

ORANGE COUNTY ECONOMIC RECOVERY PLAN

The news that unemployment hit 11.9% in central Florida is clear evidence our local leaders do not understand how the economy works and are taking us in the wrong direction. Our leaders continue to raise taxes, tolls and fees making our economy worse. My opposition continues to spend recklessly and approve unfunded projects which result in more debt and higher taxes.

The health of a local economy depends on the disposable income of local taxpayers. When we raise taxes, tolls and fees it reduces the disposable income our citizens have and starves small business of revenue. The Orange County budget in 1998 was \$1.3 billion; in 2008 it was \$3.5 billion. In ten years the budget nearly tripled. Is it any wonder unemployment went from 3.3% to 11.9% under the “leadership” of my opposition?

Orange County needs new leadership and a new direction. Here is my five point plan to create jobs:

1. **Lower taxes by eliminating waste in government.** This will give consumers more disposable income to spend in local businesses who will hire more people as sales improve.

My 234 page book, “***Building a Better Local Government: How to Lower Taxes and Improve Services at the Same Time***”, outlines over \$1 billion in potential cost savings each year in Orange County.

Once in office, I will create the **Government Efficiency Commission** that will work with leaders of all 14 governments in Orange County to find ways to deliver services more efficiently.

2. **Repeal the toll increase immediately.** This will pump nearly \$100 million per year back into the local economy.

3. **Roll back impact fees to 2002 levels.** Our “leaders” tripled impact fees (taxes on new construction) and have decimated the construction industry.

Impact fees on new homes approach \$40,000 per unit. The combination of impact fees and real estate taxes make new homes unaffordable for most taxpayers in Orange County. By reducing taxes and rolling back impact fees homes will be more affordable. New construction will increase and our economy will begin to grow.

4. Promote a “**tax holiday**” for non-homestead residential homebuyers to purchase Orange County homes. My plan is to offer a two-year tax abatement for non-residents who buy homes in Orange County over the next 12 months. The buyers must invest a sum equal to the abatement in renovations in the home (excluding appliances and furniture) over the first 12 months of ownership. The buyers will also benefit from a 3% annual cap on property taxes.

I project this plan, when marketed properly, will result in the sale of 2000 homes in a 12 month period. This will generate \$300 million in new capital into Orange County and \$10 million in renovation work for small contractors.

More than anything this plan will absorb our glut of vacant housing to help jump start our homebuilding industry again. Central Florida has treated second homeowners and retirees poorly as we have raised taxes over and over while cutting services. We need to lure back this vital part of our economy, and the “tax-holiday” will do just that.

5. I will propose the **Orange County Taxpayer Protection Amendment**. This referendum will require voter approval for government projects in excess of \$50 million. This will prevent special interests from raising taxes and killing small business jobs.

More than anything homebuyers and businesses fear uncertainty. The Orange County government has increased spending, taxes and fees to the point where homebuyers and businesses are afraid to invest in our community. Local government spending needs to be reduced to lower the tax burden on small business and homeowners. In the future, spending needs to increase at no more than the rate of inflation avoid a detrimental effect on our economy. See my video below.

<http://www.youtube.com/watch?v=QOlli3dhZel>

For the last five years I have protested against this wasteful spending and warned our “leaders” about the effects on our economy. All of my opposition raised taxes five years in a row and added billions of dollars in debt on Orange County taxpayers.

My opponents have and will come out with economic stimulus ideas such as the “sales tax holiday” proposed this week. No one will come to Florida because they save 12 cents on lunch. The fact is all of my opponents have been in office for at least six years and are the architects of this current recession. They are responsible for the depth of our recession locally.

It is time to elect a true fiscal conservative who understands how our small business economy works. It is time to end the suffering of our citizens and get them back to work.

Sincerely,

Matthew Falconer

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For Orange County Mayor