

PAUL KATAN
CANDIDATE FOR PRESCOTT CITY COUNCIL

1. Why are you running for Mayor / City Council? Please describe your economic and financial training and experience, and explain why the people of Prescott should be willing to rely on you to make complex decisions on what activities the City should undertake, and how they should be paid for.

If elected to the Prescott City Council, I will work full-time to ensure that Prescott is a great place to live, work, and play, now and for future generations. Given the current state of government, I feel it will take active leadership to carefully protect essential services while finding ways to reduce the tax burden to our citizens.

My economic and financial training experience includes:

- Being a board officer with fiduciary responsibility, developing and approving budgets for two 501(c)(3) Corporations for five years each.**
- As a board officer, negotiating and approving funding contracts with the City of Prescott, Prescott College, and Yavapai College.**
- Developing and administering government grants totaling over \$500,000.00**
- Developing and administering a program budget as a program manager for approximately 6 years**
- Budgeting and fundraising for two start-ups, one industrial and one dot-com**

I believe my leadership experience in the non-profit sector, along with experience in fundraising and grant development will allow me to promote funding alternatives to taxing, to meet the wants of Prescott's citizens.

2. What is the biggest tax-related issue facing the City of Prescott today? What recommendations do you have for dealing with it?

The biggest tax issue facing the city is the combination of the historic reliance and current reduction of sales tax revenue. If elected, I would address declining sales tax revenues through the city budget process. I believe in a conservative approach to budgeting where needs are supported and wants are carefully considered, with an eye toward the future.

3. What is your position on the September 1st, "Vote YES for Streets" ballot proposition and why?

The existing, voter approved one percent sales tax (for streets and open space) expires in 2015. The "Yes for Streets" ballot measure proposes a three-quarter cent sales tax that would begin in 2016 and last 20 years. While I am reluctant to support any new tax, I will vote for this local sales tax for a few reasons. It separates streets from open space funding and will allow the city to bond

for current, necessary road repairs. Additionally, the bonding should help alleviate some of the budgetary stress due to declining sales tax revenue.

4. Are you in favor of subsidizing private enterprises to locate in Prescott – under what conditions?

I am opposed to offering money to businesses to locate in Prescott. The city has used the installation of public infrastructure as a means to attract new businesses such as Lowe’s. If elected to the city council, I would oppose such incentives solely for big box retailers. I would however support using zoning and infrastructure that benefits the public to attract “green” and clean industry employers to bring higher paying jobs to Prescott.

5. Do you support the right of Prescott citizens to vote on spending projects of \$40 million or more, adjusted for inflation, as provided in the proposed Taxpayer Protection Initiative?

The “Taxpayer Protection Initiative” will require the city to put projects costing \$40 million or more to a vote of the people. The initiative would also require the city to provide voters with specific information about the financing and liability associated with the proposed project.

While I have not personally decided how I will vote for this initiative, if it passes and I am elected, I am prepared to work within its constraints to ensure broad public understanding of city projects.

6. Prescott's 100 year-old underground water delivery and waste systems are deteriorating, wasting water and leaking sewage into the ground. An independent consultant's report highly recommended replacing them for health and conservation reasons. Please list which capital improvement projects you would defer, in order to update our underground water and sewage systems?

- A. Downtown Fire Station Y**
- B. Upgrade Police Practice Range N**
- C. Willow/Watson Fire StationN**
- D. Police & Fire Storage N**
- E. Airport Runway Land Purchase ..Y**
- F. Park UpgradesY**
- G. Police Headquarters’Y**
- H. Rodeo Grounds Y**
- I. Fire Training CenterY**
- J. Other

7. How would you improve the lack of trust that exists between the Council and the populace?

I believe that serving the citizens full-time, excellent communication skills, and advocating on behalf of the public at meetings will help to re-build the trust between the council and the public.

8. How would you support and promote regional economic development in Prescott?

I would support and promote regional economic development in Prescott in a number of ways. Through planning, zoning, and annexation the city can prepare for more commercial projects and employers. The airport master plan and the Cavan annexation are examples.

I believe by being sensitive to the needs of local businesses and local industries (such as aviation and health care) the city of Prescott can help foster a healthy economic environment that is attractive to other businesses. For example, the Prescott Airport is a regional airport that not only can meet the transportation needs of area residents, but also can serve ERAU and attract new aviation businesses and employers.

Additionally, despite costly past efforts, I am in favor of working with our neighboring cities to plan for future regional economic development.

9. How can we maintain the present flavor of Prescott and manage the quality of the new growth that is needed to sustain our sales tax revenue?

I support the city's effort to employ an additional form based code. This will allow developers to employ "smart growth" strategies such as mixed use, density, and open space in developing a viable project. The upshot of this code will be successful projects that not only make more efficient use of land and water, but also reflect our historic downtown.

10. If you needed to balance the City's budget, would you vote to increase taxes or would you vote to make the required cuts in the City's budget? Would you single out specific departments or would you make an equal cut across the board for everyone?

Again, I believe in a conservative approach to budgeting where needs are supported and wants are carefully considered, with an eye toward the future. I would certainly vote to make cuts instead of raising taxes. As far as which departments and how to cut, I liken government spending to a man who is bleeding out. We must stop the biggest critical losses first.