered in the last two months showing the cuts made to Blue Crush: <http://www.cityofmemphis.org/Government/CityCouncil/District5.aspx>

2. Education

Crime reduction, schools performance, and economic activity in Memphis would improve greatly over the long term if children entering kindergarten were better prepared for their education that follows. Recently, I was informed that a deal to bring a new company and jobs to Memphis fell apart due to the company's concerns over our public schools.

According to research done by the Urban Child Institute of Memphis, pre-Kindergarten programs for four-year-old children have resulted in significant improvements in cognitive and language skills, test scores, and motor skills. Children who have participated in pre-Kindergarten also have better attendance, fewer behavior problems, and increased chances of reading at grade level by the 4th grade. (See the Urban Child Institutes study at <http://www.urbanchildinstitute.org/articles/policy-briefs>).

If most grade school students in Memphis could read at grade level, we would see dramatic change in Memphis over the next 10 to 20 years. Children would be better educated and prepared for life after school and more would attend college. Crime and poverty would go down. Memphis would be better prepared to recruit businesses and jobs to the city.

3. Property Taxes

For years, Memphis has been saddled with the State's highest combined property tax rate (county and city). We currently pay 40% more than the citizens of Chattanooga and 53% more than the taxpayers of Nashville.

Differences in our property tax rate and those in other cities result in "hundreds of thousands of dollars" in additional taxes to be paid by potential investors if they come to Memphis. Our relatively high rate is "driving investment out of the city." (*Memphis Business Journal*, April 27, 2012).

The City Council has cut the property tax rate from 3.43 to 3.11 in the last four years. We need to push it down even further to be competitive.

4. Proposed Solutions

With respect to crime reduction, we need the Mayor and the Memphis Police Department to commit to once again fully funding and implementing Blue Crush. I will ask for such commitments.

During the five years I have served on your Memphis City Council, I have never supported a tax increase, particularly because the revenue was destined for the city's operating budget to be used in a non-specific way.

Several years ago, I heard then-Governor Phil Bredesen reflect on his time as mayor of Nashville. He said that government never should ask for a tax increase simply to pay its ordinary operating expenses, and I agree with him. Any tax increase should be used for new programs and be clearly defined. Taxpayers should always be allowed to vote any tax increase up or down.

Currently, along with Councilman Shea Flinn, I am proposing a public referendum to increase the city's **sales tax** by one-half (0.5) percent from 9.25% to 9.75%. It is estimated that such increase would result in \$47 million in revenue.

We also propose a commitment to spend this income as follows: \$27 million for the pre-Kindergarten education of 4 year old children in Memphis and \$20 million to reduce the city's property tax rate by 20 cents from 3.11 to 2.91. (That would result in an overall 15% reduction from the 3.43 rate we had five years ago).

We need to drastically reduce crime and our property tax rate and improve education if this city has a chance. This sales tax proposal helps us with all three of these issues.

We have cut the property tax rate in the last four years and I will continue to lead the push to lower expenses and property taxes. As *Memphis Magazine* points out, "Strickland has evolved into the council's most persistent voice for greater budgetary discipline." (August 2010).

This is a game changer for Memphis. We are often only given one opportunity to make dramatic change for our community, and I am hopeful that our city will come together and grab this chance for substantial improvement.

If you have any questions or concerns about these issues, or any other issues, please let me know.

Sincerely,

Jim Strickland