

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: B 226-15

Department Source: Parks and Recreation

To: City Council

From: City Manager & Staff

Council Meeting Date: 8/3/2015

Re: Park Sales Tax Extension Ballot Proposal

Documents Included With This Agenda Item

Council memo, Resolution/Ordinance, Exhibit

Supporting documentation includes: Park Sales Tax Fact Sheet-Draft

Executive Summary

Parks and Recreation staff is requesting that Council approve an ordinance placing the extension of the 1/8-cent Park Sales Tax on the November 3, 2015 ballot. This 1/8-cent tax is currently used to fund capital improvements to the City's park system and is scheduled to expire on March 31, 2016. Based on recommendations from city surveys, multiple city commissions, P&R partner agencies, and council members, the recommendation is to extend the 2015 Park Sales Tax for a six-year period. It is estimated that the tax will generate approximately \$18.4 million over the six-year period.

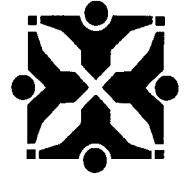
Based on significant public, user group and commissions' input, staff is recommending that the funding be used for existing park maintenance and improvements (47.6%); new park development (18%); trails (16.1%); land acquisition/preservation (13.3%) and 5% for annual funding for equipment replacement and program scholarships. A detailed proposal as to how those funds will be allocated is shown on the attached Draft Park Sales Tax Fact Sheet and will be brought to Council on August 17, 2015 in a companion resolution for review and approval.

Discussion

The Park Sales Tax (PST) is the department's primary source of funding for all capital items, including major maintenance and improvements to existing parks, land acquisition, trail improvements and new development. Prior to the passing of the PST in 2000, park capital improvements were included in the City's ¼-cent sales tax ballot. For example, in 1996, P&R received 9.3% of the City's ¼-cent sales tax and in 1999, P&R received 71%, as that ballot included \$10.5 million for the ARC construction. When Stephens Lake Park was threatened with development, Council proposed a dedicated Park Sales Tax with ⅛-cent being permanent and used for for operating expenses (after

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paying off the purchase of Stephens Lake Park) and 1/8-cent being used for capital improvements. With a dedicated tax for parks all of the City's 1/4-cent sales tax is available for streets, sidewalks, public safety, and general government improvements. In 2000, voters approved the dedicated Park Sales Tax with 53.7% of the vote. The tax has been extended two times, in 2005 (53.15%) and in 2010 (64.3%).

In early 2015, ETC Institute conducted a Community Interest and Opinion Survey for the City of Columbia. The entire report may be found at this link: <http://ow.ly/Q4W7y>. The survey questioned residents regarding their opinion of the Park Sales Tax and how the funds should be used. Key findings related to residents' support for the extension of the Park Sales Tax are as follows:

- 82% of residents are either "very supportive" or "somewhat supportive" of the renewal of the Park Sales Tax.
- Residents varied in their support of extending the tax for any period between 5 and 10 years, with 10 and 8 years each receiving 23%.
- 51% of residents were "very supportive" of making the tax permanent.

Based on the results of this survey, staff is recommending that the Park Sales Tax be extended for a period of six years. This is a conservative time period, which allows the department to solicit and match federal, state and private grants, many of which take multiple years for approval and implementation. This extra year will also allow the department to seek and develop agreements with co-sponsored organizations, private sponsors and partners for various projects.

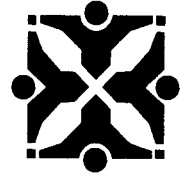
The P&R Department solicits significant public input regarding how the Park Sales Tax funds will be used. In addition to the 2015 Community Interest and Opinion Survey, park staff utilizes the *2013 Parks, Recreation and Open Space Master Plan* as the guiding document for all capital improvement projects. In a companion ordinance, council will have the opportunity to review and approve a list of projects that will be completed if voters approve the Park Sales Tax.

Developing a list of projects as part of the ballot issue is important, as it provides transparency for the voters. The department has prided itself on committing to a project list and then accomplishing those projects. On November 2, 2010 Columbia voters passed a ballot measure extending the existing 1/8-cent Park Sales Tax from April 1, 2011 to March 31, 2016. The projects identified in the 2010 ballot have been completed or are in various stages of construction. It is anticipated that all projects will be substantially completed prior to March 2016.

The Park Sales Tax is extremely important in maintaining existing parks and facilities, as well as keeping up with Columbia's growth.

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1. Park Infrastructure Needs. The P&R Department operates as a “mini-city” within a city, as the department is responsible for all infrastructure within the parks, including parking lots, roads, sidewalks, sewer lines, water and electric utilities. The department maintains over 2 million square feet of parking lots and 2.7 million square feet of roads.
2. Existing Park Facility Needs. The theme, “taking care of what we have” is an important function for maintaining a high quality of life in Columbia. Research shows that parks increase property value by 5%-22% for a home within 500 feet of a well-maintained park.
 - a. 14 park shelters are over 20 years old with several being over 50 years old.
 - b. Playgrounds have a life expectancy of about 20 years. 51 playgrounds are located at 41 locations, which means the department needs to replace 2-3 playgrounds each year. Nine playgrounds are over 20 years old.
 - c. Athletic field infrastructure, such as field lights, needs to be updated to take advantage of existing technology and lower operating costs. Most sports field fencing at Antimi and Albert-Oakland needs replacement.
 - d. Aquatic facility components, such as pumps, motors, filters, valves, etc., need to be replaced on an average of 5-10 years.

According to the American Planning Association, parks provide essential environmental, aesthetic and recreation benefits to our cities. They are also a source of positive economic benefits. They enhance property values, bring in homebuyers and workers, and attract retirees. And while recreational participation declines with age, park use does not. In fact, people between the ages of 65 and 74 use local parks more frequently than any other age group from those 15 and older.

1. Columbia Imagined report supports a healthy park system as one of the top reasons for living in Columbia. The following are excerpts:
 - a. “Park was the word most used to describe a favorite place to go, and trail was the third-most-used word. Similarly, many responses included outdoor activities: walking, running, walking dogs, and hiking on trails.”
 - b. “The top reasons residents cited for living in Columbia focused on the quality of life. Many of the favorite places and activities were mentioned including parks, trails, green space, downtown assets and cultural opportunities.”
 - c. “The elements to preserve reflected many of the responses to the previous three questions. The city park system, the trail system, downtown vibrancy and aspects of the natural environment were most frequently described as needing preservation.”

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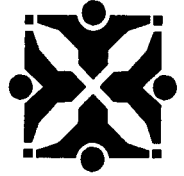
2. The Park Sales Tax is the only dedicated source of funding the City of Columbia has for preserving green space. It is used to purchase land for parks, greenbelts, stream buffer, and natural areas. There is a need to keep up with Columbia's growth.
 - a. Columbia's population has grown 40% or 34,184 residents since 2000.
 - b. The City limits have expanded 11.1 square miles or 21% since 2000.
3. Economic Impact of Parks & Recreation.
 - a. The National Association of Home Builders found that 65% of home shoppers surveyed felt that parks would seriously influence them to move to a community.
 - b. In a study by Miller, et al., a retiree sample was asked to review 14 features and indicate their importance in the decision to move. The first two in ranked order were scenic beauty and recreational opportunities.
 - c. Festivals and athletic events are primary revenue generators. The Show-Me State Games alone has a \$15 million annual economic impact in Columbia.
 - d. The Park Sales Tax is reinvested in the local economy through jobs and purchases.
 - i. When IBM was considering Columbia as a location for their newest Delivery Center, the city's quality of life was an important factor for their ability to attract and retain employees. The existing and planned walking & bicycling trails impressed them as key elements of that quality of life.
 - ii. In the last five years, local contractors received \$6.4 million for local park projects.
4. Parks and recreation programs provide places for health and well-being that are accessible by persons of all ages and abilities, especially to those with disabilities.
5. Access to parks and recreation opportunities has been strongly linked to reductions in crime and juvenile delinquency.
 - a. Research by the Project on Human Development in Chicago Neighborhoods indicates that community involvement in neighborhood parks is associated with lower levels of crime and vandalism.
 - b. 89% of Career Awareness Related Experience (CARE) trainees indicated that participating in the CARE Program kept him/her away from bad influences and helped keep him/her out of trouble.

Fiscal Impact

Short-Term Impact: Placing the ballot issue on the November general election ballot will require the City to pay for a portion of the election. The cost of the election is not known at this time as it will depend on the number of items ultimately placed on the ballot.

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Long-Term Impact: Should the proposal to extend the 1/8-cent Park Sales Tax be approved by voters, approximately \$18.4 million will be generated for improvements to the City's parks and recreation system over the six year period.

Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Parks, Recreation and Greenways

Strategic Plan Impact: Health, Safety and Wellbeing

Comprehensive Plan Impact: Environmental Management, Infrastructure

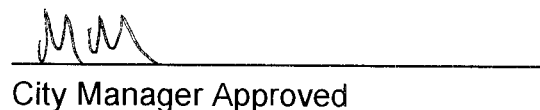
Suggested Council Action

Approve the ordinance placing the proposed extension of the 1/8-cent Park Sales Tax on the November 3, 2015 general election ballot.

Legislative History

1. B190-10 Ordinance placing the 1/8-cent Park Sales Tax on the November 2, 2010 General Election, August 16, 2010
http://www.gocolumbiamo.com/ParksandRec/Council_Agenda_Items/documents/council_2010_08-02_pstballot.pdf
2. R166-10 Legislation selecting projects for the 2010 Park Sales Tax Ballot. August 16, 2010
http://www.gocolumbiamo.com/ParksandRec/Council_Agenda_Items/documents/council_2010_08-16_pstlist.pdf
3. R257-10 Legislation adopting an implementation plan for the expenditure of local parks sales tax revenue (schedule of projects). December 20, 2010
http://www.gocolumbiamo.com/ParksandRec/Council_Agenda_Items/documents/council_2010_12-20_pst_implementation.pdf


Department Approved


City Manager Approved

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 226-15

AN ORDINANCE

calling a special election in the City of Columbia, Missouri, to be held on Tuesday, November 3, 2015, on the question whether to extend the one-eighth of one percent local parks sales tax; directing notification of the election authority; describing the form of the notice of election; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. A special election is hereby ordered to be held in the City of Columbia, Missouri, on Tuesday, November 3, 2015, on the following question:

PROPOSITION 1

SHALL THE MUNICIPALITY OF COLUMBIA, MISSOURI IMPOSE A SALES TAX OF ONE-EIGHTH OF ONE PERCENT, FOR SIX (6) YEARS, FOR THE PURPOSE OF PROVIDING FUNDING FOR LOCAL PARKS FOR THE MUNICIPALITY?

THE CURRENT ONE-FOURTH OF ONE PERCENT LOCAL PARKS SALES TAX IS SCHEDULED TO BE REDUCED TO ONE-EIGHTH OF ONE PERCENT ON MARCH 31, 2016. APPROVAL OF THIS PROPOSITION WOULD KEEP THE LOCAL PARKS SALES TAX RATE AT ONE-FOURTH OF ONE PERCENT FOR AN ADDITIONAL SIX (6) YEARS.

THE CITY INTENDS TO USE THIS SALES TAX TO FUND PROJECTS IN THE CITY'S PARKS, RECREATION AND OPEN SPACE MASTER PLAN INCLUDING RENOVATIONS AND IMPROVEMENTS TO EXISTING PARKS, DEVELOPMENT OF NEIGHBORHOOD AND COMMUNITY PARKS, DEVELOPMENT OF TRAILS AND GREENBELTS, AND THE ACQUISITION OF LAND FOR PARKS, TRAILS, GREENBELTS AND OPEN SPACE PRESERVATION.

SECTION 2. The City Clerk is hereby authorized and directed to notify the Clerk of the County Commission of Boone County, Missouri, of the adoption of this ordinance no

later than 5 o'clock p.m. on August 25, 2015, and to include in the notification all of the terms and provisions required by Chapter 115, RSMo. as amended.

SECTION 3. The form of the notice of election shall be substantially as set forth on "Exhibit A" attached hereto.

SECTION 4. The election shall be held and conducted, and the results thereof canvassed and returned, in all respects in accordance with the laws of the State of Missouri and the Charter and Ordinances of the City of Columbia, Missouri.

SECTION 5. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2015.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor

NOTICE OF SPECIAL ELECTION
City of Columbia, Missouri

Notice is hereby given to the qualified voters of the City of Columbia, Missouri, that the City Council of the City has called an election to be held in the City on Tuesday, November 3, 2015, commencing at six o'clock a.m. and closing at seven o'clock p.m., on the question contained in the following sample ballot:

OFFICIAL BALLOT
Special Election
City of Columbia, Missouri
Tuesday, November 3, 2015

PROPOSITION 1

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☐ YES

☐ NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

Dated this _____ day of _____, 2015.

[Name and Title of Election Authority to be added by Election Authority]



SUPPORTING DOCUMENTS INCLUDED WITH THIS AGENDA ITEM ARE AS FOLLOWS:

Park Sales Tax Fact Sheet-Draft



CITY OF COLUMBIA

www.GoColumbiaMo.com (Search: Park Sales Tax)

Park Sales Tax Fact Sheet - Draft

1. What is the Park Sales Tax?

The Columbia Park Sales Tax is a dedicated sales tax for local parks applied to all retail sales made within the city of Columbia that are subject to taxation under the provision of Sections 144.010 to 144.525 RSMo. All revenue received from the local Park Sales Tax is used...

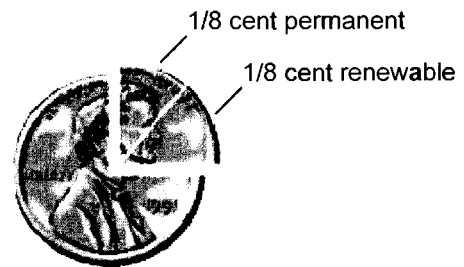
"solely for local parks for the City, in order to purchase, improve and manage parks, trails and natural lands for water quality, wildlife, tree preservation, and recreation purposes."

2. What is the Park Sales Tax rate in Columbia and how much revenue does it generate?

The current Park Sales Tax rate in Columbia is $\frac{1}{4}$ of 1%, or simply $\frac{1}{4}$ of one penny. This $\frac{1}{4}$ -cent is further divided into two separate categories.

- a. $\frac{1}{8}$ of 1 cent - Permanent.
Generates about \$3 million/year.

- b. $\frac{1}{8}$ of 1 cent - Renewable with a sunset.
This $\frac{1}{8}$ -cent sales tax is scheduled to expire March 31, 2016 unless Columbia voters approve its extension at the November 3, 2015 general election. Generates about \$3 million/year and is projected to generate about \$18.4 million over a six-year period.



3. What is the Park Sales Tax used for?

Permanent $\frac{1}{8}$ cent Park Sales Tax - Primarily used to support the Parks and Recreation Department's operations budget and to pay off long-term debt from park land purchases.

Renewable $\frac{1}{8}$ cent Park Sales Tax - Main funding source for Parks and Recreation capital improvement projects. Capital projects are maintenance, renovation, improvement, development, and acquisition projects that cost \$5,000 and greater. The Park Sales Tax is also used as matching funds for federal and state grants, which supplement Parks and Recreation development projects.

The renewable $\frac{1}{8}$ cent Park Sales Tax is used to fund:

- a. Green Space Preservation - The Park Sales Tax is the only dedicated source of funding the City of Columbia has for preserving green space. It is used to purchase land for parks, greenbelts, stream buffers, and natural areas.
- b. Maintaining Existing Parks - The Park Sales Tax funds the major repairs, renovations, and replacements to Columbia's existing parks, trails, and recreation facilities.
- c. Improving Existing Parks - The Park Sales Tax is used to add amenities in existing parks, trails, and recreation facilities. Past examples include replacing port-a-pots with restrooms at Cosmo Park and at the trailheads at Grindstone and Garth Nature Areas, lighting four tennis courts at Cosmo-Bethel Park, and installing a playground near the reservable shelter at Fairview Park.
- d. New Development - The Park Sales Tax funds the development of new parks, trails, and recreation facilities.

4. What is the proposed extension time frame? Six years.

5. If the Park Sales Tax is renewed, will this change Columbia's current sales tax rate?

No. If renewed, Columbia's sales tax rate will remain the same, it will NOT increase.

6. Can the Park Sales Tax be used to fund street improvements, Fire, or Police?

No, by law the Park Sales Tax can only be used for local parks. Whenever the $\frac{1}{8}$ -cent Park Sales Tax comes up for renewal, voters can opt to extend the Park Sales Tax or not, but the funds cannot be diverted for non-park use. However, having a dedicated funding source for parks frees up more funding for street improvements, Fire, and Police from the General Fund and $\frac{1}{4}$ -cent Capital Improvement Tax.



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www.GoColumbiaMo.com (Search: Park Sales Tax)

7. What projects will be funded by the 2015 Park Sales Tax, if its extension is approved by voters?

The following is a proposed list of projects pending City Council approval:

PROJECT DESCRIPTION	PROJECT AMOUNT	CATEGORY AMOUNT
Acquisition/Land Preservation		\$2,375,000
Annual Land Acquisition: Parks, Greenways, and Natural Areas	\$1,775,000	
Annual Trails: Acquisition, Improvements, and Grant Match Funding	\$600,000	
Maintenance/Improvements to Existing Parks and Facilities		\$8,525,000
Annual Roads and Parking Improvements	\$900,000	
Annual City/School Playground Improvements	\$195,000	
Annual Park Improvements - Major Maintenance	\$1,100,000	
ADA Compliance Phase II	\$150,000	
Again St. Park Improvements	\$100,000	
Albert-Oakland Park Improvements	\$300,000	
American Legion Park Improvements	\$100,000	
Antimi Sports Complex Improvements	\$450,000	
Atkins Baseball Complex: Phase III Improvements	\$650,000	
Clary-Shy Park Improvements	\$400,000	
Clyde Wilson Park Improvements	\$50,000	
Cosmo Rec Area: Football and Soccer Improvements	\$200,000	
Cosmo Rec Area: Parks Management Center Improvements	\$200,000	
Cosmo-Bethel Park Improvements	\$125,000	
Douglass Park: Phase II Improvements	\$225,000	
Fairview Park/Bonnie View Improvements	\$125,000	
Gans Creek Recreation Area Improvement	\$600,000	
Indian Hills Park Improvements	\$100,000	
Kiwanis Park Improvements	\$125,000	
Lions-Stephens Park Improvements	\$100,000	
McKee St. Park Improvements	\$75,000	
MKT Wetlands/Forum Nature Area Restoration	\$80,000	
Nifong Park Improvements	\$250,000	
Norma Sutherland Smith Park: Phase II Improvements	\$225,000	
Oakwood Hills Park Improvements	\$125,000	
Philips Park Improvements	\$800,000	
Rock Bridge Park Improvements	\$125,000	
SE Regional Park Tennis Complex	\$250,000	
Strawn Park: Phase II Improvements	\$200,000	
Waters-Moss Phase II Improvements	\$125,000	
Worley St. Park Improvements	\$75,000	
Annual Funding		\$900,000
Annual Maintenance Equipment Replacement	\$500,000	
Annual Scholarship Program	\$400,000	
New Facility/Park Development		\$3,220,000
Battle Park Phase I Development	\$320,000	
Sports Field House	\$2,700,000	
Magnolia Falls Park Development	\$125,000	
The Vineyards/El Chaparral Lake/Park Development	\$75,000	
Trails and Greenbelts		\$2,880,000
Perche Creek Trail Phase I	\$1,200,000	
Chapel Hill Connector - Perche Creek Trail	\$500,000	
Hinkson Creek Trail - Stephens to Clark Lane	\$950,000	
MKT Bridge Replacements	\$230,000	
Contingency		\$500,000
TOTAL 6 YEAR PARK SALES TAX FUNDING		\$18,400,000