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Committee recommends raising taxes

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WAKE COUNTY -- Cut costs and raise taxes. That's how the Blue Ribbon Committee recommended Wake County pay for a predicted growth spurt. Within the next 25 years, Wake County's population is expected to double, making it about the same size as Atlanta now.

Such rapid growth comes with a price tag of more than \$18 billion. So county commissioners, and the Blue Ribbon Committee, are trying to get a jump start on planning for it, and paying for it.

For the past seven months, the Blue Ribbon Committee has been studying the growth projections and what it means for Wake County. After all their research and work, the committee recommended the county should cut costs as much as possible, and be prepared to raise taxes; namely an additional one-percent sales tax.



Wake County commissioners said they can start implementing some of the recommendations immediately.

Fred Day, Co-chairman of the Blue Ribbon Committee and CEO of Progress Energy Carolina, told county commissioners the committee, "reached consensus on recommending that you seek legislative authority for a 1% sales tax that can be used to pay for schools, with the other half going to transportation needs." He added, "Cost controls alone will not meet the pressing demands of growth."

Another big recommendation from the Blue Ribbon Committee was Wake County should reevaluate property every four years instead of the current eight-year cycle. That way, as property values continue to increase, so will the amount of money the county makes from property taxes.

But some people like Karen Rindge, Chairwoman of Wake Up Wake County, think impact fees, rather than tax increases should pay for growth. Rindge explained, "The impact fee really is geared towards people who are moving here to Wake County and we're not saying people shouldn't move here. We welcome that and we welcome the growth. But they all need to pay their fair share, so we can actually have a good quality of life here."

Blue Ribbon Committee



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Tony Gurley, Chairman of the Wake County Board of Commissioners, said impact fees wouldn't raise enough money for the county. "Wake County only has authority and the responsibility over about 15% of all new housing that goes on in Wake County," he said. "The other 85% of all new housing starts are in municipalities."

NCSU economist and Blue Ribbon Committee member, Mike Walden said of the committee's recommendations, "If adopted, obviously it would mean people paying more money. But what they get for it are more schools, better roads, more open space, better

public facilities, those are all things that any community of this size needs.”

The Blue Ribbon Committee admits its recommendations aren't the final plan for how to handle growth in Wake County, but members say it's a good place to start.

County commissioners said they can start implementing some of the recommendations immediately, like cutting back on costs and improving efficiency. But some of the other recommendations, like the sales tax increase, will have to wait. That requires legislative approval.

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