

Hiawatha Residents to Vote on New Theater April 1

(KNZA)--The Hiawatha City Commission during a special meeting Monday evening unanimously adopted a resolution placing a half-cent city-wide retailers' sales tax proposal on the April 1st general election ballot for the construction of a city-owned movie theater.

Proposed is a state of the art about 78-hundred square foot three-screen theater at a total estimated cost of nearly \$1.7 million.

The ballot referendum would also allow revenue from the sales tax, which is projected to generate \$330,000 annually, to be used for recreational and economic development purposes, with those choices to be determined by future commission's as funds permit.

If approved by voters, the sales tax would take effect October 1st and doesn't include a sunset provision. However, bond counsel Kevin Cowan said future commission's could terminate the sales tax by ordinance.

If approved, Hiawatha's sales tax would increase to 9.15 percent for six years and then decrease back to 8.15 percent when two existing ¼-cent sales taxes expire in 2020 and the county's 1/2-cent sales tax sunsets.

The commission also unanimously approved a charter ordinance allowing for the creation of a public building commission that would issue bonds to finance the theater project, if the sales tax proposal is approved. Revenue from the sales tax would be used to pay off the bonds.

Town hall meetings on the proposed project have been set for March 10th and 24th at the Fisher Center. Both meetings will be held at 6 in the evening. In addition, information on the sales tax proposal and proposed theater is available on-line at arrowtheater.com

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