City of Columbia, Missouri

Meeting Minutes

City Council

Monday, August 3, 2020 6:00 PM	Pre-Council	Council Chamber Columbia City Hall 701 E. Broadway

I. CALL TO ORDER

The meeting was called to order at approximately 6:01 pm.

Mr. Trapp arrived at approximately 6:06 pm.

Present: 7 - Trapp, Thomas, Peters, Treece, Skala, PItzer, and Fowler

FY 2020 and 2021 Ballot Issues

Attachments: 2021 Park Sales Tax Ballot

City Manager John Glascock stated that the discussion will cover foreseen potential ballot issues. He introduced Parks and Recreation Director Mike Griggs to present the 2021 Park Sales Tax.

Mr. Griggs introduced Parks and Recreation staff present, Parks and Recreation Managers Gabe Huffington and Erika Coffman. Mr. Griggs explained that the Parks Sales Tax will expire on March 31, 2022, and the department would like it to be on the November ballot. He reviewed the history of the Park Sales Tax. He explained in the 2015 ballot a ⅛ cent renewable for a 6 year ballot issue passed, which is set to expire in March 2022. Mr. Griggs reviewed how the Parks and Recreation Department was funded prior to the Park Sales Tax. He explained that the department's current main funding sources are General Fund, Park Sales Tax, and Fees & Charges. He stated that usually the Fees & Charges are a little higher, but the department is predicting a lower revenue due to COVID-19. He stated that the department collects user fees to set aside for development projects. Mr. Griggs stated that the Park Sales Tax Revenue has been about $37 million since it passed in 2000. He explained that the Parks and Recreation department estimated FY21 would have a slightly lower revenue than FY20 due to COVID-19. He discussed different options for the Park Sales Tax. He explained that the Missouri State Statute allows us to increase a ½-cent for local parks or stormwater. Mr. Griggs indicated the City could double our current ¼ cent Park Sales Tax based on this statute. He stated that the Parks and Recreation department could be fully funded if the Park Sales Tax was doubled, and it would allow for approximately $4.8 million of the General Fund to go to other General Fund Departments.

Ms. Peters asked if the Ballot language in 2000 will prevent the City from decreasing the funding of Parks and Recreation lower than the funding level in 2000. Mr. Griggs replied that he was not sure if that was a legal matter and that he would check with the Law Department for review.

Mr. Griggs stated that the Park Sales Tax rate increase would put us close to 8.25%, and normally the City of Columbia tries to stay below 8%. He stated that Parks and Recreation hires ETC to conduct a Citizen Survey the year prior to the ballot issue. He recounted the Citizen Survey Results from 2015. Mr. Griggs explained the 2021 Parks

and Rec Citizen Survey planned questions. He mentioned that ETC does very well with predicting our ballot issues. He asked for direction to help decide what questions to ask in the survey. He reviewed reports from the National Recreation and Park Associations, which stated that parks and trails were used the most during COVID-19. He mentioned that in Columbia, trail usage increased by 85%. He believed that there would be support for the Park Sales Tax even during COVID-19. Mike Griggs presented an overview of the timeline of the 2021 Park Sales Tax Ballot. He overviewed the breakdown of 5 large categories that were funded from the 2015 Park Sales Tax. He stated that over 50% of the revenue funded maintenance projects. He stated that these categories' funding level could be changed. Mr. Griggs asked for tentative thoughts from the Council to provide direction with the 2021 Parks Sales Tax Ballot. He would need to know before sending out the Citizen Survey.

Ms. Peters asked the status of the projects that were funded for the last 6 years. Mr. Griggs responded that Parks and Recreation is finalizing the last round of projects. He said they plan to be completed or substantially completed by the November ballot. He explained that he wanted to make sure that the citizens felt like the department worked on the projects they voted to fund. Mr. Griggs explained the phases of Battle High School and how the next Park Sales Tax ballot would bridge the phases.

Ms. Fowler asked if Mr. Griggs had any anticipation of other ballot issues that will be on the November Ballot. Mr. Griggs responded that he did not know of any for November 2021. Mr. Glascock agreed that he had not heard of any other ballot issues as of Monday night. Ms. Fowler asked if the City should consider having the ballot in the April 2021 election. Mr. Griggs mentioned that in 2015 the Parks Sales Tax was a single issue, and the cost was approximately $120,000 which was funded from the department’s contingency fund. He mentioned that there had been concern from previous Council Members that the Park Sales Tax could become a candidate issue. Ms. Fowler explained that due to the impacts of COVID-19, she wanted to look at ways to lessen the impact on the budget. Mr. Griggs stated that they could put the Park Sales Tax on the April 2021 ballot, but it would not allow for all of the planned engagement efforts in the proposed timeline.

Mr. Thomas asked for the current level of Sales Tax. Mr. Griggs responded that the current Sales Tax for the City of Columbia was 7.975%. The Mayor asked if the Park Sales Tax currently had a 5 year sunset. Mr. Griggs responded that the current sunset was 6 years. The Mayor asked if the intent was for a renewal and ¼-cent increase as well. Mr. Griggs responded that it is for discussion tonight. He mentioned doubling the Park Sales Tax that would fully fund the Parks and Recreation department, and free up $4.8 million for other GF departments. The Mayor asked if there was currently a rolling 6 year average, and if it was 2 ballot issues every 3 years. Mr. Griggs replied that he thought one of the ballot issues would remain temporary for the Capital Improvement and renovations. The Mayor responded that the key is that Parks and Recreation completes the projects before they ask for more funding. He asked if there were plans for a fairground phase as part of 2021 projects. Mr. Griggs replied that the department is looking for large ticket items, and provided examples of possible projects to be considered. He mentioned that the fairgrounds could be a private public partnership.

Mr. Skala said that the Parks and Recreation department is one of the examples of this community. He was inclined to support a lot of the plans. He would be fine implementing a 10 year sunset so there would still be a review process. He stated it felt premature to make these decisions since there is a proposed 10% budget cut. He advised the department to take a modest approach to some of these ballot issues in the context of the budget discussions this fall.

Mr. Trapp agreed with Mr. Skala that Parks and Recreation has done a good job and has support from the community. He suggested the Council consider the 6 year cycle since it runs with the CIP ballot. He said that he would not be opposed to setting a permanent sales tax, since it would not have regular elections costs and the tax has been supported in the past. He said if the tax would be increased that it would be hard to pay more for the same services. Mr. Trapp mentioned that in the Park Master Plan, Creasy Springs Quarry is coming into City Ownership in 2024 which could be a big ticket item. He explained it should be a public amenity that people have access to, and could be funded by user fees. He thought the approach was smart to start with the citizen survey data. He supported the approach and does not think the timeline should be moved up before the November 2021 ballot.

Mr. Pitzer asked if the Park Sales Tax had been on an August ballot before. Mr. Griggs responded that generally Public Works or Utilities are on the August ballot. Mr. Pitzer mentioned that there may be other tax issues, so that uncertainty makes him unable to make a decision at this point. He said he would like to see an estimation for what projects the Parks and Recreation department could complete in 6 and 10 years. He mentioned that Parks and Recreation should consider putting more funding towards maintenance.

Mr. Thomas said that he has been excited to see increased usage of the trails and parks. He stated that the City's trail system is Incredible asset for our community and we've benefited from it. He said that he would be open to the 10 year sunset instead of the 6 year sunset, and would be willing for ⅛-cent permanent Park Sales Tax. He did not support an increase in the Park Sales Tax, he recommended looking into property tax.

Mr. Skala asked if someone could explain the scheduling of elections with the timing of the ballot issue strategies. Mr. Griggs explained that in 2010, the issues passed around 51-53% when the City had multiple ballot issues. He mentioned that it is normally easier to educate citizens on ballot issues when there is only one topic since the citizens would be able to have a clear understanding of what they are voting on.

The Mayor said he was fine with a longer sunset. He stated that he would not want the potential extension of the sunset to jeopardize the accountability to the citizens.

The Mayor asked if Mr. Pitzer was inquiring about the Wayfair Tax. He stated the current status of the Wayfair Tax and that he did not believe this tax would be happening in the near future. Mr. Skala asked if there was any advantage to making people aware of the language before the state makes a decision. Mayor Treece said that he has been working with a group of about 85 mayors to show support of a special session on Wayfair. He mentioned that the Council could join in those efforts if they wish, but to be cautious about taking a position on behalf of the City. He stated that this tax would capture revenue for a shift in retail habits.

Mr. Glascock stated that he would not recommend putting a new tax and a renewal on the same ballot. He said the general fund presents the biggest problem for the City. He suggested that a ese tax or a park sales tax are ways to free the general fund for other departments. Mr. Glascock stated that if there are no changes to the general fund, there will have to be further budget cuts. He asked the Council if there were any other revenue sources for consideration in 2021. Mr. Skala said that he would be ready to discuss this at the Budget Work Session on August 13th. Mr. Trapp stated that the City should look into a gas tax to fund the streets. Mr. Slaka stated that the Council needs to look at this in a holistic manner, since some of the reserves may be used in the future.

II. ALL OTHER ITEMS THE COUNCIL MAY WISH TO DISCUSS

No other items were discussed.

III. ADJOURNMENT

The meeting adjourned at approximately 6:49 pm.