

A Publication of the Public Life Foundation of Owensboro

PUBLIC LIFE *Advocate*

September 2011 – Volume 8, Issue 2
Owensboro, Kentucky



Public forum participants

SUPPORT

**expanded downtown
convention center plan**

On July 27, 2011 Mayor Ron Payne requested that the Public Life Foundation of Owensboro (PLFO) and the "We the People" (WTP) organization facilitate three public forums on the proposed convention center. Mayor Payne requested that the forums focus on the following information:

1. The reasoning behind the size and design of this facility.
2. The total costs of the facility.
3. Where any additional funds would come from to complete the Center.
4. A reconciliation of the original Gateway plan to where we are today.

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By David Smith

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Toward a wiser public judgment

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Mayor Payne called for a report on August 31 that captures “how the public feels” about the convention center project. He suggested two forums be held within the city and one forum outside the city limits in Daviess County.

In response to that request, PLFO and WTP worked with City Manager Bill Parrish and other city staff to design a format that would accomplish these goals, engage the public and determine the conclusions of those in attendance. This was not the methodology and small group dialogue that typifies our work at the foundation, but we participated because more information shared with the public on such an important community decision is inherently valuable.

The presentation materials were developed by city staff and the team of consultants representing Trahan Architects, Conventional Wisdom, City Visions, ConsultEcon, Global Spectrum and Denark Construction.

The forums were promoted through advertising, news releases, email and social networking.

The forums were held on Wednesday August 24 and Thursday August 25 at the RiverPark Center and on Friday August 26 at Western Kentucky University – Owensboro. The forums ran from approximately 6:00 p.m. to 8:45 p.m.

During each forum, presentations by Bill Parrish and the consultants comprised approximately 90 minutes. Questions and comments from the audience were welcomed in verbal or written form and comprised approximately 75 minutes. Volunteers sorted the written questions to reduce duplication. Attendees were invited to pose questions or make additional comments directly with city staff or the consultants following the forum.

The forums attracted 291 on Wednesday, 171 on Thursday and 72 on Friday for a total of 534 attendees. This number does not include city or county staff, elected officials, volunteers or consultants.

Demographic breakdown of those who completed questionnaires:

	Forum Participants	Census Data
Male	60 percent	48 percent
Female	40 percent	52 percent
City resident	73 percent	58 percent
County resident	27 percent	42 percent
18-24	2 percent	9 percent
25-34	6 percent	12 percent
35-54	25 percent	28 percent
55+	68 percent	26 percent

Questionnaires were distributed toward the end of the program. Approximately 317 participants (60 percent) completed questionnaires (although some did not complete every item on the questionnaire).

Another 119 participants (22 percent) added comments to their questionnaires. Some questions and comments were submitted prior to the forum by those who were unable to attend. (All the comments are attached as an addendum to this report.)

Questionnaire Responses:

The proposed convention center is	
the right size	224 (73%)
too large and should be scaled back	65 (21%)
too small and should be expanded	19 (6%)

If additional funds are needed	
Use existing city resources or revenues	150 (44%)
Scale back the size of the convention center	59 (17%)
Scale back other components of the downtown plan	45 (13%)
Borrow additional funds – if no tax increase	90 (26%)

Impressions of the convention center's...

	5 very favorable/favorable	3 not sure	2 unfavorable/very unfavorable
location	287 (91%)	6 (2%)	21 (7%)
size	233 (74%)	33 (10%)	50 (16%)
appearance/design	252 (77%)	45 (14%)	30 (9%)
use of riverfront	268 (82%)	32 (10%)	25 (8%)
cost	240 (69%)	51 (15%)	55 (16%)
impact on ...			
tourism/conventions	238 (84%)	21 (7%)	23 (8%)
the rest of downtown	238 (76%)	47 (15%)	28 (9%)
economic development	250 (75%)	48 (14%)	36 (11%)
community pride	277 (83%)	28 (8%)	28 (8%)
community image	261 (84%)	27 (9%)	23 (7%)

COMMENTS

General feelings about the project

The most frequent comments added to the questionnaires were brief expressions of support for the convention center project. Twenty-six such comments were submitted.

Examples include:

"Go for it! Exciting! I'm proud to be part of this community! A no-brainer; Let's do it! A convention center is essential. Best thing that's ever happened to Owensboro. A Home Run! Owensboro will be a destination." People will come!"

"We're on the right track. We need the convention center. Do this while rates are low. We must be bold! Look forward to this being built – go for the largest design."

"Need this now! A showplace! Long overdue. Thank you! I fully endorse."

Just a couple of added comments reflected an overall negative tone: *"We don't need it."* And they questioned if this is the right time.

Concerns about costs

The second most frequent group of comments was related to costs. There were 19 such comments.

For example:

"The assumptions are too optimistic. It's too high. We can't afford it! It will be a white elephant. I'm concerned about the operating deficit. We can't compete with large cities. The economy is far from recovery; wait until we have the money. Seems so excessive for the times we're living in."

"Taxes are too high already. This community couldn't support the Executive Inn – how can we support this?"

"Have operating deficits been factored into city and county budgets? I'm concerned with the projections of events. What will it cost to keep the windows clean?"

Several participants noted that they now understand the rationale for building a larger center. One commented that he trusts the city finance director.

Need for more and earlier information

Comments related to communication shortcomings were expressed by 17 forum participants. They said things like:

"These forums should have been held earlier, and it should have been a more open process. Long overdue. Waited too late. If there had been involvement earlier then these forums wouldn't have been necessary."

"Residents were not considered. City has made up their mind and the people will pay for their mistakes. City should have been more forthcoming about costs until they were challenged. Regular citizens tired of being railroaded."

"The die is cast; it's too late to change anything."

However, there were 10 comments on questionnaires in which forum participants complimented officials for the informative nature of the forums:

"Very informative! Excellent! Good information! Impressed with Bill Parrish. Superior presentation. Appreciate all the hard work and study on this project."

Local construction jobs

Eight questions and comments were related to labor issues and concerns.

For example:

"Insist that our local men and women build this. Use a Project Labor Agreement. Require that local skilled craftsmen work on the project. This needs to be quality construction."

Architecture

Three participants applauded the convention center design with statements like:

"Great architecture! Love it! Loved the first three-story design, but I still like the more affordable two-level design."

But six participants shared concerns about the design:

"It's too modern to fit with current city architecture. It doesn't blend. It doesn't fit in - too eclectic. Should fit in with RiverPark Center. Looks like a shrine to the architects."

Size

Ten comments were added about the size and were divided equally. Some think the center is too big. Some think it is the right size. Some want it to be large enough for sporting events and high school graduations. Some don't want us to look back and wish we had built it larger.

Hotel

Four participants added comments to their questionnaire in which they expressed the need for more hotel rooms near the convention center.

Parking

Three comments were added to stress the need for adequate parking considering the high volume of traffic and attendance projected by the consultants.

Impact on downtown and the downtown plan

Three participants commented that the downtown will benefit greatly from the convention center. Three others were concerned about the impact of the expanded and more costly convention center on the Gateway master plan.

Other

Several additional topics were added to one or two questionnaires.

These include:

- the importance of and the belief that private investment will be attracted to downtown as a result of the convention center
- the concern that the use and option to use local event planners and caterers may not be allowed at the new center
- the importance of the street and sidewalk improvements

and amenities such as bikeways, bike racks, beautification, farmer's market, programs at the new park, and more

- the need for a tennis center
- the need to use geothermal and solar power
- concerns about meeting earthquake standards
- strong support of downtown housing
- concerns that the African American community has not been involved
- the need to emphasize marketing
- the need for a professional management team
- concerns about the service area on the riverside

SUMMARY OF WRITTEN COMMENTS

Comment	Number of Comments
General impressions – positive	***** (26)
General impressions – negative	** (2)
Concerns about costs	***** (19)
Need for more and earlier info	***** (17)
Local construction jobs	***** (8)
Architecture – supportive	*** (3)
Architecture – concerns	***** (6)
Size – too big	***** (5)
Size – right size	***** (5)
Hotel- need for more rooms	**** (4)
Parking	*** (3)
Impact on downtown plan	*** (3)
Other (11 topics)	* or ** (1 or 2)

CONCLUSIONS

The three forums were well-attended. Few community events such as this attract 534 people – no matter the issue or proposal. Such participation reflects widespread interest and concerns about downtown, riverfront and the convention center project.

Forum participants did not comprise a scientific sample. They did, however, reflect a valuable cross section of the community. There is a need to attract the perspective of more young people who were not well-represented.

The forums were educational. A torrent of information was shared by city staff and a large team of consultants to the point that it could be overwhelming. Consequently, there was not as much time as we had hoped for the question and comment period.

The significant take-aways from the forums:

1. By an overwhelming margin, forum participants support the latest and more ambitious convention center size.
2. The convention center is very popular among the forum participants. They see significant impact in the use of the riverfront, impact on downtown, community pride,

tourism, employment, etc.

3. There is value in surveys and polls, but respondents may or may not be informed about an issue. Participants in these forums benefited from 90-minutes of presentation and follow-up question and comment sessions before they were asked to come to judgment and complete questionnaires.
4. There are lingering concerns about costs – both capital construction and operating subsidies.
5. To fund a shortfall, participants prefer that the city use existing funds or revenues. They are open to borrowing money if it does not involve a tax increase.
6. Most forum participants do not want the downtown plan to be scaled back because of the higher priced convention center.
7. Based on comments added to the questionnaire and questions and comments that were submitted in writing, there appears to be a strong sense that this kind of information is appreciated and that it should have been shared with the public early and regularly throughout the development of the downtown plan and convention center.
8. There appears to be solid support for local contractors to receive work on the convention center construction.

WHAT'S DONE | A CIVIC WHAT'S NEXT | PACT

Citistates analyzes Owensboro-Daviess County

How has our community done in the last 20 years? What's in store for the future of Owensboro-Daviess County?

The Public Life Foundation of Owensboro has retained the services of the Citistates Group to conduct a 20-year update of its 1991 analysis of Owensboro-Daviess County. The 1991 report ran as a front page series of seven articles in the *Messenger-Inquirer*.

The Citistates Group was established by Neal Peirce, an award-winning nationally syndicated columnist who specializes in challenges facing cities. Peirce's column has been syndicated by the Washington Post's Writers Group since 1975. Author of numerous books and articles, he has been featured on Meet the Press, the Today Show, and National Public Radio. He was a founder and contributing editor of National Journal, editor of *Congressional Quarterly*, and member of the National Civic League's Executive Committee for nearly 25 years.

The primary researcher and writer of the Owensboro report will be Keith Schneider, since 1981 a special correspondent for the *New York Times*. He specializes in environment, agriculture, energy, land use, urban development, and public policy. Schneider is a leading innovator in applying the principles of original reporting and commentary to secure public interest advances. For national reporting, he has won two George Polk Awards, among the most prestigious in American journalism. He has appeared on CNN, C-Span, National Public Radio, CBS-TV, ABC-TV, Westinghouse Broadcasting and others, and delivered talks on more than 25 university campuses, 40 states and three nations.

Curtis Johnson, President and CEO of Citistates, will be a principal in the project as well. Johnson brings rich, diverse and relevant experience to the project as former chairman

of the Metropolitan (Minneapolis-St. Paul) Council, college president, author, leader of a public affairs research organization, and policy advisor to Minnesota Governor Arne Carlson.

We plan to dive deep into Owensboro-Daviess County's civic, governmental and political infrastructure, and produce a political x-ray of public decision-making in an era of high velocity change.

– Keith Schneider

The 1991 report focused on many aspects of community life: the economy, education, civic participation, leadership, innovation, the environment, land use, jobs and business.

The new report – What's Done, What's Next: A Civic Pact – will revisit these topics and help Owensboro-Daviess County develop a new narrative that takes into account what people want and provides a formula for success, identifying the necessary new ingredients for the community to thrive in this century.

What *has* happened in these 20 years? What has *not* happened? How have our institutions changed? Our leadership? Our sense of community? Our ability to get things done? Is there a common vision?

"We plan to dive deep into Owensboro-Daviess County's civic, governmental and political infrastructure, producing a political x-ray of public decision-making in an era of high velocity change. This will help your community understand what's different since 1991 in how your community is managed. The report will offer guidance to citizens on how to more effectively engage, lead, and influence the governing process, effect change and establish better public policy," Schneider said.

Since June, 2011 the Citistates team has been conducting research and interviews with community leaders, innovators, advocates, those working and unemployed – people from all walks of life.

The report is being released in three chapters. The first two chapters were presented at public meetings that included presentations by Keith Schneider and complementary panel discussions moderated by Curtis Johnson and featuring local leaders. The final report will be released in October.

The project is funded by the Public Life Foundation of Owensboro. Founder John Hager was owner and publisher of the *Messenger-Inquirer* when the 1991 Peirce Report was completed.

Chapter One (completed)

Taking Stock, What Happened in 20 Years

Chapter Two (completed)

Underlying Big Decisions,
An Operating System that Works, Mostly

Chapter Three (October release)

A New Narrative for
Owensboro-Daviess County

www.civicpact.org

Doing it ourselves:

When it comes to convention centers, arenas, performing arts and judicial centers, other Kentucky cities have relied much more on state funding

By David Smith

In his 2001 report on the development of the Owensboro regional economy, University of Louisville economist Paul Coomes observed that Owensboro was “off the Frankfort radar: a self-reliant (city) in a big government state.” Nowhere is that more obvious than when it comes to large public projects like convention centers, arenas, performing arts centers and judicial centers.

The most ambitious component of the Owensboro downtown master plan is an events/convention center to replace the privately owned Executive Inn Rivermont. City and county officials raised the local insurance premium tax to finance the project without assistance from state government.

The preferred site for the new events/convention center was the downtown state office building property bounded by Veteran’s Boulevard, Frederica Street, Second Street and St. Elizabeth Street. To sell the property to the city, the state required that the city also assume the ownership, management, maintenance and the \$500,000 annual operating subsidy for Ben Hawes State Park.

A month after the Hawes Park property was transferred, the state Division of Fish and Wildlife Resources agreed to take over Otter Creek Park from the City of Louisville and its \$600,000 annual operating costs – and to reopen it as a state outdoor recreation area.

Here is a look at other major public assembly facilities across the state and how they were funded:



CONVENTION CENTERS

Kentucky International Convention Center Louisville, KY

The Kentucky International Convention Center was originally named the Commonwealth Convention Center when it opened in 1977. A 1999 expansion project doubled its size and the facility was renamed. It is owned and operated by the state-funded Kentucky State Fair Board.

With 300,000 square feet of space, the convention center can easily accommodate a wide variety of sizes and types of events. Approximately 200,000 square feet is prime exhibit space including 145,000 square feet of contiguous, column-free areas.

Accompanying the exhibit halls is a 30,000 square foot ballroom and 52 meeting rooms (80,000 square feet). The facility hosted the NCAA Division II Basketball Championship from 1995-2000. A 392-room hotel with 20,600 square feet of meeting space is connected to the center. There are 2,300 hotel rooms connected to the center via enclosed skywalks.

The 1995 expansion attracted \$25 million from state government. (*Herald-Leader*, October 27, 1995)



Lexington Convention Center

Lexington, KY

The Lexington Center was built in 1975 and included 23,000-seat Rupp Arena, Heritage Hall's 78,000 square feet of meeting and exhibit space, and the Civic Center Shops. Lexington metro government issued \$37 million in bonds to finance the project.

In 2000, Lexington officials proposed investing \$15 million to upgrade the complex if the state would dedicate \$30 million with less than one-third of all the money spent on Rupp Arena. (*Herald-Leader*, October 13, 2003) A 17,000 square foot ballroom was added, with additional pre-function and conference space.

There are two hotels adjacent to the center with 741 rooms and 30,000 square feet of additional meeting space connected by skywalks to the center. The renovated facility now has 135,000 square feet of meeting and exhibition space.



Northern Kentucky Convention Center

Covington, KY

The Northern Kentucky Convention Center is located in the Covington Landing complex along the banks of the Ohio River. This 204,000 total square foot multi-purpose facility has 110,000 square feet of meeting, exhibition and social function space. The center is designed to make it as convenient and efficient as possible for meeting, conference and exhibition planners.

The Convention Center is made up of the Brereton C. Jones Exhibition Center which has 46,200 square feet of space for 235 10' x 10' booths and receptions for up to 2,500 people and meetings for up to 3,000. A conference level includes 10 breakout rooms totaling 13,288 square feet and a 22,800 square foot ballroom can be divided into five separate spaces. The main lobby features 8,000 square feet of public space equipped for registration, exhibits and receptions. There are 544 adjacent hotel rooms with more than 16,000 square feet of additional meeting space.

The Convention Center received \$25 million from the state in 1995 (*Kentucky Post*, November 30, 1995) and an additional \$3 million in 1996 (*Kentucky Post*, April 12, 1996). It received an extra \$1.5 million for cost over-runs in 1998. (*Herald-Leader*, January 21, 2003). It also received \$1 million for design in 1992. (*Herald-Leader*, February 7, 1992)



Sloan Convention Center

Bowling Green, KY

The Sloan Convention Center is a 60,000 square foot facility with 35,500 square feet of meeting and pre-convention exhibit space. The 19,500 square foot grand ballroom has a reception capacity of 1,500 and can be divided into four smaller ballrooms. There are also six breakout rooms ranging from 350 to 2,600 square feet.

There are a total of 444 hotel rooms in the Hartland Development that surrounds the convention center. The center has indoor access to the adjacent Holiday Inn University Plaza. The six-story atrium hotel has 218 rooms, including several suites. The hotel has three salons totaling 4,000 square feet.

The state contributed \$4 million in 1990 towards construction in what was billed as a \$20 million hotel and convention center. (*Herald-Leader*, May 11, 1989)



Bruce Convention Center

Hopkinsville, KY

The Bruce Convention Center has a 20,430 square foot clear span exhibit hall that can be divided into eight rooms of ranging in size from 616 to 15,390 square feet. There is also a 3,740 square foot lobby.

The convention center received \$7.1 million from the state for construction in 2000 (*Kentucky New-Era*, March 25, 2000) and another \$1 million in 2005. (*Herald-Leader*, June 21, 2005)



Carroll Convention Center Paducah Expo Center

Paducah, KY

The Julian Carroll Convention Center and Paducah Expo Center offers 110,000 square feet of convention/exhibit and meeting space, making it the fourth largest convention center in the state of Kentucky. It can accommodate a 335-booth trade show and it has 20 meeting/banquet rooms and 4 ballrooms.

Newly remodeled in 2009, the Carroll Convention Center offers 51,000 square feet of meeting & exhibit space, 20 meeting and banquet rooms, 16,000 square feet of exhibit area for private functions, and is equipped to serve 100 plus booths for trade shows, or a meal for up to 1650 guests. The newly renovated space includes an 18,000 square foot River Ballroom.

Constructed in 2002, The Paducah Expo Center is a 61,000 square foot expansion to the Carroll Convention Center offering nearly 40,000 square feet of exhibition space. It can accommodate a 282 booth tradeshow and features two main rooms, two registration offices, and two concession stand areas. It can be divided for smaller shows and offers an easy loading dock. The Paducah Expo Center is part of the Paducah McCracken County Convention and Expo Center Complex.

The original convention center, constructed in the early 1980's, was paid for by the state. (*Paducah Sun*, January 12, 2009)
The Paducah Expo Center was built in 2002 by hotel room tax-backed bonds and less than \$500,000 in state grants.



KENTUCKY CONVENTION CENTERS

	Louisville	Lexington	Northern KY	Bowling Green	Hopkinsville	Paducah
Cost	\$64 million	\$45 million	\$30 million	\$4 million	\$8 million	
Size (sf)	300,000	135,000	110,000	60,000	20,000	110,000
State \$	\$25 million*	\$30 million	\$30 million	\$4 million	\$8 million	
Year	1977/1999	1975/2003	1998	1990	2005	1980/2002

* Construction costs paid through the Kentucky State Fair Board rather than the General Fund.

ARENAS

While our community has financed, maintained and subsidized the 60 year old Owensboro Sportscenter, over the past 20 years the following arenas have been built and supported across Kentucky with state funding:

KFC Yum! Center Louisville, KY

The KFC Yum Center is a \$238 million arena featuring more than 700,000 square feet. The facility accommodates basketball, concerts and more with seating for 22,000 people. The center includes 75 suites, four meeting rooms with nearly 34,000 square feet of space and a 760 space parking garage. The state provided \$75 million for the arena in 2006 (*Herald-Leader*, March 27, 2006) and created a tax increment financing district to capture state revenues in the district to pay off arena bonds.



Horse Park Arena Lexington, KY

The Kentucky Horse Park's indoor stadium was built in anticipation of the World Equestrian Games held in Lexington last year. The stadium has 5,517 seats and nine luxury suites with 200 suite seats and an event floor size of 40,500 square feet. It cost \$45 million and was paid for by the state. (*Herald-Leader*, July 16, 2009)



Bank of Kentucky Center Highland Heights, KY

The Bank of Kentucky Center is a state-of-the-art sports and entertainment facility that includes an arena accommodating up to 10,000 spectators, 14 luxury suites, two party suites and more than 5,000 square feet of conference rooms.

The state allocated \$54 million in bond funds to build the arena in 2005. (*Kentucky Post*, March 9, 2005) Funding for this facility included a \$6 million donation by the Bank of Kentucky, a Northern Kentucky financial institution. Its final cost was \$69.8 million according to Northern Kentucky University's website.



CFSB Center**Murray, KY**

The CFSB Center seats 8,600 for basketball and 7,800 for concerts and is 73,000 square feet in size. In addition to the floor there is a meeting/banquet room with a capacity of 200 people.

Due to the backlash over Northern Kentucky legislators not supporting the Kentucky Education Reform Act, Governor Wallace Wilkinson removed \$19 million for a Northern Kentucky Convention Center and shifted \$10 million for a civic center in Murray (*Kentucky Post*, March 3, 21, 1990). The Murray community subsequently raised \$2 million privately. Governor Brereton Jones borrowed another \$8 million in 1992 for the renamed Regional Special Events Center. (*Herald-Leader*, February 20, 1992)

The arena received an extra \$1.15 million total in 1996 and 1997 for cost over-runs. (*Herald-Leader*, January 21, 2003) The naming rights were sold in 2010 for \$3.3 million.

**Eastern Kentucky Exposition Center****Pikeville, KY**

The East Kentucky Expo Center was first proposed in the late-1970's and with a former County Judge in the Governor's Office, Pikeville's dream became a reality six years ago. The center seats 7,000 for concerts and 5,700 for basketball. In addition to the 24,000 square foot arena floor, the Expo Center also has 5,000 square feet of meeting room/ballroom space for conventions.

The center opened in October 2005 at a cost of \$29 million, \$16.5 million more than what was proposed in 1998.

Governor Paul Patton issued an executive order in 1998 to create the civic-center board after the General Assembly authorized funding for the project: \$7 million from Pike County's coal-severance tax revenues (*Herald-Leader*, March 14, 1999) and \$5.5 million from the state budget surplus. (*Herald-Leader*, December 11, 1999)

In 2000 Pike County voted to spend \$1.3 million in Pike County Coal Severance money to buy property for the project. (*Herald-Leader*, December 7, 1999) In his 2000-2002 budget, Patton spent \$3.5 million additionally from the local coal severance account and \$6.9 million in state general fund money. (*Herald-Leader*, February 14, 2000) The project received an extra \$1.7 million from the state's construction contingency account and \$2 million in local coal severance in 2003 (*Herald-Leader*, January 21, 2003)

**KENTUCKY ARENAS**

	Louisville	Lexington	Northern KY	Murray	Corbin	Eastern KY
Cost	\$238 million	\$45 million	\$70 million	\$23 million	\$23 million	\$29 million
Seating	22,000	5,500	10,000	8,600	7,000	5,700
State \$	\$75 million, TIF created	\$45 million	\$54 million	\$19 million	\$12 million	\$14 million

PERFORMING ARTS CENTERS

Owensboro was an early mover in creating a downtown performing arts center. Other cities have followed suit with much more help from the state.

Kentucky Center for the Performing Arts

Louisville, KY

The Kentucky Center for the Performing Arts in Louisville was dedicated on November 19, 1983 and was a pivotal project in Louisville's downtown revitalization program. The city of Louisville provided the site, plus \$2.5 million for parking. The state provided \$23.5 million, and private contributors raised a \$12 million endowment. A line-item allocation in the state budget of \$916,900 and a percentage of the Louisville-Jefferson County hotel-room tax also goes to support the facility. (*Herald-Leader*, November 20, 1983)

The Kentucky Center features three performance spaces: Whitney Hall (2,406 seats), Bomhard Theatre (619 seats) and Martin Theatre (139 seats).

For maintenance and building improvements, the center received \$4.5 million in 1998 (*Herald-Leader*, January 24, 1998) with cost over-runs of \$675,000. (*Herald-Leader*, January 21, 2003) The center also received \$9 million for renovations in 2008. (*Herald-Leader*, April 2, 2008)



RiverPark Center

Owensboro, KY

The RiverPark Center opened in 1992 in downtown Owensboro. The center cost \$17 million and received \$500,000 from the city and county each and \$4.5 million from the state. (*Messenger-Inquirer*, May 6, 1989) The city also applied \$700,000 in federal Community Development funds toward land acquisition.

RiverPark Center has two performance spaces: Cannon Hall (1,479 seats) and the Jody Berry Cabaret Theatre (up to 300 seats). The Center also includes the International Bluegrass Music Museum (IBMM).

RiverPark Center and IBMM each received \$3 million from the 1998 state legislature. (*Messenger-Inquirer*, March 14, 1998)



Carson Center

Paducah, KY

The Carson Four Rivers Center is located in downtown Paducah and opened in 2004. The center features an 1,800 seat hall, a 300 seat theater, and two meeting rooms. The facility cost \$30 million dollars with the state contributing \$20 million.



Southern Kentucky Performing Arts Center

Bowling Green, KY

The Southern Kentucky Performing Arts Center (SKyPAC) is under construction in downtown Bowling Green and is a part of the WKU-to-Downtown tax increment financing district (TIF). The proposed \$25 million facility will include an 1,800 seat main hall. SKyPAC received \$6.7 million from the state in 2000 for design and land acquisition. Construction is being financed through TIF bonds and hotel room tax bonds.



Henderson Fine Arts Center

Henderson, KY

The Henderson Fine Arts Center was constructed in 1994 by the state at a cost of \$6.5 million. It is located on the campus of Henderson Community College. The center contains a 981 seat theatre, a meeting room that can accommodate 100 people, and two art galleries. \$700,000 was raised locally for the center.



Center for the Performing Arts at ECU

Richmond, KY

The Center for the Performing Arts at Eastern Kentucky University opens this month and will include a 2,000-seat theater capable of presenting full-scale Broadway-style touring productions and most other music, theater and dance performances, as well as a black box theater that can seat 250 people. It also has 20,000 square feet of instructional space.

Unusual for a performing arts center, the 93,000-square-foot building will be an annex of the ECU's Business and Technology Center that opened in 2006. Madison County provided \$4 million for the combined project. The performing arts center cost \$32 million and was paid by the state.



KENTUCKY PERFORMING ARTS CENTERS

	Louisville	Owensboro	Paducah	Bowling Green	Henderson/HCC	Richmond/EKU
Cost	\$33.5 million	\$17 million	\$31 million	\$25 million	\$7 million	\$32 million
Main Seating	2,400	1,500	1,800	1,800	981	2,000
State \$	\$23.5 million in 1980; \$13.5 million since 2000	\$8 million	\$20 million	\$7 million; TIF created	\$6 million	\$32 million
Year	1983	1992	2004	2012	1994	2011

JUDICIAL CENTERS

Since 1998, the Kentucky Court of Justice has completed, authorized or begun construction on 70 new judicial centers across the Commonwealth.

[Images are available at www.courts.ky.gov/courthousegalleries.]

A listing of the new Kentucky judicial centers, date of completion and construction costs:

Adair County
May 20, 2010
\$12.5 million

Allen County
summer 2011
\$14.5 million

Boyd County
July 17, 2009
\$18.9 million

Bracken County
Authorized construction in 2008
\$15.6 million

Breckinridge County
fall 2011
\$13.2 million

Campbell County
Groundbreaking ceremony Sept. 1, 2009
\$31.1 million

Carlisle County
February 2011
\$10.8 million

Fleming County
Fall 2011
\$13.5 million

Franklin County
Funding approved 2008
\$29.1 million

Garrard County
spring 2011
\$11.8 million

Grant County
April 2010
\$16.6 million

Grayson County
Oct. 27, 2009
\$12 million

Green County
June 4, 2010
\$11.5 million

Hancock County
February 2011
\$11.6 million

Hart County
Oct. 30, 2008
\$11.3 million

Hopkins County
Funding approved 2008
\$19.4 million

Jackson County
Dec. 29, 2009
\$12.2 million

Laurel County
August 2010
\$23.7 million

Lawrence County
Authorized construction in 2008
\$16.3 million

Livingston County
March 27, 2009
\$8.9 million

Logan County
May 28, 2010
\$14.7 million

Marion County
December 2010
\$11.8 million

Mercer County
summer 2011
\$12.4 million

Monroe County
spring 2011
\$11.2 million

Morgan County
2012
\$15.2 million

Owen County
fall 2011
\$12.6 million

Pendleton County
Oct. 22, 2010
\$11.7 million

Pike County
summer 2012
\$30.9 million

Pulaski County
Dec. 20, 2010
\$23.7 million

Robertson County
Jan. 4, 2010
\$3.3 million

Rowan County
summer 2011
\$12.1 million

Russell County
spring 2011
\$11.6 million

Shelby County
spring 2011
\$22 million

Taylor County
Dec. 15, 2009
\$15 million

Todd County
fall 2011
\$11.1 million

Trigg County
Oct. 28, 2009
\$12.3 million

Washington County
May 22, 2009
\$11.9 million

Whitley County
spring 2011
\$17.1 million

Wolfe County
winter 2011
\$10.9 million



Pike County's \$38.9 million Justice Center

Daviess County's Morton J. Holbrook Judicial Center was built in 1990 at a cost of \$5 million (*Messenger-Inquirer*, Sept. 1, 1990)



David Smith recently returned to public service after 15 years managing a small business. Currently he is director of legislative services for the Daviess County Fiscal Court. He is a 1985 graduate of Kentucky Wesleyan College and he earned a masters degree in public policy from the University of Chicago in 1993.

David researched and wrote this report prior to taking his new position with county government.

Exceptions for you. Exceptions for me.

Our state tax system is fraught with exemptions. Could a critical look at these special deals be a more palatable approach toward fairness and a balanced budget?

We all pay state sales taxes on retail purchases. Or do we? When we buy food or prescription medications or livestock, we are exempt from the sales tax. There are dozens of other examples in which individuals, institutions and businesses are not required to pay sales taxes, individual and corporate income taxes, gasoline taxes, inheritance taxes, property taxes and more.

Through the years, Kentucky lawmakers have not followed a formula in establishing these exemptions. In many instances, they were pushed through with the political influence and savvy of lobbyists and special interest groups.

They may not be fair. They may not be consistent. But they are the law, the result of which represents trillions of dollars in uncollected tax revenue.

Anti-tax groups conclude that these uncollected taxes provide additional buying power and investment resources that stimulate the economy and create jobs. Others point to the need to produce revenues for public education, health care, bridges and roads, corrections and more.

Given the serious financial challenges facing the Commonwealth of Kentucky, is it a reasonable strategy to take a fresh, hard look at these exemptions?

The following examples reflect the largest exemptions, each of which is projected to have a fiscal impact of more than \$100 million in fiscal year 2012.

Exempt from sales taxes	Financial Impact FY 2012
Purchases of livestock, poultry, ratite birds, embryos and semen, alpacas, llamas, buffalo, farm work stock and feed, seeds and fertilizers	\$152,800,000
Purchases by non-profit educational, charitable and religious institutions	\$348,700,000
Expenditures for residential utilities	\$347,500,000
Expenditures for businesses services	\$260,000,000
Expenditures for health services	\$590,800,000
Expenditure for legal services	\$111,100,000
Expenditures for engineering, accounting, research and management services	\$187,200,000
Expenditures for automotive repair services	\$124,100,000
Expenditures for other professional services	\$110,800,000
Purchases of prescription medicines, prosthetic devices and physical aids	\$259,600,000
Purchases of food items	\$469,600,000
Purchases by the state, cities, counties and special districts	\$262,000,000

Exempt from income taxes	Financial Impact FY 2012
Dividend income	\$218,600,000
Capital gains at death	\$131,400,000
Exclusion of employer contributions for health insurance premiums as taxable income	\$578,800,000
Standard deduction	\$127,100,000
Exclusion of pension contributions and earnings	\$218,800,000
Exclusion of Social Security benefits, OASI for retirees, disability insurance survivors benefits as taxable income	\$119,100,000
Exclusion of private pensions and individual retirement accounts	\$244,700,000
TOTAL	4,862,700,000

Revisiting, adjusting, eliminating or adding to these exemptions would be a tedious job amid a full-court response to protect special interests and hold a check if not reduce taxes.

If leaders stay focused on fairness and the common good, we would be well-served by an effort to address this issue.

Toward a wiser public judgment

Excerpts from new book by Daniel Yankelovich and Will Friedman

LESSONS ABOUT CIVIC ENGAGEMENT BY TWO PIONEERS IN THE FIELD

Published by Vanderbilt University Press

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...high-quality opinion does not mean opinion that agrees with experts' views; instead it means opinion that is stable and coherent and that takes consequences into account.

...people must 'work through' the temptation to opt for easy answers and wishful thinking... reconcile conflicting sets of values... come to terms with some tough trade-offs.

... the time required for the public to come to sound judgment on an issue is badly out of sync with the urgency of the need for timely solutions.

Political leaders find it easier to pander to the most intensely felt convictions of the public than to present real choices for public consideration.

... one requirement for exercising public judgment that the public needs most (and utterly lacks) is a limited number of credible choices for working through each of the emotion-laden... issues – not more than three or four choices.

Practitioners have been so preoccupied with the difficult task of measuring public opinion that they have brushed aside the question of whether the opinions they are measuring in their polls reflect thoughtful public judgment on vital issues, or mindless venting...

... the public's learning curve is not a dispassionately rational process. Instead, it is charged with all manners of emotion and irrationality.

...People (are not) attentive experts who can take in reams of data, (but) rather... inattentive citizens with busy lives who are more interested in the values underlying policy choices and the practical consequences of action...

The public does not want to scrap representative democracy and move wholesale toward radical populism... we have ... a vast divide separating America's experts and elites from the general public... The divide is especially acute, and especially dangerous, when it comes to science.

... nothing advances the public's learning curve more effectively than the opportunity to discuss and deliberate a specific set of choices, with their value implications cogently set forth.

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Daniel Yankelovich is chairman and co-founder of Public Agenda. He is the initiator of the New York Times/Yankelovich Poll and the author of 12 books. A founding president of the Society for the Advancement of Socio-Economics, he is also chairman emeritus of the Educational Testing Service.

Will Friedman is president of Public Agenda, where he founded its public engagement department in 1997 and its Center for Advances in Public Engagement in 2007. He was previously senior vice president for policy studies at Work in America Institute.