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ATTACHMENT 1

Cal Horton

From: Roland Giduz [rgiduz@nc.rr.com]
 Sent: Monday, February 11, 2002 12:08 PM
 To: Cal Horton
 Subject: written petition to the Town Council

Hello Cal,

***I left a telephone message for you this morning to inquire as to how and how soon I can present this as a written petition for the formal consideration and agenda of the Town Council. Thank you for letting me know. –Faithfully,
 Roland Giduz***

A Written Petition to the Agenda of the Chapel Hill Town Council

From: Roland Giduz, private citizen

A significant source of much-needed money for the Town of Chapel Hill continues to go a'begging. This is surprising, even amazing, in light of the town's serious financial crises.

We understand that services must be cut and ad valorem taxes raised.

Citizens already hard-pressed to pay taxes on necessities will have to dig even deeper – unless our government and its leaders choose to pursue this immediately obvious and comparatively painless pool of money.

It is not a full remedy or cure-all. But it is readily available, and can help significantly. It lies in luxury sports entertainment.

The Town of Chapel Hill should again seek authority from the state, as it has timidly over almost 20 years, to enact a modest (less than the existing sale tax levy) tax on big ticket sports entertainment – basically UNC football and basketball tickets. This could produce \$1 million a year in revenue from a voluntary source – people who choose to go to these entertainment events. The tax will not affect attendance. Only the win-loss records will do that, and Carolina is permanently determined to do what is necessary to win.

At least six similarly situated U.S. cities already tax their university sports admissions. This is a long-term goal, but one that should have been providing needed local revenue for many years past.

A minor but immediately available source is an additional raise in the Tar Heel Express basketball/football bus ticket charge — which was kited 50% in the year 2000 with no resulting public outcry.

The University should also join the town to support enabling legislation for a municipal entertainment tax, the revenue from which would be earmarked for the expense of the fare-free Chapel Hill bus system. This would actually save the University a lot of money in the \$700,000 subsidy it pays the town for this service.

Why isn't this idea being pursued? I can't imagine. I have talked to our good legislators (and I say that

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sincerely) Rep. Joe Hackney and Sen. Howard Lee and they have shown total disinterest. Sen. Elle Kinnaird and Rep. Veria Insko are favorable, but to date unsuccessful.

The Chapel Hill Town Council has been supportive in principle, but little more. The University has stonewalled against this idea. Town-Gown discussions, I am informed, have not included this topic. Why? Shouldn't luxuries be taxed to a reasonable level before necessities are exploited?

Roland Giduz
rgiduz@nc.rr.com
Box 44, Chapel Hill NC 27514
919/942-2194